

Newsflash

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October 25, 2001 - This News Flash outlines how to define and develop the processes we discussed in the last issue on standardization.

IMPROVING PROCESSES FOR BETTER WORKFLOW

PROBLEM:

A transportation company faced many problems in accurately tracking and properly billing for delivery services. Customers were not being billed for all services provided and drivers complained of not receiving correct commission dollars.

- ◆ Each function was supposed to enter its own data, but much of the information was added after the fact during the review phase and therefore key pieces never made it into the system.
- ◆ The billing department was not invoicing all services so profits were down.
- ◆ Driver turnover increased because they received incorrect commissions.
- ◆ Although the company used a software system designed specifically for their industry, the staff used it inconsistently due to lack of training.
- ◆ Collections was a nightmare because so many invoices had errors.

SOLUTION:

The goal was to determine the most efficient, easiest workflow for each functional area and then document it. Employees from each area met with managers to talk about how they currently did their tasks and what ways the function could be improved.

- ◆ The managers established critical points for data entry - information needed to be entered when it occurred.
- ◆ Within each functional area, we created documents that outlined steps to do the job

correctly - and then revised or created the forms.

- ◆ Drivers began using a transaction number from a dispatch log to report back on wait time, extra services, and tolls. During the night shift, the dispatcher confirmed that all entries for the day were correct and entered into the system.
- ◆ We simplified how the software was being used and developed training for everyone who used it.
- ◆ A quick reference guide posted at each order entry workstation outlined important customer information. Order entry staff could then easily and quickly input correct info as well as provide better customer service.

RESULTS:

- ◆ Information now flows seamlessly between functional areas.
- ◆ Pricing review and billing processes are more accurate and faster.
- ◆ Revenues increased because they are actually billing the extra services they provide.
- ◆ Clear job descriptions within functional areas assist them in making better hiring decisions.
- ◆ The company can now genuinely track performance.
- ◆ * A performance-based reward system is being developed.
- ◆ * Driver retention has improved because they are receiving correct commissions regularly.

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