

# Process Re-engineering Case study



## The Requirement:

Samuel T. Freeman is America's oldest auction house and is based in a six storey building in the centre of Philadelphia. The building contains the main auction room and a second auction room on the first floor with the remaining space given over to storage and a small administration area.



Over the years the items brought in for sale have increased in number and also the systems in place for determining placement after a sale have fallen into disuse.

Freeman's requested a complete review of their inventory / property management process and required a formal presentation to be made to the board at the end of the review along with a written report.

## The Methodology:

Ley hill solutions spent one week in Philadelphia interviewing over 25 members of staff and management and reviewing existing procedures and processes.



A full inspection of the details held currently in the property management system was also undertaken.

The key inventory process was mapped and bottlenecks identified with recommendations for action developed.

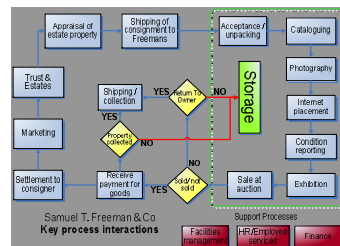
Proposals were drawn up following the data gathering stage and a report and presentation prepared and delivered to the board.

## The Result:

The greatest challenge identified was for Freeman's to change the way their porters thought about the items they were handling. In the past items had been called and dealt with as 'inventory' much as stock on the shelf of a retailer would be handled. Whilst doing their best it was inevitable that the porters would incur breakages and treat inventory with less respect than personal property. From the date of the review all items were deemed to be property and not inventory.



It was evident from the redrawn process maps that an insufficient quantity of property was being returned to owners if not sold. This was taking up valuable storage space and the process needed to be



streamlined and managed to ensure that items were clearly identified as return to owner or buyer or where agreed placed back into storage for future resale.

The recommendations were accepted almost in their entirety and a new property manager position created to ensure the proposals were followed through and implemented.

This has resulted in improved process management and produced a positive impact on the cash flow of the business.

## Contact details:

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