# Transactional Flowchart: Guidelines and Examples

A Transactional Flowchart depicts all the activities in a process, from beginning to end. You can use a Transactional Flowchart to:

- Provide a pictorial representation of each activity in a process
- Show the sequence of tasks for each activity
- Show the flow of inputs and outputs for each task in a process
- Analyze the relationship of tasks involved in each activity

This guide provides basic instructions for creating a transactional flowchart, and includes an example of an office supplies process and process map.

*Benefits Include:*

- Good tool to use for documenting processes/procedures
- Simple to prepare and update
- Most common type of flowchart

**Instructions for creating a transactional flowchart:**

1. Arrange interviews or group discussions with people who work in the area analyzed. Find out exactly what each person does in the process:
   - ⇨ What he/she receives;
   - ⇨ What he/she does with what is received; and
   - ⇨ What he/she sends on to the next person.

2. For a group setting, determine who will act as the facilitator and who will act as a recorder (drawing the flowchart).
   - ⇨ An auditor should act as the facilitator.
   - ⇨ The recorder could be any team member; however, an auditor would be would be the best choice.

3. Select the flowchart symbols you plan to use. (See Process Mapping Guidelines: Flowcharting).
   - ⇨ Many facilitators use only boxes and diamonds to draw a flowchart; the decisions as to how many symbols to use will normally come down to individual preference.
   - ⇨ If the auditee or client requests formal flowcharts as a deliverable, an approach using more precise flowchart symbols may be appropriate.

4. Create a flowchart.
   - ⇨ Automated flowcharting products are good tools to use to create the flowchart.
   - ⇨ The process should flow to the right, using arrows to connect the boxes which represent tasks, inputs, and outputs.
   - ⇨ Start by placing the first activity on the left.

5. Use the following questions to analyze flowcharts and look for opportunities to streamline flows:
   - ⇨ Does paper travel around excessively?
   - ⇨ Is the process flow overly complicated?
   - ⇨ Do too many people touch a particular document?
   - ⇨ Are all reports actually used? Is all distribution necessary?
   - ⇨ Is there any excessive or unnecessary filing or copying?
   - ⇨ Are there a large number of decisions that need to be made throughout the process?

6. During the flowcharting process, try to gather the following information:
   - ⇨ Where exceptions, bottlenecks, and delays occur in the process.
   - ⇨ How often exceptions occur (twice a day, once a week).
   - ⇨ Duration of any delays (minutes, hours, days).
   - ⇨ For all decision diamonds, each "yes" or "no" arrow should have the percentage of time each arrow occurs (arrows should add up to 100%).
   - ⇨ Number of people involved at each step of the process.
   - ⇨ Volume of data (number of items processed in a day, week, or month). This information will help the team identify improvement opportunities.

## Office Supplies - Process Overview

Following is a narrative example of a company's office supply ordering process, together with a process map illustrating the flowcharting techniques that can be used to capture this process.

### Office Supplies Process Narrative

The customer service supply room at EC company provides office supplies for all departments within the company. Orders for supplies come from the different company departments within EC. They can either use the Office Supply Catalog to initiate an order or order directly from the supply room personnel. In either case, the supply room processes the P.O.

The purchasing process for office supplies is handled primarily by the supply room personnel themselves. The process description and flowchart are limited to activities performed by the supply room, receiving, and the vendor. No attempt is made to discuss interfaces with accounts payable, vendor invoicing, or inventory adjustments.

JNB, Inc. is the primary vendor for office supplies for the company. Orders are customarily delivered to EC company on JNB's trucks. Freight charges are deductible if paid within 30 days of invoice date. The EC company has been using Office Solutions as the primary vendor the past several years, although the contract is bid annually.

# Office Supplies Process Narratives

## Office Supplies

The office supply function for the customer services supply room is responsible for providing office supplies for EC company personnel.

## Walk-up Request

Low-value, high-usage items such as paper, pens, pencils, and post-it notes are stored behind the front counter for walk-up customers. These items are always kept full based on a visual inspection and are replenished as necessary when stock levels are low.

## Office Supply Orders

Orders for supplies come from the different user departments. They can either use the Office Supply catalog to order, or order directly from the supply room personnel. Office supply orders are initiated by a 2-part Supply Requisition Form filled out by the user. The form includes the person ordering, charge #, quantity, part description, stock number, quantity issued, and item price. One copy is retained by the ordering department; the other copy is used to enter P.O. information into the JNB Order System.

The supply room personnel log onto the system after entering their password. Orders are batched as received each day and transmitted to JNB via modem by 4:00 PM. JNB confirms receipt and notifies the supply room of any error transmissions so that they can be corrected and re-transmitted by the end of the day. Orders which cannot be transmitted are phoned or faxed to JNB.

Orders are received, pulled, packaged, and delivered to the company the next day by JNB. Orders are delivered to EC's receiving dock 5 and brought to the supply room where they are put away in specific stock locations. The supply room personnel reconcile all deliveries received with purchase orders. Items received that were not ordered or over shipments, are sent back to the shipping dock and picked up by JNB the next day. JNB issues a credit voucher to the Office Supplies account. Delivered supplies are put away in specific supply room stocking locations.

## Physical Inventory

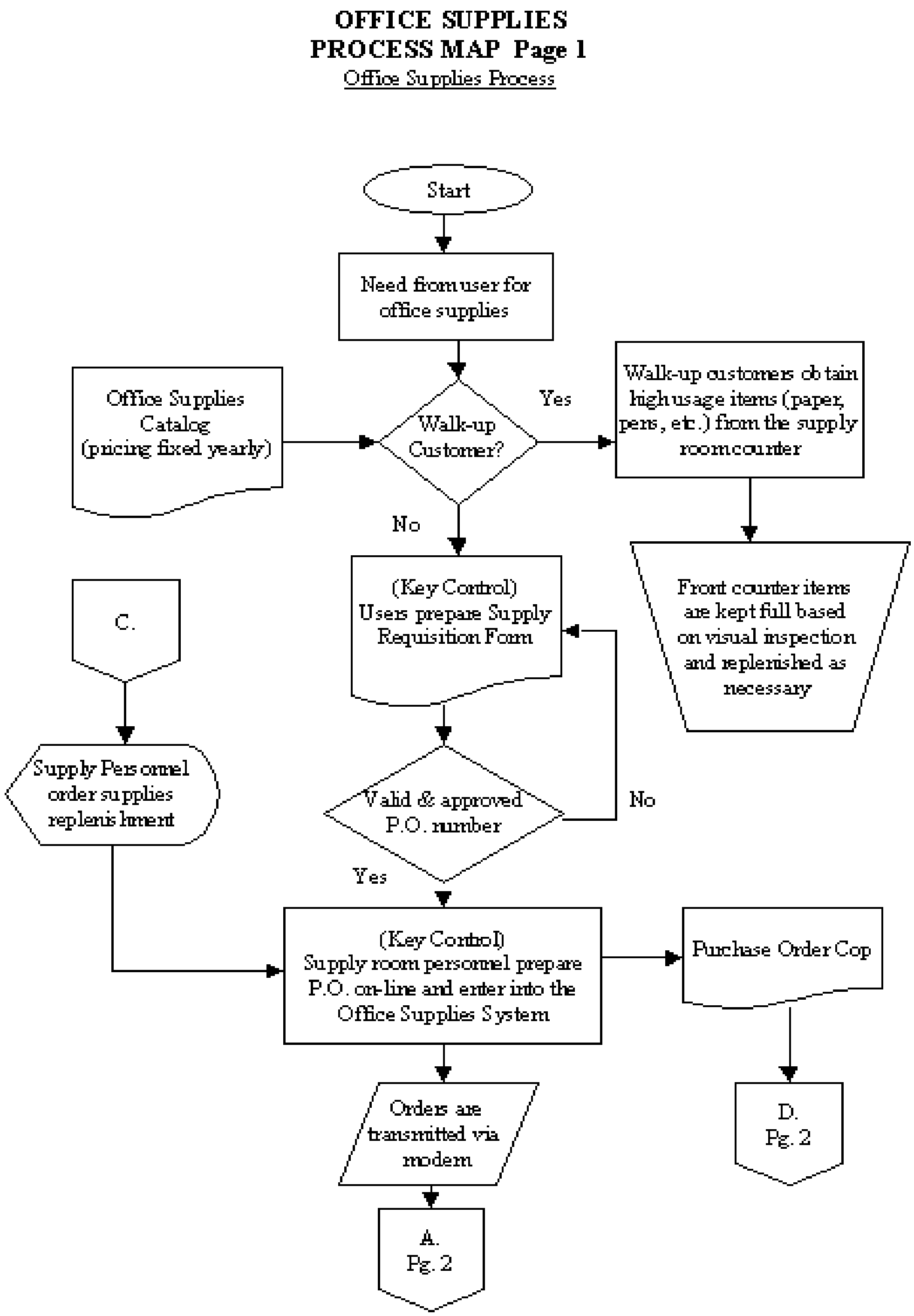
Physical inventory is taken weekly and amounts are compared to the safety stock levels report to determine replenishment needs. Orders are initiated by office supply personnel to replenish inventory that has fallen below safety stock levels. Safety stock levels are compared to actual usage and updated twice a year.

## Office Supply Room Security

Supply office hours are 6AM-9PM Mon-Thur, 6AM-7PM Fri, 7AM-5PM Sat-Sun. The office supply door is separately locked. One supervisor and 2 full-time staff have access to the stock room keys. The outside hall doors are locked after hours and monitored by security personnel.

**Vendor Pricing and Negotiation**
The vendor contract for office supplies is bid and re-negotiated yearly. Prices are set for a year in the vendor office supply catalog.

## Transactional Flowchart Example



**OFFICE SUPPLIES**
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