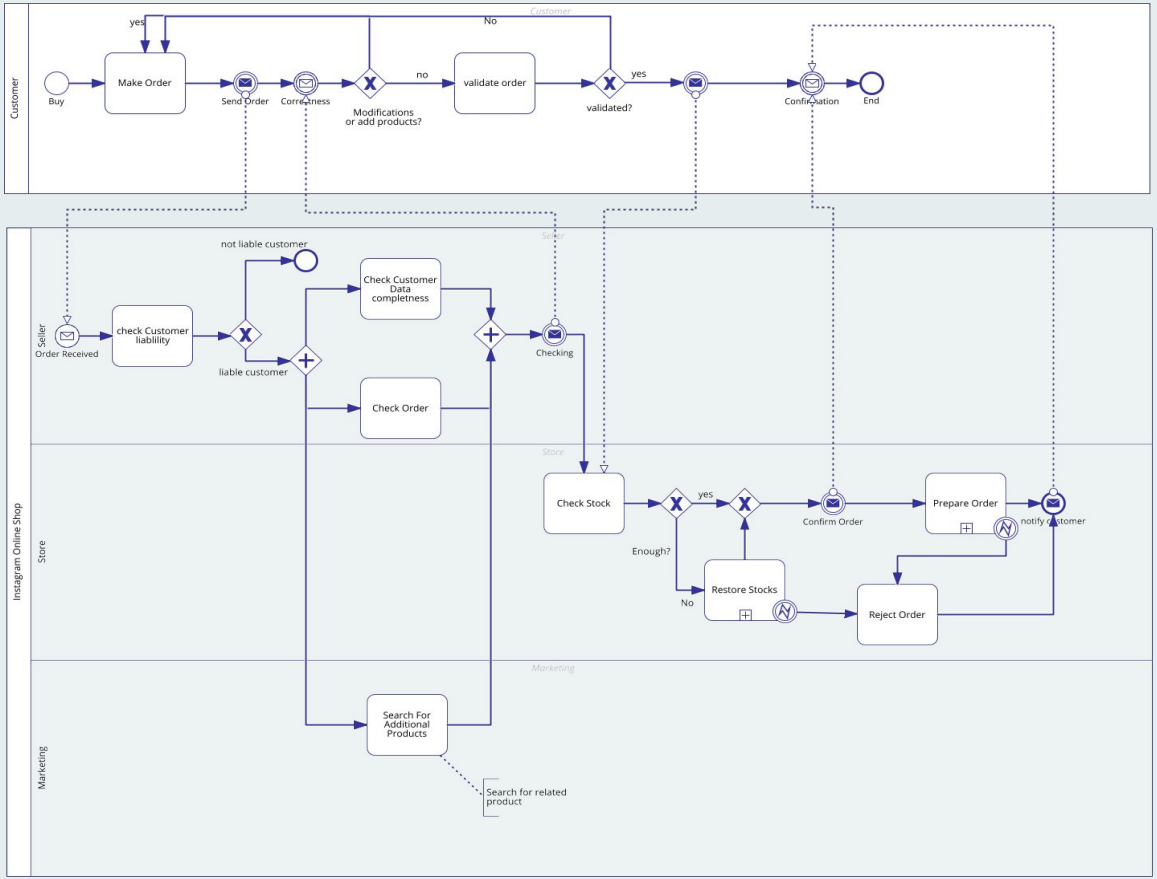
Khraim Fashion

Order-To-Cash

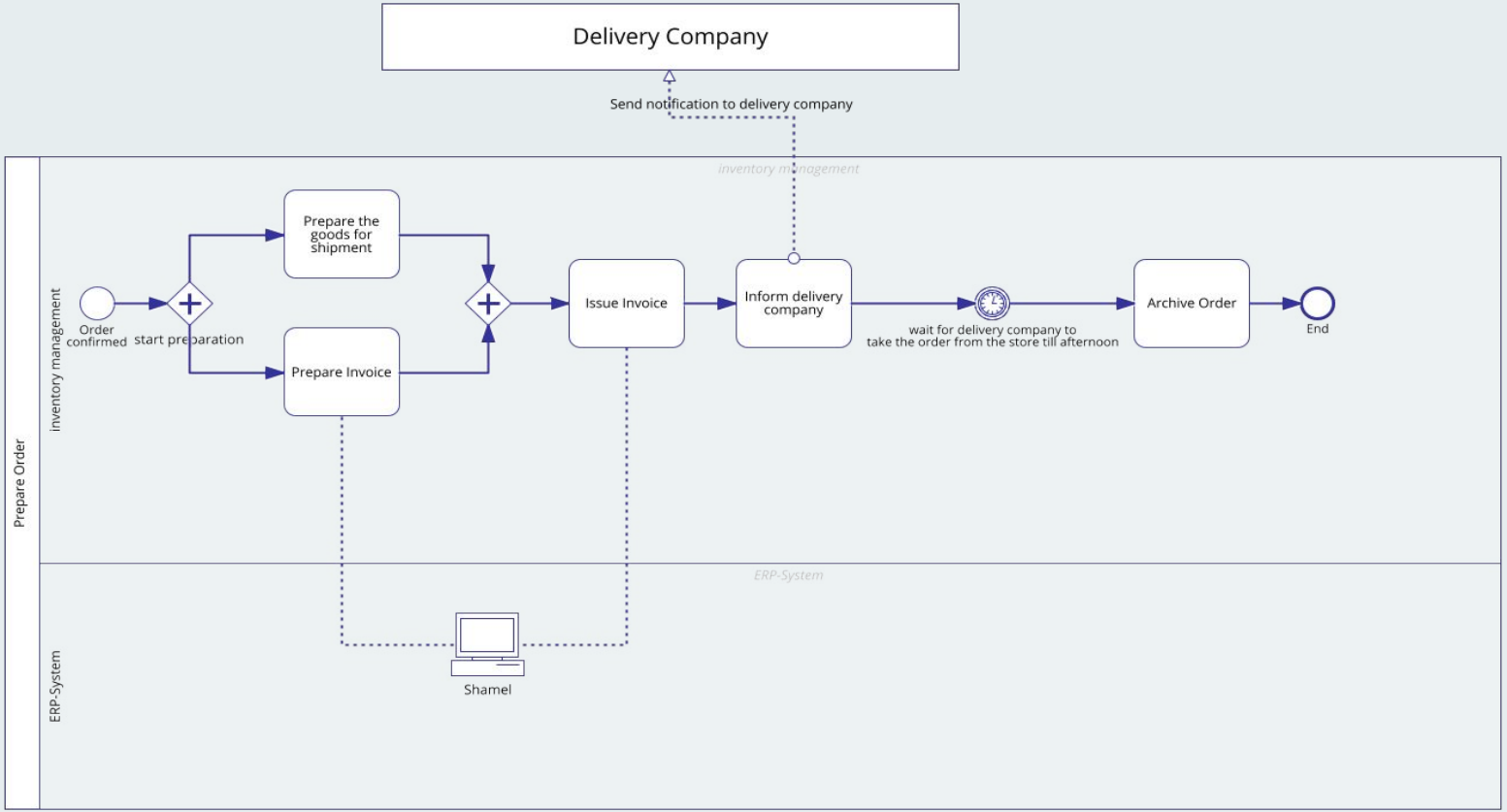
Introduction:

Khraim Fashion specializes in modern clothing and seeks to improve its order-to-cash processes through comprehensive analysis using BPMN.

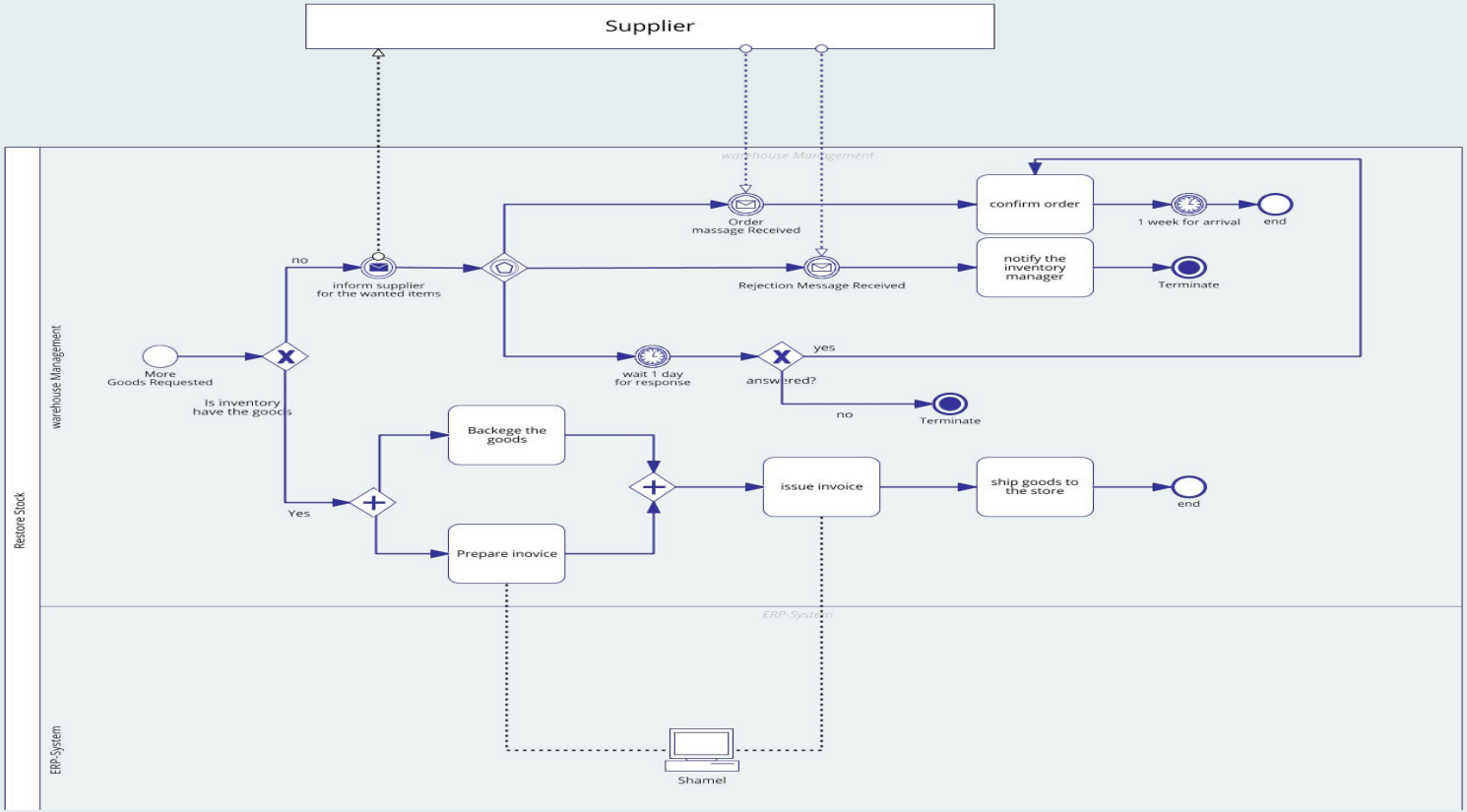
Discovery Process-Khraim Fashion Order To Cash As-Is:



Discovery Process-Prepare Order Subprocess As-Is:



Discovery Process-Restore stock Subprocess As-Is (Purchase To Order):



Qualitative Analysis -Value Added

Value Added

Customer Choose Product From The Instagram

Customer send order to the seller throw instagram message

Allow user to be informed and alternative to be suggested

Verify product availability

Send order confirmation to the customer

Business Value-Added

Send order details to seller team

Retrieve customer history from the archive

Review order for accuracy

Verify completeness of customer data

Verify Order Details

Non-Value Added

Waiting much time for preparing order

Check customer data and the result of the checking is incorrect

Waiting for the product to arrive from supplier if not enough in the stock

Receive rejected order

Qualitative Analysis - Waste Analysis

Move-Transportation

Sending order details from the customer to the seller.

Transferring order details between different departments.

Forwarding order confirmations back to the customer.

Sending stock request details from the store to the supplier.

Move-Motion

Employees move between departments

Physical movement is required to check stock levels manually.

Hold-Waiting

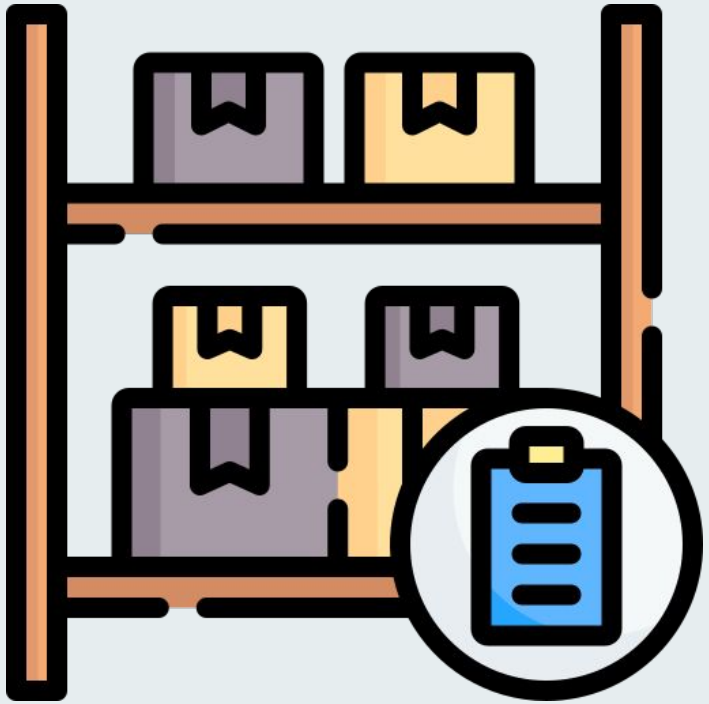
Waiting for goods to arrive from the supplier to restock inventory.

Customer waiting for order validation and confirmation.

Waiting for stock availability before confirming the order.

Hold-Inventory

Insufficient stock leads to delays and an inability to fulfill orders promptly.



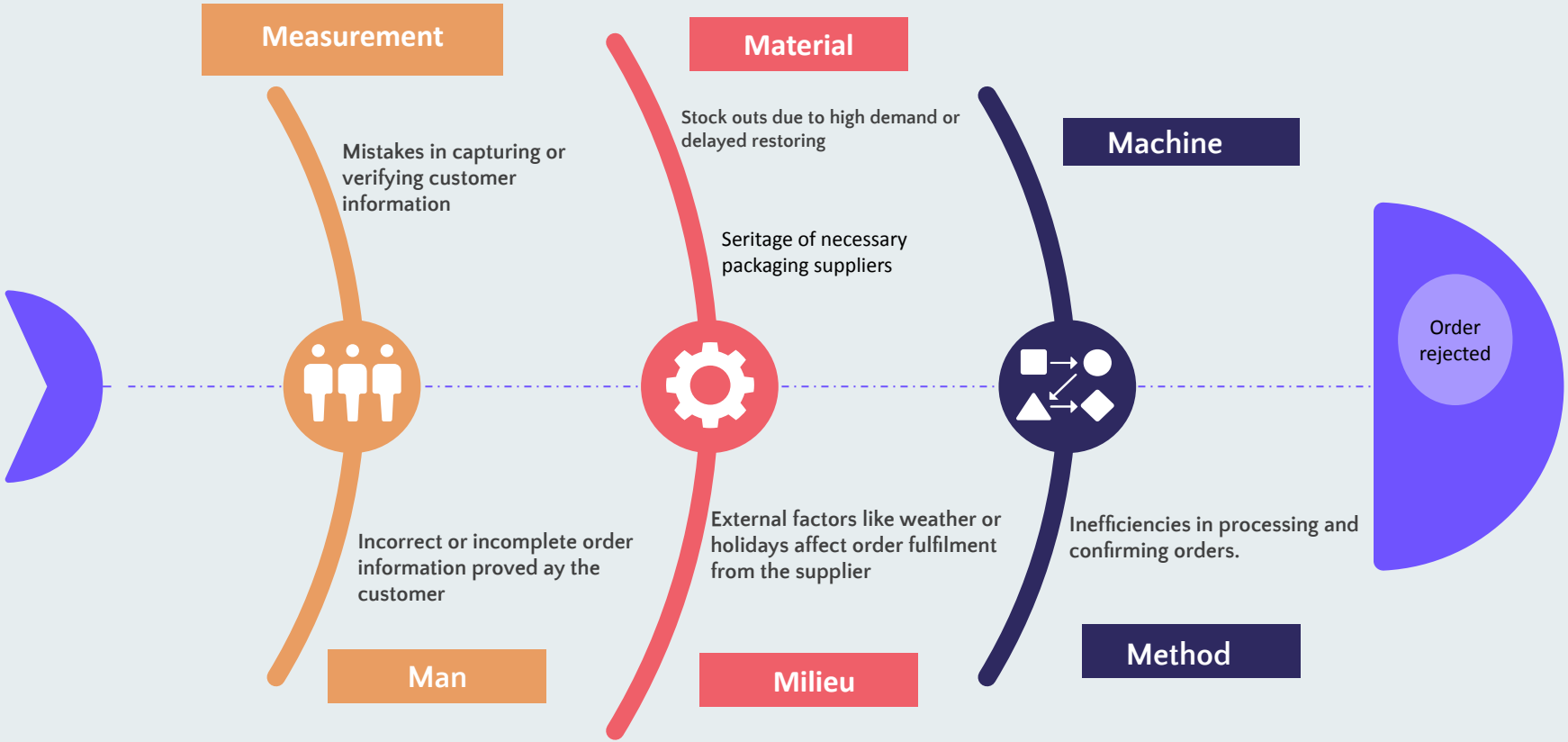
Over-Do: Over-Processing

Double-checking customer data when initial checks were sufficient.

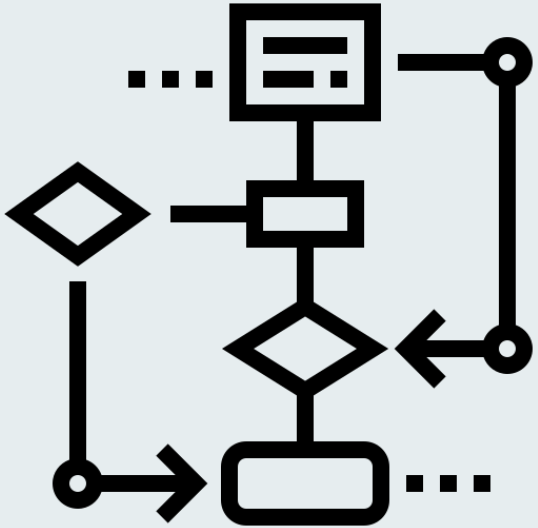
Over-Do: Defect

An error may occur when we prepare an order and in the restore stock .

Cause-effect (Fishbone) diagram:

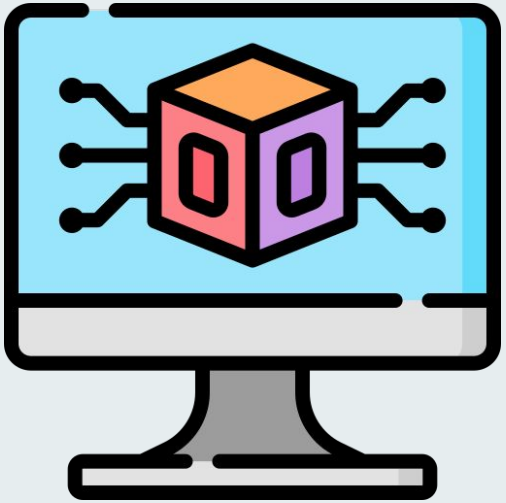


Quantitative Analysis



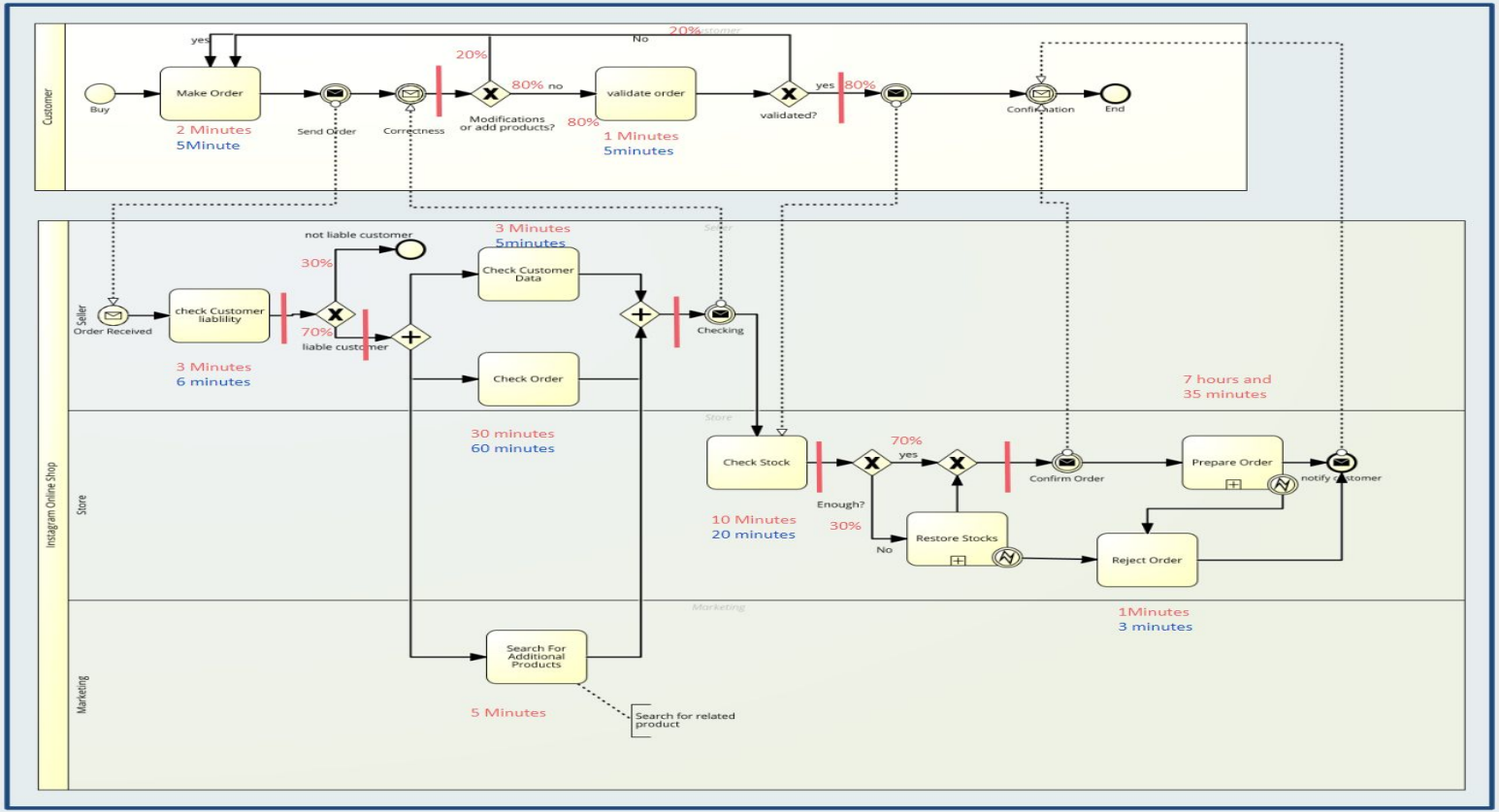
Flow Analysis

Queueing Analysis



Simulation

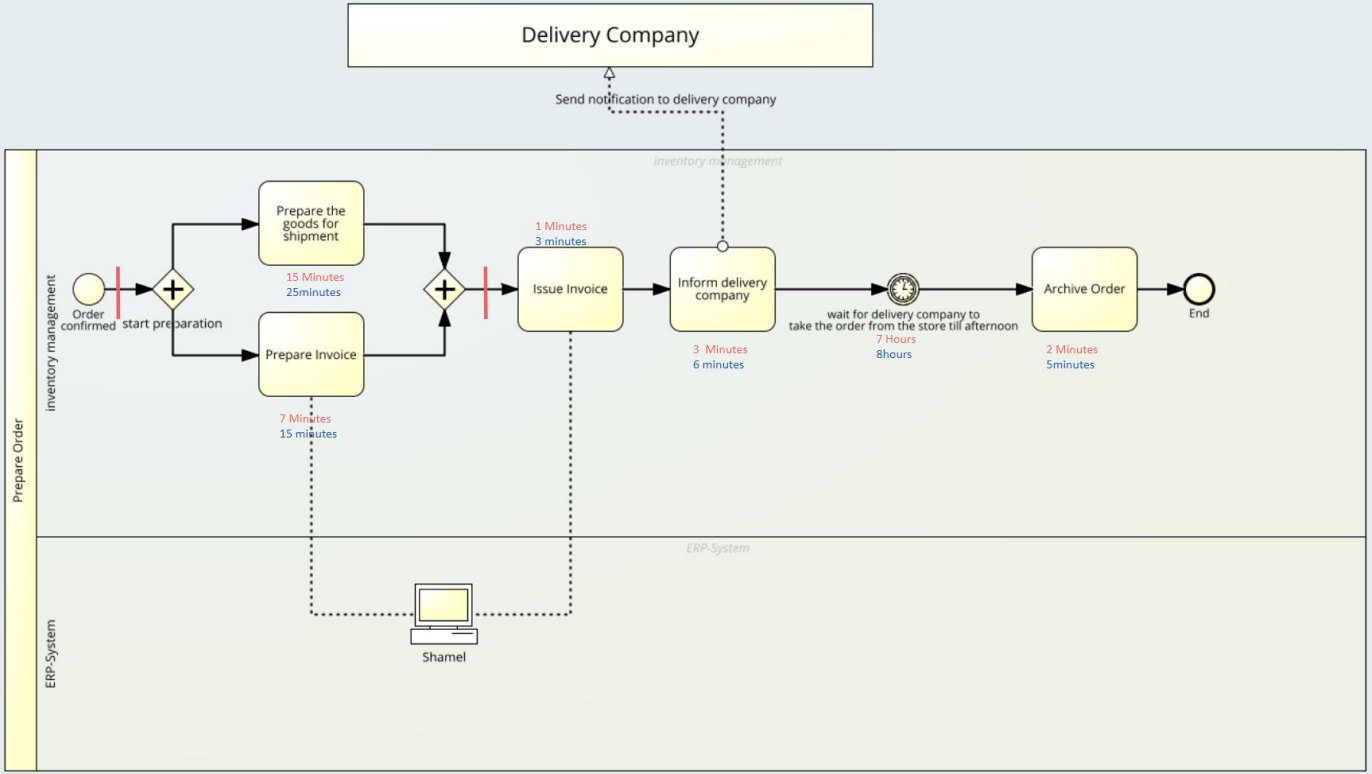
Flow Analysis As-Is modeling



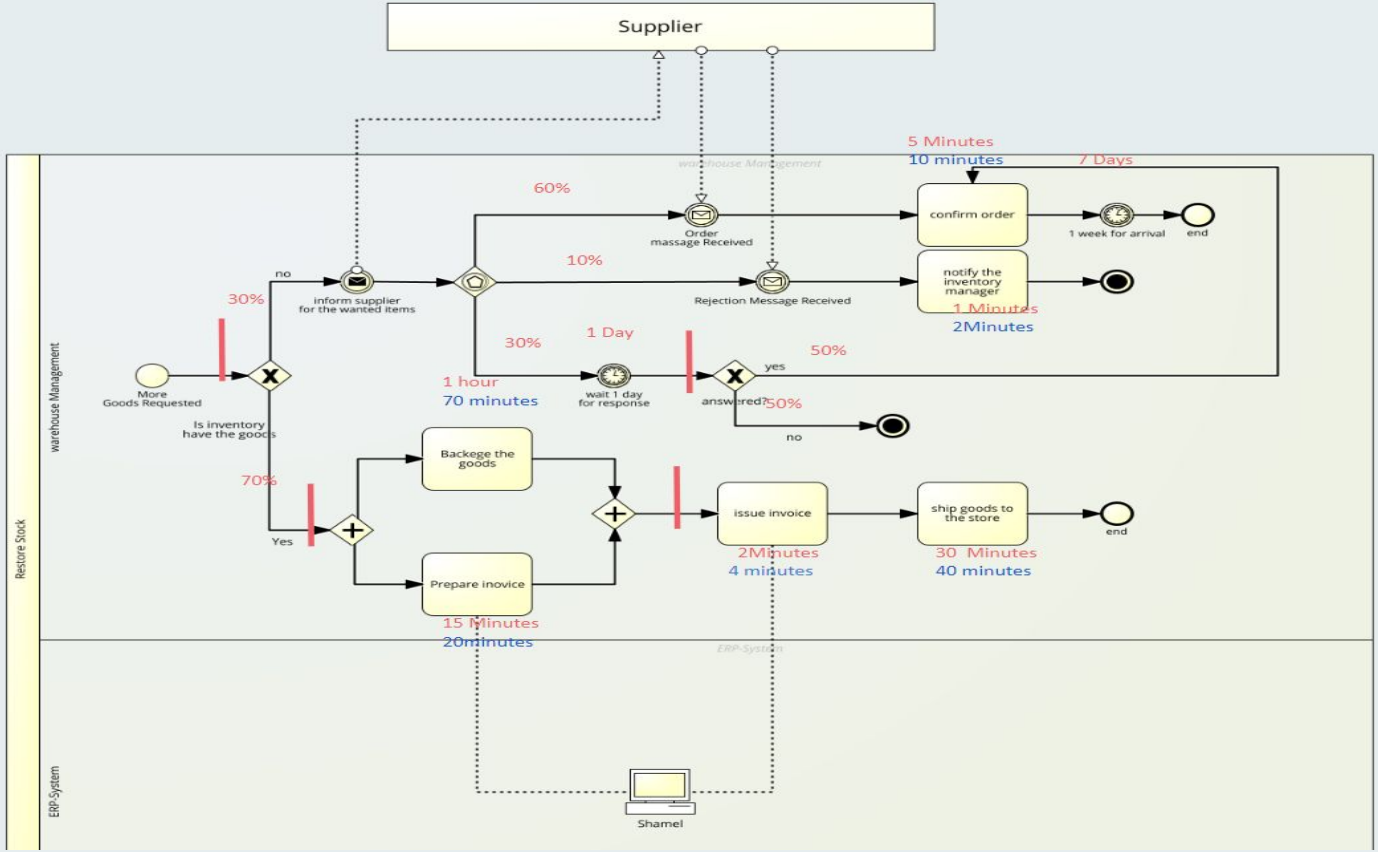
Cycle Time

Process Time

Flow Analysis contd. Prepare Order



Flow Analysis contd. Restore Stock



Flow Analysis Findings

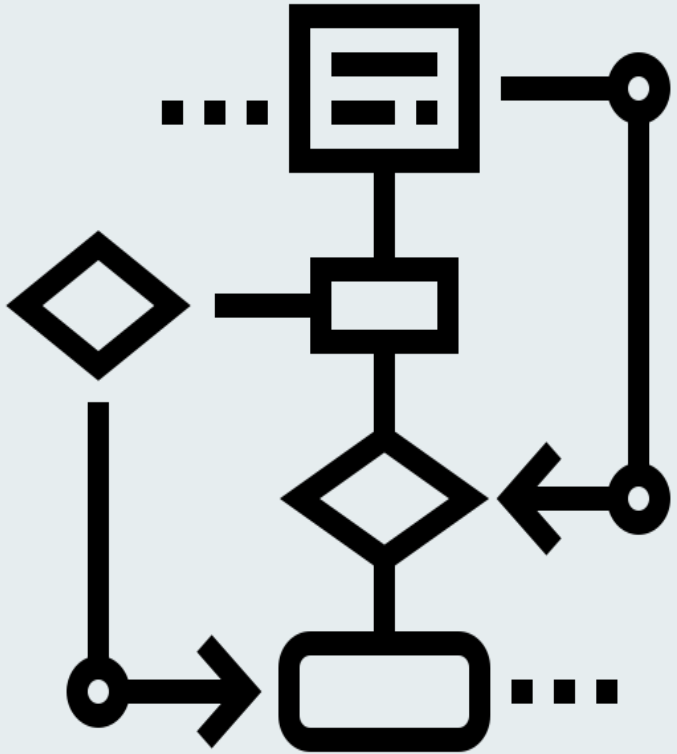
Process Time PT = 6H

Cycle Time CT = ⅓ DAY (8H)

Cycle Time Efficiency Percentage CTE = 77.66%

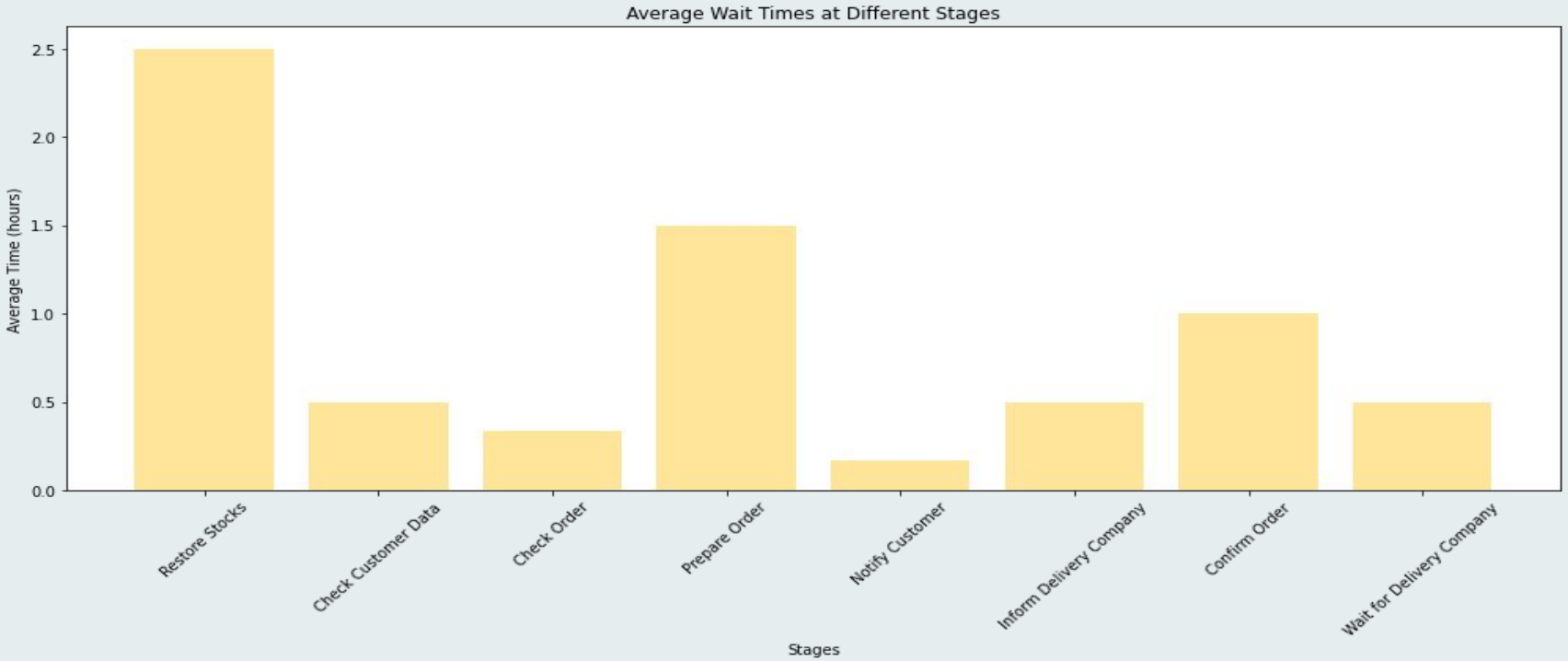
Arrival Rate λ = 2.18

Work In Progress WIP = 18 Order



Queuing Analysis

Visual Analyzation one

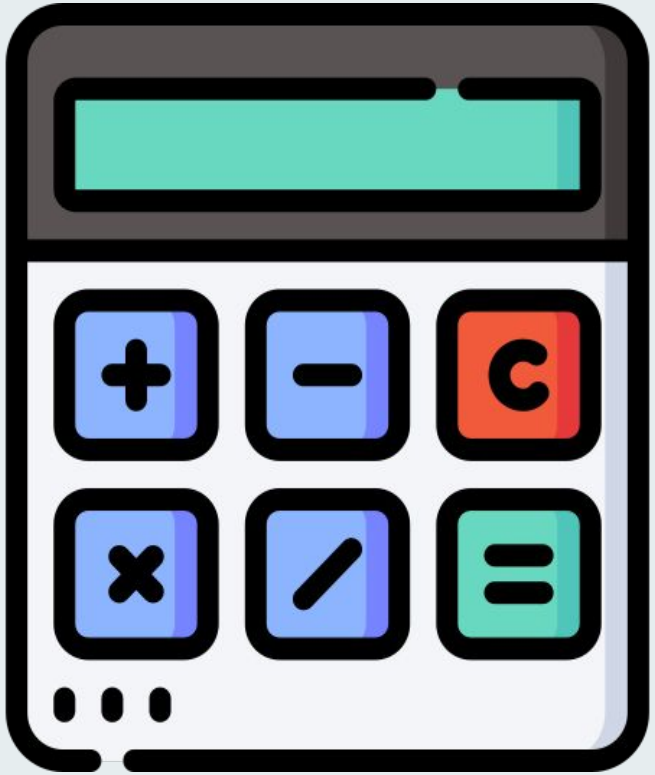


Queueing System Analysis- Using Omni Calculator

Calculating the Arrival Rate (λ) for the Company "Daily Order Arrival Rate": **λ = 2.18**

Calculating the Service Rate (μ) mu for the Company: **μ=3**

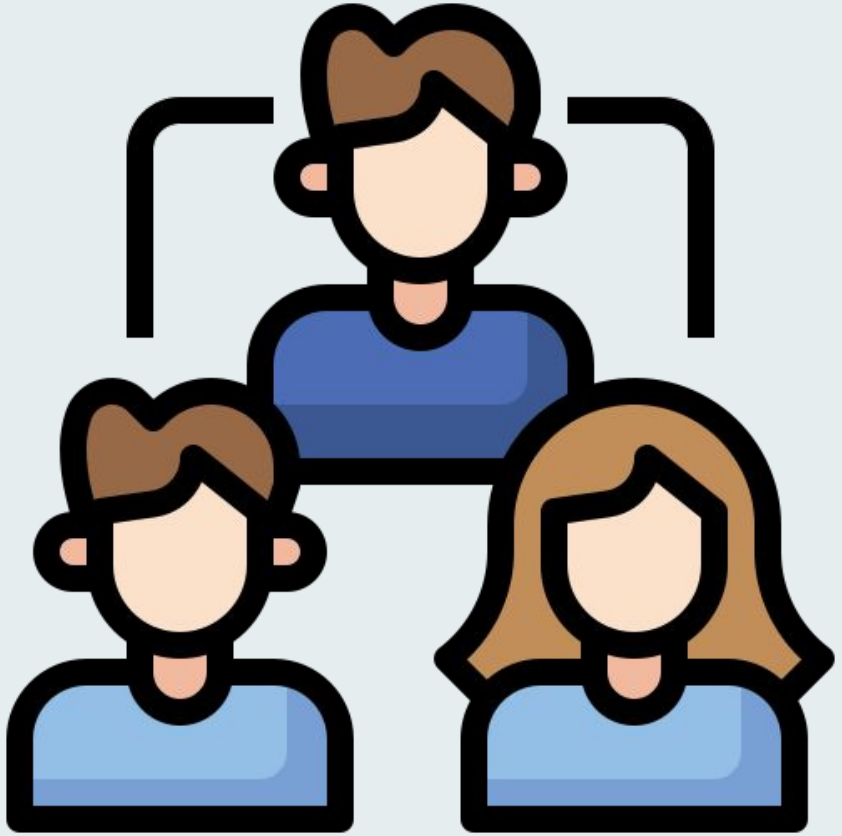
Calculating the Number of Servers (S) in the Company: **S=1 or S=2**



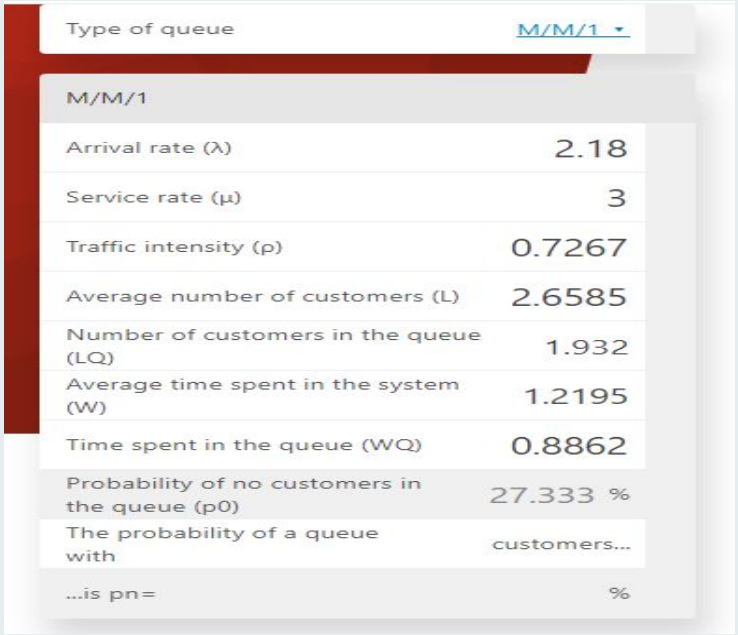
Numerical Analysis and Results

We have two scenarios for analysis:

- Scenario with one employee
- Scenario with two employees

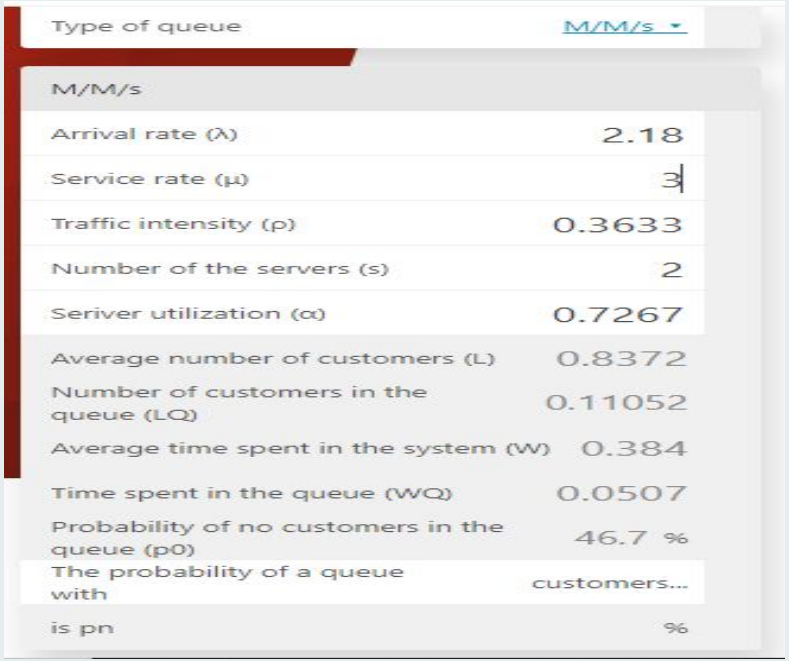


Scenario 1: With 1 employee (S=1)



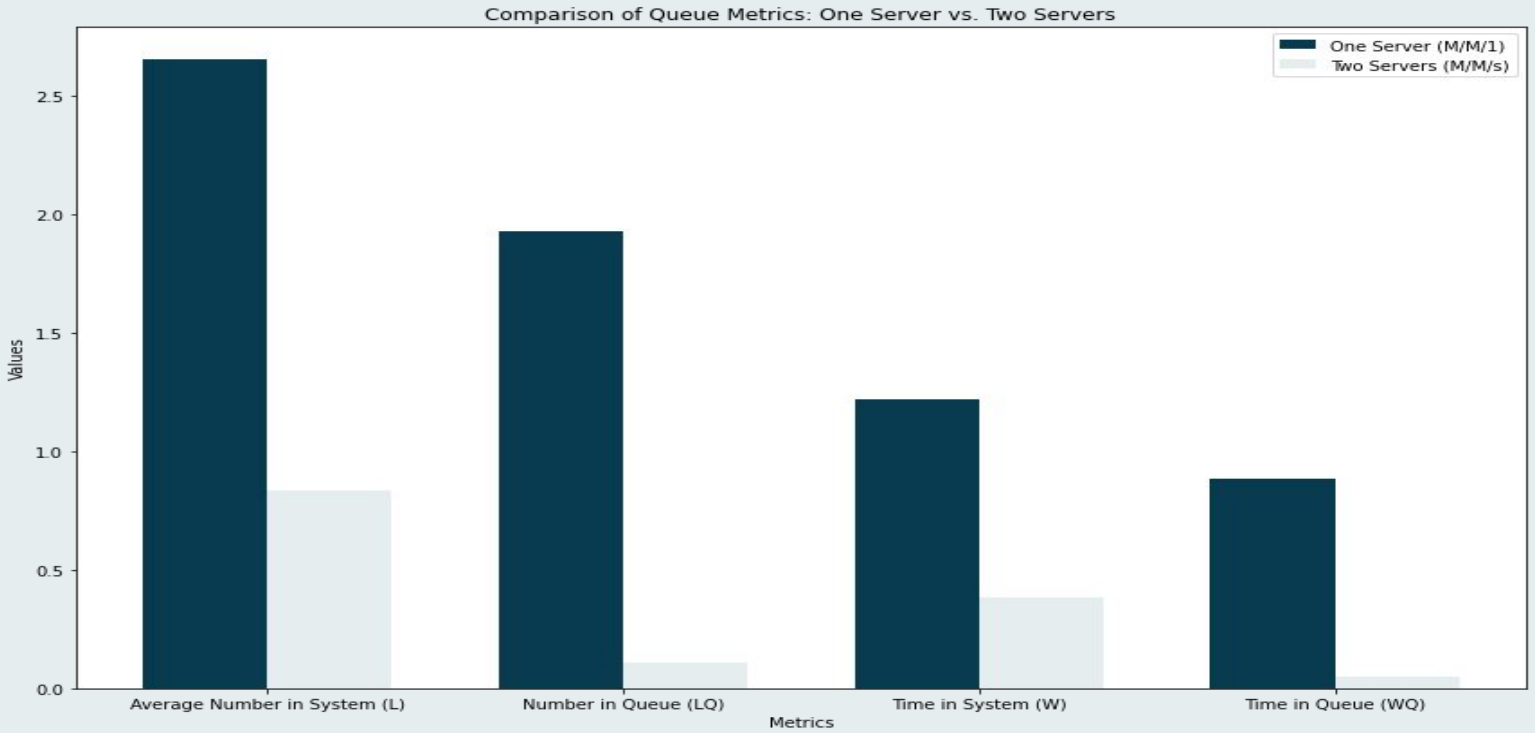
Type of queue	M/M/1
M/M/1	
Arrival rate (λ)	2.18
Service rate (μ)	3
Traffic intensity (ρ)	0.7267
Average number of customers (L)	2.6585
Number of customers in the queue (LQ)	1.932
Average time spent in the system (W)	1.2195
Time spent in the queue (WQ)	0.8862
Probability of no customers in the queue (p0)	27.333 %
The probability of a queue with	customers...
...is pn=	%

Scenario 2: With 2 employees (S=2)

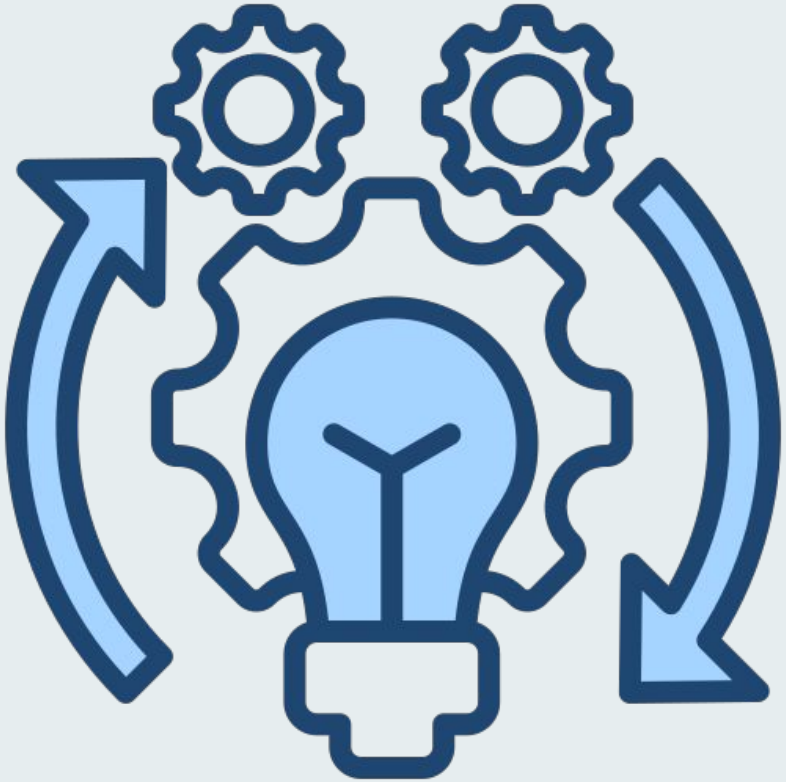


Type of queue	M/M/s
M/M/s	
Arrival rate (λ)	2.18
Service rate (μ)	3
Traffic intensity (ρ)	0.3633
Number of the servers (s)	2
Seriver utilization (α)	0.7267
Average number of customers (L)	0.8372
Number of customers in the queue (LQ)	0.11052
Average time spent in the system (W)	0.384
Time spent in the queue (WQ)	0.0507
Probability of no customers in the queue (p0)	46.7 %
The probability of a queue with	customers...
is pn	%

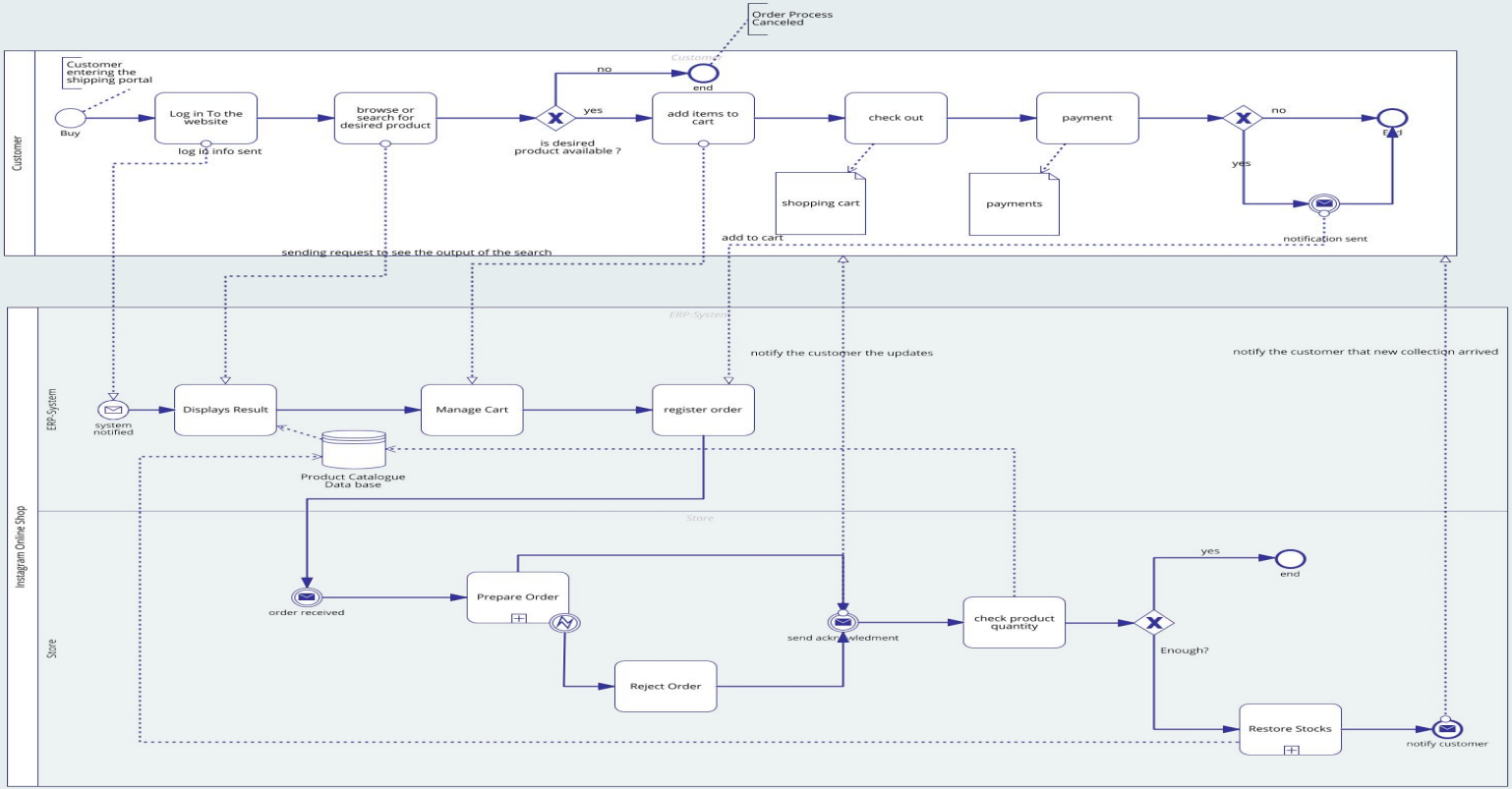
Visual Analyzation Two



Transformational Redesign Process To-Be

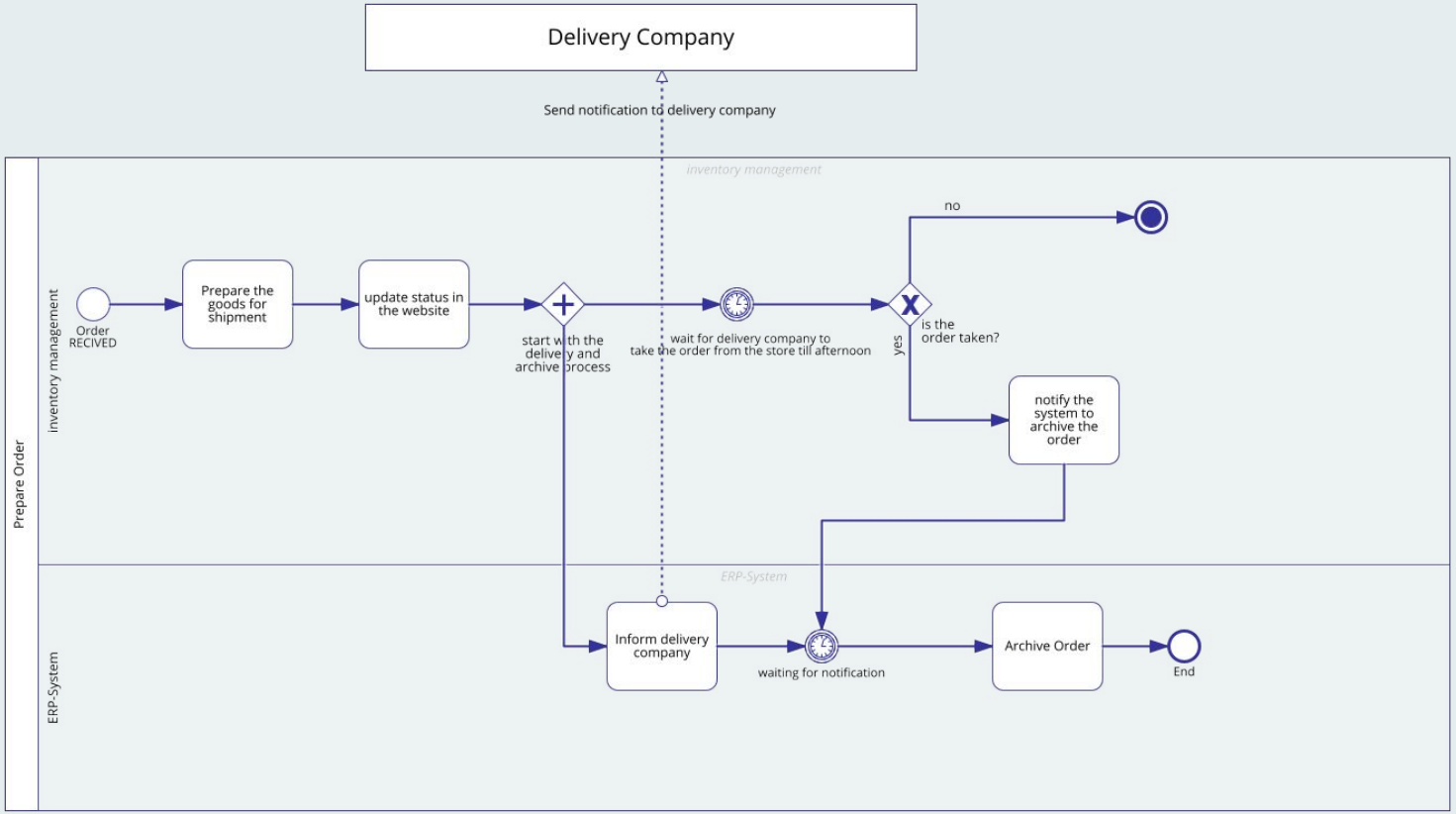


Redesign Process-Khraim Fashion Order To Cash To-be:

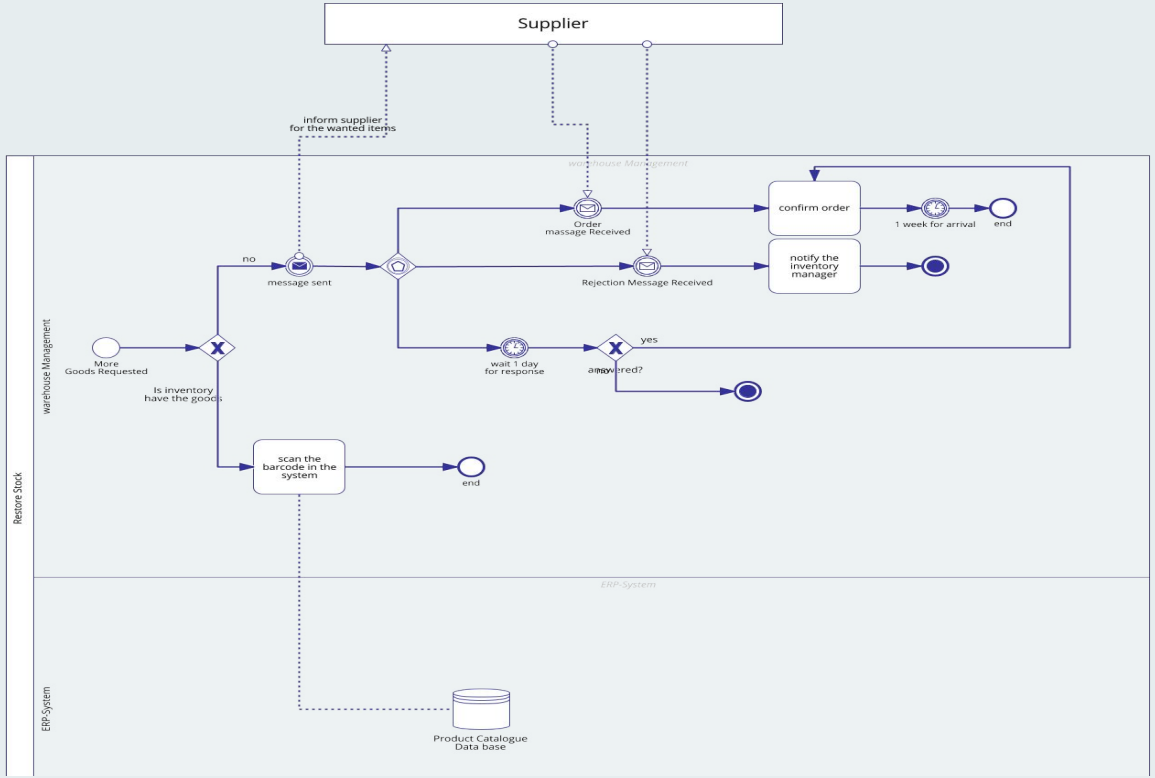


No

Redesign Process-Prepare Order Subprocess To-Be:



Redesign Process-Restore stock Subprocess To-be (Purchase To Order):



Process Measures : Reduced Cost

Task Elimination

Task Composition

IT Investment

Process Measures : Improved Quality

Consistent Processes

Customer Satisfaction

Automated Validation

Process Measures : Reduced Cycle Time

Task Elimination

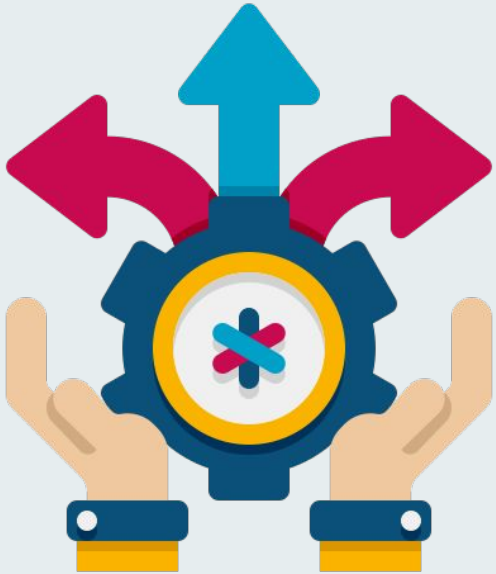
Parallel Processing

Task Composition

Process Measures : Increased Flexibility

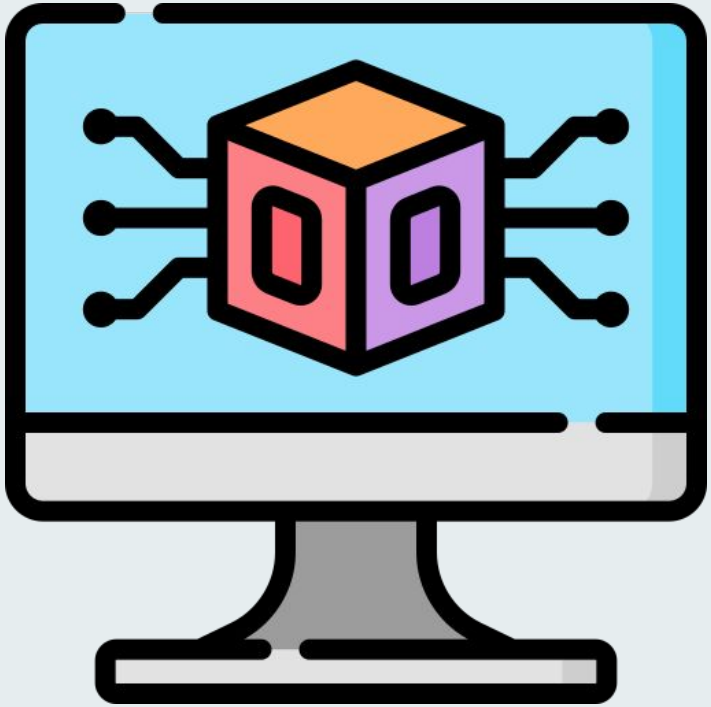
Automated Systems

Reduced Human Dependency



Integrated Systems

Simulation



Any further Information Needed?

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Tama Awaisa

For More Information About the Company