



Processes & functions

Processes = Connected sequence of activities that transforms inputs into outputs that meet customer needs

Input - Transformation - Output (ITO model)

- front & back office --> visibility
- bullwhip effect = unexpected behaviour within supply chains

Levels of processes

- 1 Process (lowest level, operational)
- 2 Operations (middle level)
- 3 Supply network (highest level, strategic)



SIPOC = Supplier, Input (transforming, transformed), Process, Output, Customer

Suppliers	Inputs	Process	Outputs	Customers
List the suppliers (internal or external) of any inputs to the process	List the inputs to the process (materials, resources, information, etc)	Describe the process and/or list the key process steps	List the outputs of this process (goods and/or services)	Identify the customers (internal or external) of these process outputs
	Transformed resources	<div><div></div><div></div><div></div><div></div></div>		
	Transforming resources			

Primary processes --> delivery of good or service to external customer

Support processes --> enable primary processes to function, e.g. Recruitment, Payroll etc.)

Managerial processes --> strategic direction, decision making etc. , no formal requirement

3 kind of basic processes