PROJECT INTERIM REPORT

CUSTOMER AND BUSINESS COMMUNICATION IMPROVEMENT AT POSTNET

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INTRODUCTION

PostNet helps small business owners find and keep customers by providing small business marketing solutions, such as commercial printing and branding. It also partners with all major shipping providers, such as UPS, FedEx, USPS, DHL, and FedEx, as well as offer mailbox rentals to make it easier to serve customers and receive packages for their businesses.

Printing contributes the most to Post-Net's revenue, therefore multiple orders are taken from different customers at once and business can become a bit hectic.

With modern technology and abundant competition from other print shops, clients and businesses have a higher demand for quality than ever before. However, there are often errors in communication between PostNet employees and their customers when receiving an order.

When an order is taken incorrectly, the product printed will essentially be incorrect, as well, and not what the customer wanted.

Incorrect printing not only affects the PostNet's materials (having to throw away the bad products), but it also affects the business's time to do other jobs (because the incorrect job has to be reprinted).

The customer's likeliness to continue doing business with the PostNet, and it affects the profit made from the job (because the customer needs to be refunded). To avoid such things from happening again in the future, this project aims to reduce errors in print

production.

METHODOLOGY AND RESULTS

IMPROVEMENT CYCLE #1: UNDERSTANDING YOUR PROCESS

When using the SIPOC Diagram (Appendix A) along with a flow chart (Appendix B), it allowed us to fully understand what the order-process is in our company from the start of our customer's order to the finalization and printing/branding of their order. This
allows us to further investigate where and all possible errors can occur and give us an advantage when trying to fix them.

We began to notice when and where these issues tend to clash with one another (i.e. size of the printing order was not what they expected, customization options were incorrect/ beyond the expected price range, ect.).

We then took our supervisors to observe how the employees of our locations were dealing with customers and their orders and soon realized after a few days of observations that the underlying issue was due to miscommunication between an employee and a customer. It was later discovered that some orders weren't put into production until a few days later which made the customers' orders late.

/It was an overall combination of miscommunication between a client trying to place an order, an improper explanation of our services to customers by our employees, a lack of understanding of what the customer really wanted, and, on occasion, improper employee etiquette.

To understand how our process is currently working, we created our SIPOC diagram by interviewing a multitude of employees to gather a broader understanding of our process and how those employees believe the process is created.

Our process starts with determining what type of job our customer wants to create. During this discussion, we offer to show samples as well as discuss the details of what the job will consists of, the time it will take to produce, and give them an estimate of how much that job will cost. Afterwards, pre-production will commence and our customer will obtain a proof of their work so they can look over it and approve it for production. After that, production commences and the final product is delivered to our customer.
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When we looked at our overall SIPOC diagram, we began to see where potential setbacks could be
met while doing this diagram.

One example of such a setback is when the employee is explaining the different options that the customer has and if the employee is by chance improperly trained, it can lead to many unnecessary printing errors. If our process were to be repeated, we would try to collect more insight from our customers as well as continue our observations to further understand where the most re-training is needed.

In this case, a Pareto Chart would be required in order to understand which areas our employees require the most re-training so no more
miscommunication happens between our employees and our customers.

IMPROVEMENT CYCLE #2: MEASURING CURRENT PROCESS PERFORMANCE

We first used a Weekly Check Sheet (Appendix C) and documented ten of the most common defects that have been occurring (according to our employees) then transferred this information to a Pareto chart (Appendix D) to determine which issue is the one that has the most effect overall.

Employees stated that they did not know certain terminology meant different things when it came to printing.

This resulted in the printing of too little product, too much product, or the product being printed on the wrong material and size. This represents a large portion of the problems/issues. Therefore, the focus of this project is now to improve the way orders are received and communicated to and from the customers.

Alongside the misinterpretation of our forms, employees seem to be reluctant towards doing their job properly. If we were to repeat this process again, I would also ask our employees why it is they think these issues are occurring. More data over a span of a few weeks can also fluctuate and give us a more solidified answer as to what could be the leading cause of our issues (since low employee morale seems to be right behind the misinterpretation of our documents by our employees)

IMPROVEMENT CYCLE #3: IDENTIFYING THE CAUSE OF THE PROBLEM

We began to notice when and where these issues tended to clash with one another. (i.e. size of the printing order was not what they expected, customization options were incorrect/ beyond the expected price range, ect.)

We then took our supervisor to observe how the employees of our locations were dealing with customers and their orders and soon realized after a few days of observations that the underlying issue was due to miscommunication between an employee and a customer; later it was discovered that some orders weren't put into production until a few days later which made the customers' orders late.

It was an overall combination of miscommunication between a client trying to place an order, an improper explanation of our services to customers by our employees, a lack of understanding of what the customer really wanted, and - on occasion - improper employee etiquette.

Our team took on the task of brainstorming the possible causes to miscommunication between customers. We listed our ideas in a spreadsheet then arranged them into three categories on an affinity diagram (Appendix E): causes due to the customer, employee, and management.

As seen in the diagram, there are almost an equal number of possible causes from both the customer and employee. Most of the possible causes are due to the customer or employee assuming that he/she is in understanding with the other.

The customer will assume that the employee understands what he/she wants when, in actuality, the customer may have given misinformation because he/she has the incorrect definition of a term

The employee is at fault for assuming the customer knows the correct definition of a term and failing to clarify what he/she means.

Customers will sometimes give the employee full authority over a project assuming the employee is more knowledgeable about the subject. In conjunction to that, employees will believe that their judgement is best and go about doing the project in a way that he/she thinks is best for the customer.

Therefore, the customer will have an overexpectation of the final product and will be thoroughly displeased with the result.

To further analyze the links between possible causes, we created an interrelationship diagraph (Appendix F) and it revealed to us the most significant causes to our problem. The most significant causes are the customers having a lack of printing knowledge and not fully understanding the process of how the printing is done.

Employees contribute to the cause by talking with print jargons and assuming the customer knows what he/she is saying, and thus further confusing the customer.

If we can eliminate these root causes of miscommunication in our process, then we can improve the order taking method and reduce errors in project production.

IMPROVEMENT CYCLE #4: DETERMINING RECOMMENDED SOLUTIONS

As we discussed what potential improvements we needed to make, we decided that a Pick Chart would allow us to see what ideas/solutions would be best for us to implement or completely throw away.

The following ideas were discussed for our Pick Chart:

1. Fix application forms
2. Re-train employees
3. Fix machine malfunctions
4. Fire employees
5. Re-design how scheduling should be done.

As shown in Appendix G; we came to the conclusion that fixing our applications and re-training employees would yield the best potential outcomes for our issues at our company.

Fixing our applications will allow not only our customers, but our employees as well to have a clearer understanding of what their projects will consist of.

And with this in mind, we would also re-train our employees so they have a better understanding of our terminology and are not lost when discussing potential product possibilities with our clients.

While we did not have any ideas that we decided to initially kill, Ideas 3, 4, and 5 while they have potential to

bring more positive outcomes to our company, will not be the easiest to implement.

Ideas 5 would require a multitude of meetings where we would need to get our supervisors to all come to an agreement on how to change the scheduling, however many may be resistant to change and this can cause problems.

Idea 4 – while it may offer short-term benefits – will not be best for the long run since it can either lead to possible lawsuits or false accusations.

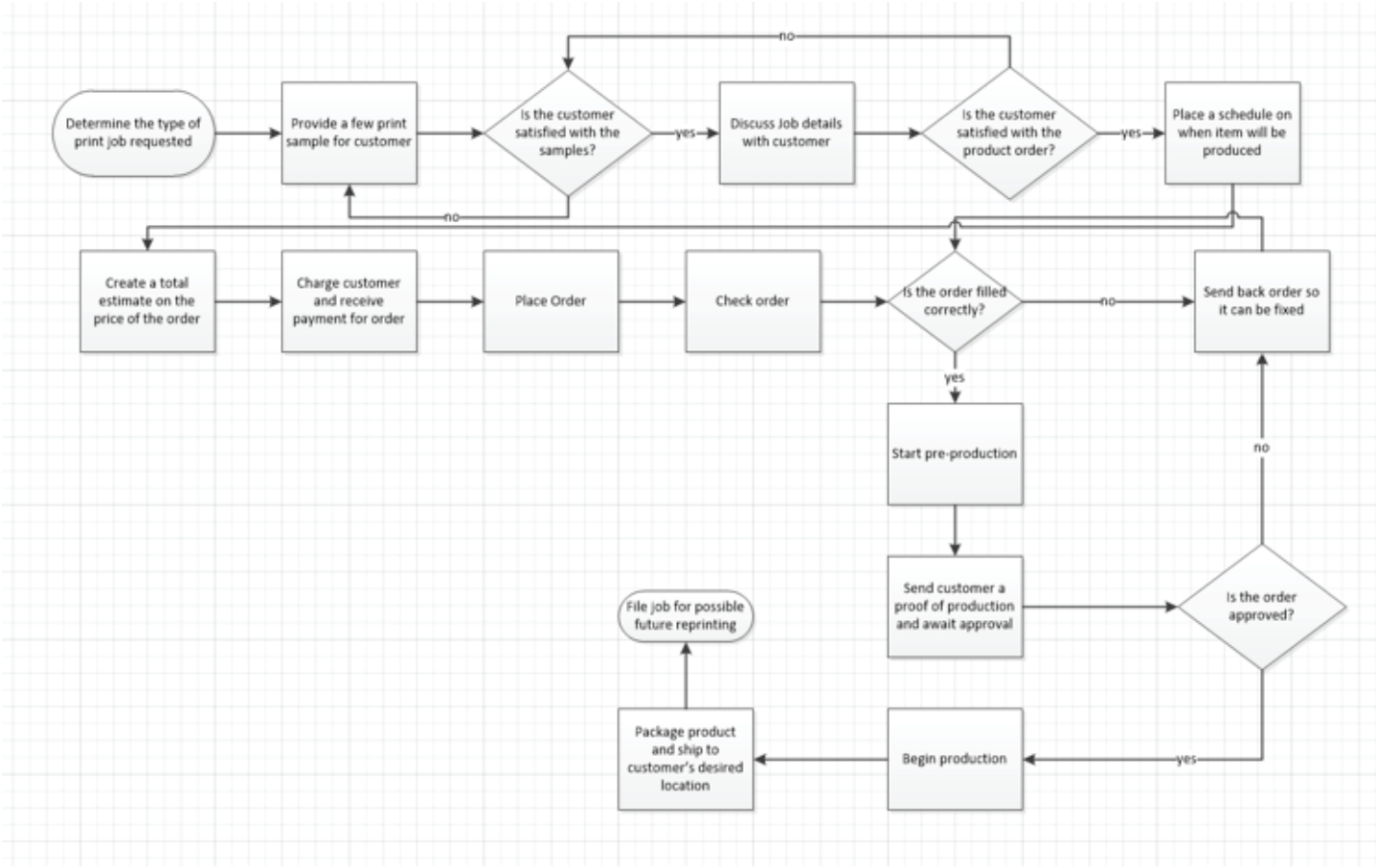
For Idea 3, fixing the machines, while it will greatly fix many of the printing issues, it will be challenging to implement since it can cause setbacks in our customer's prints, and therefore we run the risk of losing loyal customers.

So this issue will also go back to scheduling, if we can fix our scheduling, we can potentially find the time to fix our printing machines.

APPENDIX A
SIPOC DIAGRAM

Suppliers	Inputs	Process	Outputs	Customers
Job market Vendors Customers Printer technicians Software providers	Employees Customers Printers Graphic design Imposition Printing materials	1. Determine the type of job 2. Present a sample of the desired to the customer and discuss job details with customer 3. Determine time to produce and price based on job details and receive payment 4. Begin pre-production 5. Send customer a proof of the product for approval 6. Begin production 7. Deliver product to customer.	Completed printed product Quickly accessible job for reprint Potential returning customer	Small/large business owners Freelance Illustration workers Students Individuals in need of personal print-jobs.

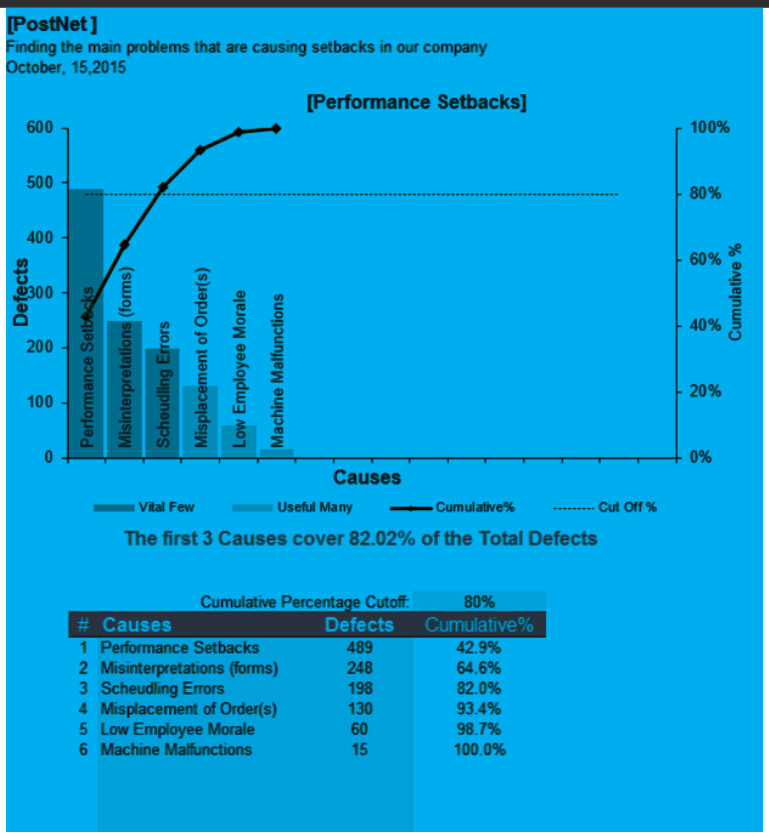
APPENDIX B
FLOWCHART



APPENDIX C
FLOWCHART

Defect Types/ Event Occurrence	Dates							TOTAL
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
Misinterpretation of forms (by customer)	1	2	1	0	1	1	0	6
Misinterpretation of forms (by employee)	3	2	5	4	5	3	3	25
Scheduling Errors	0	2	5	2	1	0	2	12
Machine Malfunctions	0	1	0	2	1	0	0	4
Improper use of print machines	1	2	2	3	1	0	0	9
Misplacement of orders	1	2	2	3	1	0	0	9
Low Employee Morale (uncooperative attitude)	1	2	3	3	4	3	2	18
Low Employee Morale (Lack of enthusiasm)	1	0	2	1	2	3	3	12
Low Employee Morale (Absenteeism)	1	0	0	0	0	1	0	2
Low Employee Morale (Conflict w/in Employees)		0	0	0	0	1	0	1
TOTAL	9	13	20	18	16	12	10	**98**

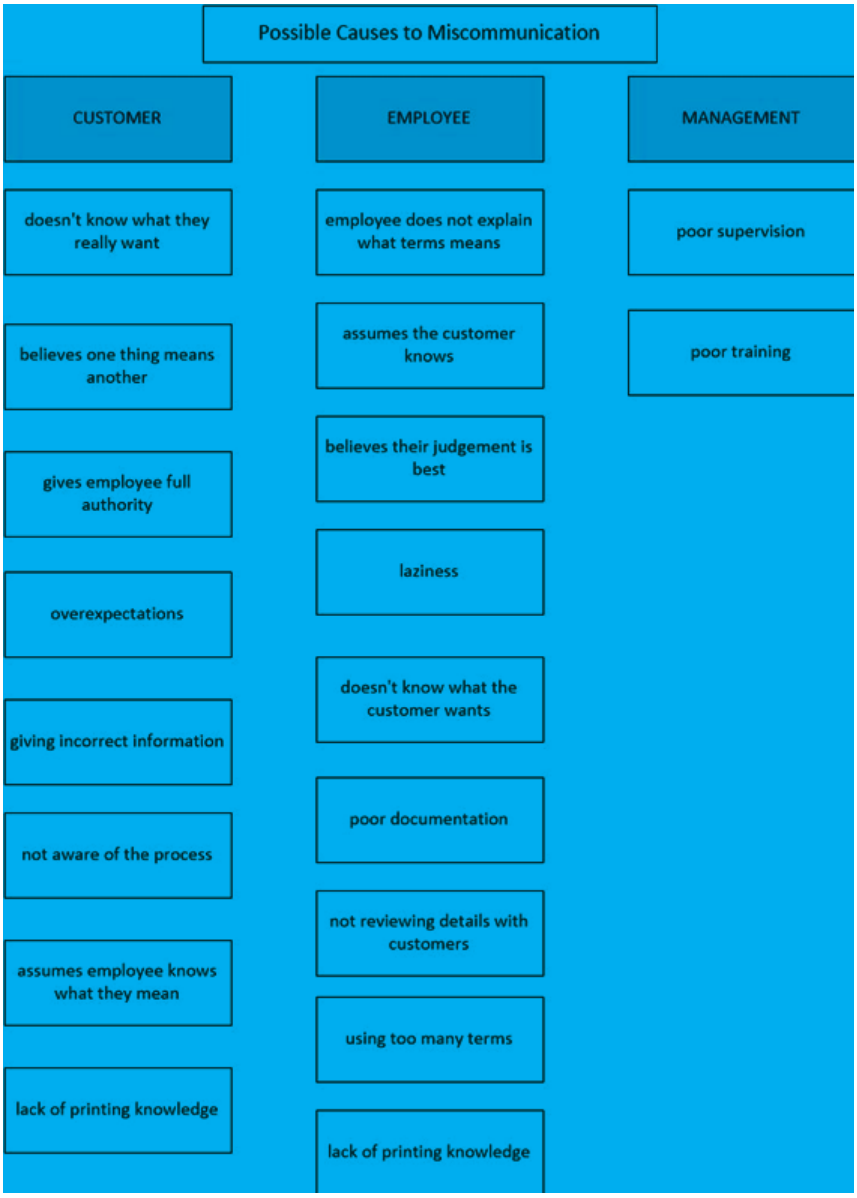
APPENDIX D
PARETO CHART



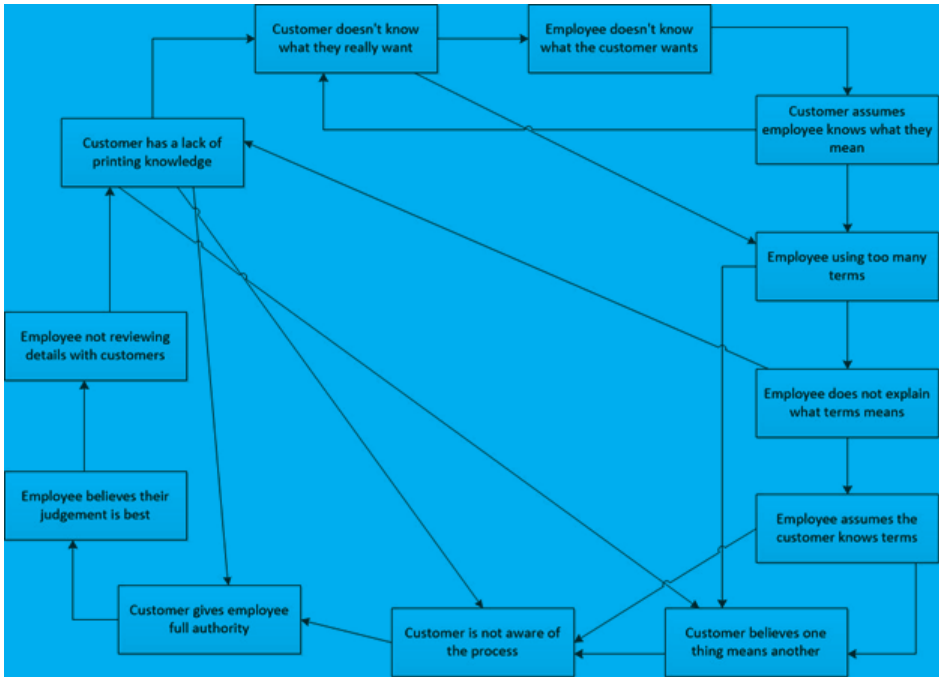
Cumulative Percentage Cutoff: 80%

#	Causes	Defects	Cumulative%
1	Performance Setbacks	489	42.9%
2	Misinterpretations (forms)	248	64.6%
3	Scheudling Errors	198	82.0%
4	Misplacement of Order(s)	130	93.4%
5	Low Employee Morale	60	98.7%
6	Machine Malfunctions	15	100.0%

APPENDIX E
AFFINITY DIAGRAM



APPENDIX F
INTERRELATIONSHIP DIAGRAPH



APPENDIX G
PICK CHART