**Business Processes: Procure to Pay**

After completing this activity you will be able to:

* Better understand one of the core businesses processes, purchase to pay (P2P or PtoP).
* Practice creating swim lane diagrams.

**Step 1: Individually**

Read the following narrative: P2P is the core business process that is used by organizations to acquire the products and services they need to fulfill their mission. In this scenario you are the plant manager at FitterSnacker, a company that makes and sells snack bars. The plant manager is responsible for determining what they are going to make, when they are going to make it and acquiring the raw materials (oats, raisins, chocolate chips, etc.) that they need to make the snack bars. Once the plant manager determines what they need, they send a purchase requisition to the procurement department.

The procurement agent verifies that the plant manager is authorized to place the order. They then select the supplier and send a purchase order to the supplier.

The supplier receives the order and picks, packs and ships the order. After the order has been shipped they send an invoice to the customer.

The warehouse receives the order and posts a goods receipt to show this. The person in the warehouse notifies the plant manager that the items have been received.

The invoice is processed by the accounts payable team in accounting. They match up the invoice with the purchase order and the goods receipt. If we received what we ordered and are being charged what we were expecting to pay then we pay the invoice. If not, we must figure out where the problem is and resolve the problem.

**Step 2: As a Group (2-3 in a group)**

On a blank piece of paper create a swim lane diagram that documents the P2P process here at FitterSnacker and answer the following questions:

1. How many swim lanes do you have and what are the roles of the people in each lane?
2. How many different functional areas are involved in this process?
3. How much chaos can be involved when accounting must “figure out where the problem is and resolve the problem”?

**Step 3: Discuss as a Class**

Compare your diagram with the diagram displayed in class and answer the following questions:

1. How does your diagram compared to the diagram displayed in class?

2. What do you like better with your diagram?

3. What do you like better about the diagram displayed in class?

4. How has working through the swim lane diagram improved your understanding of the P2P process?

**Step 4: Rate this activity (individually)**

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| --- | --- | --- | --- | --- | --- |
| **Ratings** | 1 Completely Disagree | 2 Somewhat Disagree | 3 Neutral | 4 Somewhat Agree | 5 Completely Agree |

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| **Statement** | **Rating (1 to 5)** |
| This is an engaging activity. |  |
| I learned a lot completing this activity. |  |
| This activity should be included in future classes. |  |
| Anything else you want the instructor to know? |

**Step 5: Submit completed activity sheet to** **upload.Unit\_3\_.2vuw2uywbr@u.box.com** **from your temple email account**