



Organizational Structure Design by Processes, A response to the
context of development and growth of the SMES
Importadora JG Representaciones S.A.S

Alejandra Marín Gómez

Lorena López González

Paula Catalina Tamayo Pérez

ESUMER University (Instituto Universitario ESUMER)

Faculty of International Studies

Medellin, Colombia

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context of development and growth of the SMES
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Alejandra Marín Gómez

Lorena López González

Paula Catalina Tamayo Pérez

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International Business Professional

Advisor:

Gustavo Londoño Ossa, Lawyer, Magister in International Ibero-American Relations,
specialist in Fiscal Sciences, specialist in Marketing Management

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ESUMER University (Instituto Universitario ESUMER)

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This research paper is specially dedicated to our parents, whom instilled in us from a very young age to continue studying in order to acquire new knowledge and thus develop our capabilities and intellectual skills.

With effort and commitment comes success and with it we will encounter the possibility of a brighter future along with great job that will contribute development of our family and our personal and professional growth.

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To professor Gustavo Londoño for his advice and guidance during this project and all other professors and colleagues, whom in one way or another devoted their time providing valuable feedback and allowing us to dispose of their knowledge.

To Mrs. Janneth Gómez manager of JG Representaciones S.A.S for allowing us entrance into the company and therefore carry out our research.

To our parents, for instilling in us the value of studying.

To God for making this gran achievement possible.

Abstract

Throughout the development of this research paper, we participated with the employees of the company JG Representaciones S.A.S in order to identify its organizational structure and how the activities of different areas were executed along with the people involved in carrying out such activities. With the gathered information it was observed that its organizational structure was adopted in an empirical manner from the beginning but the evolution and growth of the company has since required thought into the implementation of a rationally defined structure because the sector to which it appeals is constantly changing. Consequently, the objective of this research paper is to propose an organizational structure design by processes for the company JG Representaciones S.A.S, so according to the will of its representatives, choose upon its implementation or not. In the elaboration of this research paper, interviews were conducted with experts, bibliographic consultation was used and fieldwork was emplaced at the worksite, in order to: process information, analyze it and present the proposal. The proposal as such, was the design of a structure by processes for the management of imports and logistics adapted to other functions carried out by SMEs as an importing company. In conclusion, this research paper could contribute in organizing and facilitating activities and functions executed by the employees thus increasing productivity and minimizing the negative effects of having a structure not suited to the current demands of the market and as a result paving the path to a subsequent certification in quality.

Key Concepts

International Business, Logistics, Processes, Structure

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List of Abbreviations

ABBREVIATION	MEANING
4 th G	Fourth Generation Freeways
APPs	Highways of Prosperity
AWB	(Air Waybill) Air transport document
B/L	(Bill of Lading) Bill of lading
CIF	(Cost, Insurance and freight) Cost, insurance and freight
EXW	(Ex Works) In factory
FCL	(Full Container Load) Full container with a single charger
FOB	(Free on Board) Free on board
PBM	Process-based management
INCOTERM	(International Commercial Terms) International trade terms
ISO	(International Organization for Standardization) International Organization for Standardization
CFS/SY	Loose cargo received at origin point, loaded in a container by carrier, then delivered intact at destination.
LCL	(Less Container Load) Container with several Chargers merchandise
NAPHTHA	(North American Free Trade Agreement) North America free trade agreement
PO	Purchase order
GDP	Gross domestic product
SME	Small and medium enterprises
S.A.S	Simplified joint-stock company

SPOT	(single payment options trading) Payment options trade
SWIFT	(Society for Worldwide Interbank Financial Telecommunication) Society for Worldwide Interbank Financial Telecommunications
EU	European Union

Introduction

The aim of this bachelors' thesis focused on implementing a subject proper of the knowledge acquired in the formation process of the international business program into a real world scenario, thus the reason as to why the company JG representations S.A.S., an SME with 8 years in the market of imported supplies for mining and civil engineering was chosen.

Due to the need for companies to have an established organizational structure therefore allowing to be at the forefront of the modern world and be even more competitive, it becomes necessary to begin by identifying what type of structure tailors more to the organization according to their performance and requirements.

For this reason, the need for the type of structure required by the company JG representations S.A.S. was evaluated and according to the information recollected the proposal presented is to work on the design of an organizational structure by processes in the management of imports and logistics, where activities and responsibilities will be documented with a step by step process that will help keep track of the order.

For the elaboration of this research, tools such as process maps, instructions, profile manuals, processes tab, registration manuals and checklist as well as the usage of interviews with field experts which provided further advice on the development of the research.

1. Project formulation

1.1 Background

The SME JG representations S.A.S, was founded in August of 2007, with the purpose of being an innovative alternative for the importation of equipment and supplies for the mining industry, in that year entrepreneur Mrs. Janneth Gómez, after leaving a mining company, noted that in Colombia there was a deficiency in terms of suppliers for the provision of rails therefore prompting the idea of relating to a strategic alliance with a senior partner in the market working as a representative in Colombia for foreign companies. That mentioned ally advised and urged Mrs. Janneth Gómez to begin with this business idea and transform a great opportunity into an emerging rails import company.

At the time of JG, market conditions were very promising, the favorable position of the emerging company was not only due to the advantage which meant the lack of competition, but also that the company was favored by the high demand for rails as a consequence of the mining boom.

The company since its founding began generating five direct jobs and importing rails. In its second year, the company was recognized as one of the firms with greater

import volume of rails in the market, becoming a recurring participant each year at the international mining fair.

By the year 2009 more companies were integrated from abroad into the business model, although not just representing mining products but also civil engineering products initiating imports of materials and equipment from Peru and Spain.

The company has grown so much in the turnover year after year as the number of companies their products, making goods and services portfolio offered by JG one of the most versatile and highest quality on the market with competitive prices.

The growth of the company was so evident, that by the year 2012 it could generate 10 direct jobs. Expanded the portfolio of mining and civil engineering products and strengthen commercial relations with suppliers from different countries such as: China, Spain, Italy and Peru.

JG representations S.A.S has a growth potential in the local context as a result of large investments and modernization of the nation's infrastructure, such as the construction of Fourth Generation Freeways (the 4thG), also known as highways to prosperity (APPs), which suggests the need for an organizational structure that responds to their growth and expansion.

1.1.1 State-of-the-art

With the developed investigation, mention is given to some text that were relevant for the execution of such research and are cited as followed.

Organizational structure by processes for a company that produces and commercializes home furniture.

Laura Melissa Mejía (2011).

"Due to the necessity of organization of small and medium-sized enterprises that want and need to compete in a highly globalized market, it is necessary to resort to important managerial tools, for this reason the furniture company Doimo hired a manager and subsequently allowed the development and implementation to the next task. This paper presents the structure of the administrative processes of a business that produces and commercializes home furniture and afterwards the organizational structure consisting of the development of an organization chart along with the description of the responsibilities and competent employee profiles required to fulfill these raised processes, for this development usage of process management tools ", i.e., process map, flow diagrams, then the narrative of the activities taught in these same processes and responsibilities description forms, also interviews were resorted to with experts for more information on the usage of these tools".

Similarly, given the different types of structure consulted, some authors are cited with their definition:

Professor Mallar in 2016, referring to types of structures, stated that the vertical organizational structure is passing into history and that it is now more oriented to a horizontal organizational structure. (Mallar, 2016, s.p.).

"For many years, the structural design of companies, had not evolved compared to the requirements of the organizational approach. Now is defined a new concept of organizational structure which considers that any organization can be conceive as a network of interrelated or interconnected processes to which you can apply a process based management system known as (PBMS) ".

(Mallar, 2010)

Process based Management Advantages

Ana Moliner (2015)

" One of the most effective tools for the improvement of management in an organization is the implementation of a process based management.

We understand by **process** a sequence of activities aimed to generate added value by transforming an entry into a result, which in turn can be the input of another process. The activities of an organization, from the purchase of raw material to the responsiveness of a claim, could and should be considered processes.

At the beginning of the 20th century, American entrepreneurs **Frederick Winslow Taylor and Henry Ford** introduced in their organizations initiatives aimed to improve the processes and outcomes of the massively produced products. But it was in the 1980s when process based management systems took off. In 1987 it became one of the eight principles of quality management stated by **ISO 9001**. Increasingly companies implement this system to "document what they do and accomplish what is documented" (Form in which the nature of this technique is often synthesized). In Spain, for example, cases of **CEPSA** and **BBVA** can be cited, and at the international level distribution giants **Amazon**, but progressively more there are more companies in our country and in the rest of the world certified by **ISO 9000** standards or whom have adopted a process-based management system.

Any type of organizations can benefit from process based management systems. The main advantages that are obtained are:

- It provides a clear overview of the Organization and its internal relationships.
- An organization managed by processes has more flexibility than one based on hierarchies.
- Since processes are transverse and affect different organizational units, interrelationships between people are favored.

- Individual responsibility is established so everyone in the organization knows its role in each of the processes and know how to contribute to the objectives of the organization.
- Mitigates working in isolation, which looks for the sol benefit of one part of the organization to work towards a more common benefit as a whole.
- It allows an optimization of the usage of resources and, subsequently, a reduction and optimization of operating costs and management.
- Processes are measured; objectives and indicators are set for each of them.
- Among the measures being discussed, the degree of customer satisfaction is very important. The organization thus focuses on the needs of customers.
- Promotes continuous improvement of processes. Inefficiencies, organizational weaknesses, bottlenecks and errors quickly and methodically, therefore reducing risks.

Adapting this managerial approach does not necessarily make changes in the organizational chart of the company, although it can occur in the newly defined processes that a certain role is not covered by the current structure. The ultimate goal of the identification and description of the

processes of a company is, without a doubt, to implement them efficiently. To ensure that it is as mentioned above the following considerations should be taken into account:

- A management of change is required to transform a hierarchical organization to one managed by processes.
- A key factor is that top management of the company lead the project, that it is integrated as part of the strategic objectives of the business and that it be sparse thought out the organization
- A defined communication and formation plan as key elements of the management of change.
- It is important that the organization make an effort and get involved with a high level of commitment in the process of change.
- All employees must have adaptive capacity to carry out its role in each of the processes involved according to the needs at any given moment.

Adopting a process-based management is not only an operational change for an organization, it is a change of mentality, of corporate culture. It involves breaking the silos, that every employee stopped focusing in their area and pass to see the company as a whole, thinking that his work represents a result that benefits the entire organization."

(Moliner 2015)

1.2 Problem Statement

Formulation of the problem

The development of the company JG representations S.A.S and its consolidation in the market leads to the accomplishment of new stages; JG is a company that is going through a maturing process and in this sense it is very important to establish from the experience of experts and published theory, possible strategies of corporate adaptation to the new environment of the company which would enable it to continue to grow and consolidate, otherwise disorderly growth could result in failure.

"Currently, companies not only market its products or services at the national level, many of these have become so competitive that they now transcend borders and oceans. This unavoidable destination towards the internationalization of the companies also demand of them the implementation of a series of processes in order to achieve better results in an efficient manner".

(Gomez, 2005)

One of these new processes required in a company is:

"Having a process map that shows the way in which the activities are related to external customers, suppliers and stakeholders. Such "maps" provide the opportunity to improve the coordination between the key elements of the organization. They also provide the opportunity to distinguish between key process, strategic processes and support processes, contributing to the first step in selecting the processes to improve upon".

(Gomez, 2005, s.p)

The cite quote above can be reaffirm as described by Antun and Ojeda (2004):

"Through processes you can control all the necessary conditions to really deliver and maintain the quality of service expected by customers, as well as reorganizing processes and redesigning a global competitive strategy to respond to the demands of international competition. identify the highest standards of excellence for products, services or processes, and generate the necessary improvements to proper processes to achieve standards, commonly referred to as "best practices" and of course establish continuous improvement programs that lead to a world-class performance."

This means that sustaining growth without failing to meet demand, requires a transformation in the organizational structure for JG representations S.A.S. in order to meet the demands of the market in the most effective and efficient way possible.

Currently, one can observe that the company JG representations S.A.S. does not have a structure by processes in their areas, causing their employees to be unaware of the exact functions that should be carried out by the role for which they were hired, which generates reprocessing and repetition in functions negatively influencing its performance, since it doubles the cost of human resources or in many cases is diluted the responsibility for a procedure without it being run and without finally being able to recognize a true responsible for that task.

The natural growth of the company now demands from it the design and implementation of an organizational structure in which processes run inside the company are clearly and explicitly defined as to whom or who are responsible for these.

Consequences of the problem

The consequences that arise from there not being an intervention in the problem are various and are listed below:

- (a) Delay in fulfilling customers for internal faults in the performance of the company.
- (b) Delay in compliance with customers by external factors and that are not minimized inside of the company whenever possible.
- (c) Reduction in the effectiveness of the purpose of the company when it doubles human resources costs.
- (d) Inability to resolve problems or changes in the company's processes when responsibilities are not defined implicitly.
- (e) Failure to recognize if an employee is strained, underused or conducting some functions for which their training or skills are not indicated.

So the following question is stated as the problem to solve.

Do the company JG representations S.A.S. require the design of a proposal for an organizational structure by processes in their international business department that adapts

to the needs of its growth and positioning as an importer of mining and civil engineering products?

1.3 Justification

Theoretical justification

Due to the significant and constant demands of different markets both at the national and international level and the firm demand from consumers; companies have discovered that to stay in the markets and accomplish satisfaction in consumers' needs they have to offer products and services of excellent quality.

This objective of competitiveness and satisfaction can be achieved with the design of processes that allow the company to be effective to the point of achieving high quality standards. One of them is to have internal structures for processes, since through these you can achieve continuous improvements and expected results.

Social justification

The development of this work as professionals in training in the field of international business and with the capacities to manage logistical and quality management systems, will allow the acquired skills to be emplaced into generating positive impacts in operative companies, particularly in JG representations S.A.S. Which as the company chosen for the development of this research paper will allow feedback to us as students in training and they will receive the benefit of appreciating how the acquired knowledge is applied to the context of the company.

Personal Justification

Businesses have reached high levels of performance as a result of them offering products and services of excellent quality at competitive prices, but this could hardly be achieved when the development and growth of the business is based on an empirical system upon which major operations are carried out in the enterprise, systems that end up not being the right one right and weaken their position against the market. Due to this placing into practice the knowledge acquired throughout our career in the fulfillment of this work is important, even more its intended to being applied in an optimal way as is in a project like this, which aims to design a proposal of organizational structure by processes for the company JG representations S.A.S.

1.4 Objectives

1.4.1 General objective

Design a proposal of an organizational structure by processes for the company JG representations S.A.S.

1.4.2 Specific objectives

- i. Describe the organizational structure by processes.
- ii. Analyze the main obstacles affecting the development of the processes within JG representations S.A.S.
- iii. Investigate according to models of existing organizational structures, which is best tailored to the needs of the area's foreign trade and logistics of the company JG representations S.A.S.

1.5 Methodological framework

1.5.1 Method

This research paper is advocated by methods: analytical and mainly purposeful

This investigation has required theoretical recollection on organizational structures and in particular organizational structure by processes, which afterwards is confronted against reality and analyzed versus the current structure of the operating company; then using the proactive method, allows the presentation of a proposal for the design of the organizational structure.

1.5.2 Methodology

For the elaboration of this work interviews with experts were conduct bibliographic consultation was used as secondary source and fieldwork was emplaced at the worksite, in order to: process information, analyze it and present the proposal.

1.6 Scope

This research paper is intended to the design of an organizational structure by processes for the department of logistics and international business inside the company JG representations S.A.S but is limited to the delivery of the proposal, since emplacing it depends on the will of the company, although it is the desire of the authors of the project they do.

2. Project Execution

CHAPTER I

THE ORGANIZATIONAL STRUCTURE

2.1. The Organization.

One can refer to organization as stated by Davila (s.f) as a social entity that has a hierarchical structure and fixed responsibilities within units, which are created to meet goals through human labor and material resources; elements that can be represented in Illustration 1; This is not to say that all organizations are the same, there are different types of organizations that depend fundamentally on its vision, its mission, the people that make the organization up, and other aspects that make them distinguish themselves.

CONCEPTO DE ORGANIZACIÓN



Table 1-Middle Range Theory. Adapted from Davila (s.f)

Another successful definition of organizational structure, is the one posed by Mintzberg cited by (Campos 2015): " The structure grants interdependence of activities and their integration through different mechanisms: mutual adjustment, direct supervision and standardization".

Years later, the same specialist Mintzberg 1991 cited by (Campos 2015), makes an elucidation which describes that, " There are no unique models that can be used by different organizations, because each one must identify and align the different structural variables to make them correspond with the demands of the environment".

Professor Mallar in 2016 referring to types of structure, stated that the vertical organizational structure is passing into history and is now oriented towards a more horizontal organizational structure.

In accordance with the issues raised by Mallar (2016) and as a fundamental portion of the search for an answer to one of the objectives of this research, it will then be presented as followed the main models of organizational structures described in the literature.

2.2. Types of Structures.

Numerous types of structures have evolved over time and at any given moment more arise, these vary depending on the mission of the company, the market to which they cater to, its employees, amongst other factor.

2.2.1 Mintzberg- Organic Structure

According to Henry Mintzberg, "the organization can be divided into five parts that interact according to the different degrees of uncertainty, which are the essence of the complex administrative processes". (Rivas, 2002).

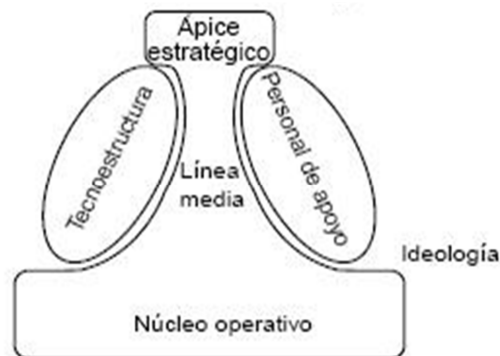


Illustration 1-Figure 1: Mintzberg's Organic Structure. Figure taken from Mintzberg (Rivas, 2002)

To Mintzberg cited by (Rivas, 2002) , **Strategic Apex** is the group of people responsible for ensuring that the organization serves the purposes of the mission that was assigned to it; with **midline** refers to midrange managers, which are in contact with the personnel of the company; the **techno-structure** is defined as the analysts who apply methods and design workflows resulting in an effective processes; The **support staff** are mostly outsourced lawyers, surveillance, catering amongst others; the **operating core** are members of the organization whom perform tasks of producing or providing goods or services directly.

2.2.2 Horizontal Organizational Structure

This structure's orientation is towards equality amongst employees, hence the inexistences of a marked hierarchy. It is mainly based on values such as equality and trust.

The principles of horizontal organization according to Laura Melissa Mejia (2011):

- "They are organized around the main processes with interrelated functionalities and not just by functions or tasks.

- They install proprietors or administrators of the processes, whom assume the responsibility of the main processes in their totality.
- Make that the teams and not individuals the cornerstone of the design and organizational performance.
- Decrease the hierarchy in order to eliminate non-value added work, and to confer to the members of the teams - that do not necessarily have to be senior executives - the authority to make decisions directly related to their activities within the process flow.
- They integrate their customers and suppliers
- They redesigned the divisions or functional areas to work as "partners in carrying out the process", with the central process groups.
- They foster a corporate openness, cooperation and collaborative culture, a culture that focuses on the continuous improvement of performance and values the delegation of authority in workers, as well as its responsibility and welfare.”.

(Mejia, 2011)

2.2.3. The Hierarchical Organization

This organization consists of all areas being subordinate to one centralized head, it is based on the power that has this area making it a dominant model, the communication

of this structure is with the immediate or immediate subordinate boss, these hierarchies are usually represented with a tree or triangular organizational chart diagram.

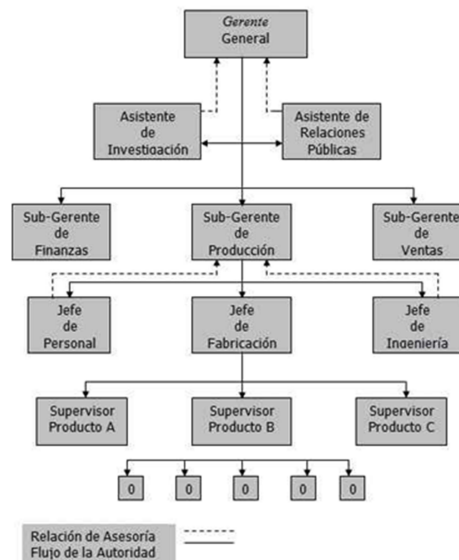


Illustration 2-Hierarchical Structure Flow Chart. Taken from (Salazar, 2005).

2.2.4. New Structures

These new structures surge as a consequence of the exposure of organizations to a more complex and ever-changing world, with a more demanding market and technological advancements that make companies more competent, flexible and agile. For the given reasons, these new structures are more adaptable to change and inserted into the learning process. Its focus is on the person encouraging initiative, creativity and learning. Within these new structures we have, according to Miguel Begoña Garcia Vela, (s.f):

- Organization as a network
- Virtual Organizations

a. Organizations as a network

According to Begoña (s.f), this "is a learning organization composed of flexible organizational units that are coordinated through discussion and mutual adaptation." It rises today thanks to the immense technological advances and at its boom, this form of organization seeks there is a node and not the hierarchy, a simpler, more flexible and suited organization to the info technology, understanding by this term as the internet, telecommunications and clustered computing. An organization as a network has elements such as flexibility in the adaptation of the roles of the members of the organization as Rivas (2002) puts it on "the idea of the multi-relevance".

b. Virtual Organizations

It consists of strategic alliances with great adaptability in which processes that generate value are outsourced thereby entrusting those processes to other companies.

According to Luis Arturo Rivas, (2002) " A virtual organization can also be constituted by individuals or groups of companies, where it is clear that the participating companies incorporate those skills that are its source of competitive advantage within their respective value chains and in a temporary organization in space and time, will meet to exploit a business opportunity."

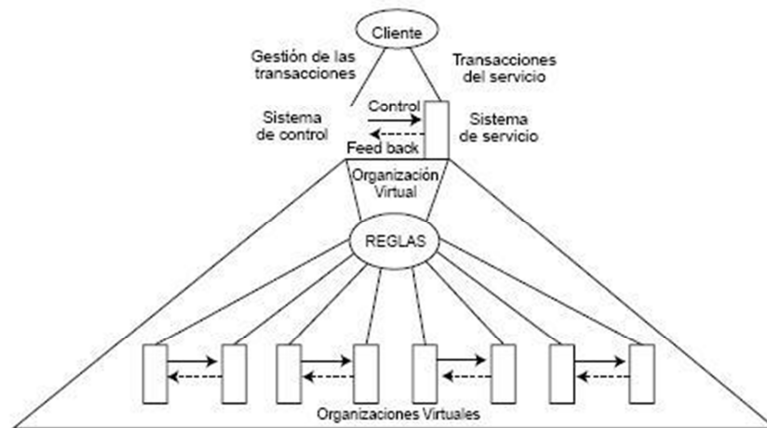


Illustration 3-Structural rules of Virtual Organizations. Taken from (Rivas,2002).

ASPECTO TECNOLÓGICO →	ASPECTO ORGANIZATIVO
Sistemas abiertos	Apertura
Interconexión	Integración en red de negocios
Inteligencia distribuida	Autoadministración y autoriz. para actuar
Aplicaciones en tiempo real	Flexibilidad
Procesamiento cooperativo	Cooperación
Protocolos de red (relaciones de “igual a igual”)	Compromisos interpersonales e intergrupos
Modularidad	Independencia
Sistemas especializados	Especialización de habilidades
Interfaces “amables” con el usuario	Accesibilidad
Globalización de la red	Independencia del tiempo y del espacio

Table 2-Technological aspect- Organizational Truth. Taken from F. Saez Vacas, O, García, J Palao y P Rojo (2013).

2.3 Summary of the Structures

Structure	What defines it
Mintzberg Organic Structure	Divides organizations into five units.
Horizontal Organization	By processes, focuses more on equality amongst employees.
Hierarchical	Traditional, classic theory of supervisors and subordinates.
Organization as a Network	Multi-relevance, todays leaders are

	tomorrows dependents.
New Organizations	Based on technology, offers flexibility and adaptability to change

Table 3-Structural Overview. Own elaboration, 2016

2.4 Analysis of the structures.

According to this chapter, and according to its definition, it has more relevance to work upon the idea of a horizontal structure, in which everyone depends on one another.

If you've noticed the increased development of the industrialized world, which spawns an opening to globalization and has led companies to greater competition, under which these do not compete at a national level but also on an international level, this results in an increasingly more discerning and demanding consumer, thus making it important to change a company's vision and convert a hierarchical structure to one with more focalized processes in which there is a greater interaction between individuals, facilitating feedback that will improve the completion of the organization's activities and will adapt to the changes.

The other types of structures, including the organization as a network and the virtual, are more recent and focalized on technology, making it applicable to large organizations. In the case of virtual organizations, if a small cap company were to outsource one of their fundamental processes, it would lose its essence.

2.5 Horizontal management or management by processes

According to Mallar, (2010), in a structure that is based upon processes, the organization centralizes its attention on its activities in order to optimize processes.

It is important to highlight the changes that the world has undergone, customers' demands, political and social changes that lead to lifestyle changes within the firms and the adaptation of its structures focusing on the processes and hereby seeking to create a chain of value.

"For many years, companies structural design, had not evolved compared to the requirements of the organizational approach. Nowadays a new concept of organizational structure is defined which considers that any organization can be conceived as a network of interrelated or interconnected processes over which one can apply a managerial model known as process based management (PBM)".

(Mallar, 2010).

Process based management is focused on its mission, taking into account any feedback from experiences of their stakeholders, and not based solely on a mere idea but rather on results. One interprets by stakeholders as the customers, suppliers, shareholders and employees.

A process according to ISO 9000 is a "What is done", is a concept meant for organizing what we do, measure it or improve upon it, this word comes from the latin "processus" which means in Spanish advance, progress.

Another definition of a process is one presented by Bravo (2011), who defines it as a group of activities that together, aggregates value to an input and produce a final product or service with added value. "A single unit that fulfills a complete goal, a cycle of activities that begins and ends with a client or an internal user". (Bravo, 2001).

2.5.1 Elements of process

In summary, these would be the descriptions of each of the aforementioned concepts:

Concept	Description
Process	Set, phases or stages of activities that are adding value to a product or service destined to a customer.
Activity	the sum of tasks that are normally grouped into a procedure that shapes a process.
Procedure	A description of the activities that are conducted within a process.

Table 4- Definition of: process, activity, procedure. Own elaboration 2016

Since processes are activities and some activities are process, in order to determine whether an activity is a process it must comply with attributions such as having a mission, it must contain an input and an exit, in a process it is essential have one identify clients, suppliers, it must be able to transform into procedures or tasks and be assignable to a responsible individual; Another very important point highlighted by Mallar is that a process must be designed according to the methodology of process based management (time, resources, preserves).

2.5.2 Elements of process

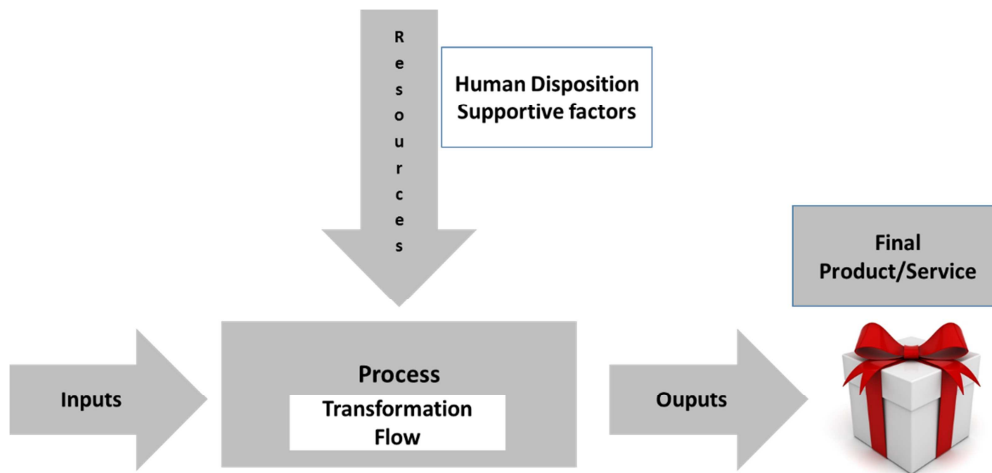


Illustration 4-Elements of the process. Own elaboration. 2016

Based on the research by (Miguel, 2010) , inputs are transformable resources, these resources can be represented as processing material, personnel in training, information pending processing, breakthrough knowledge and systematizing, amongst others, also as the figure exhibits resources can also represents elements which transform and act upon input, these being of two types, human assumption, and supporting factors such as technological structures, The **transformation process** is the process as such where changes occurs, or value is added to the final product or **Outputs** which can be a tangible asset or an intangible service.

2.5.3 Structure by processes

"The first steps when guiding organizations towards a structure by processes, is orienting them towards horizontal organizations." Let it be reminded that this type of organization pursues finding answers, and provides them within an align framework of interrelated and integrated functionality between tasks and goals. "real time" problem solving and a continuous improvement of performance, distinctive features of the competitive advantage of the future." (Miguel, 2010),

Process based management is consumer oriented thereby each member of the organization is delimited in terms of their responsibility, while traditional management generates a division of labor without a defined authority, hence the reason as to why it does not allow to examine if the objective was fulfilled successfully.

With a process based management one can obtain broad benefits, for example:

- "Know what is done and how, as well as take accountability of the strengths and deficiencies.

- Applied activity based costing (ABC), on the level of activities to really know how much products or services cost.

- Conduct improvements with the sole purpose of describing a product. This being one of the benefits of taking conscience

- Implement a continual improvement mentality and quality assurance methods that will allow an increase in efficiency and effectiveness.

- benchmark processes against the best and consciously learn and improve.
- Innovate at different levels of depth: process, activities and tasks.
- Create managerial controls, because part of the transformation process consists on obtaining relevant information, such as incorporating indicators in real time and compared properly over time".

(Bravo 2011).

To adopt an approach based on processes, the organization must identify each and every one of its activities. A graphic, orderly and sequential representation of all activities or groups of activities is known as a structure by process and is used to obtain a clear view of the activities that add value to the product/service finally received by the customer. In its groundwork the entire organization must intervene, through a multidisciplinary team that englobes knowledgeable individuals of the different processes.

2.5.4 Tools for process management

a. Process Map

"Current literature contains a lots of information that underpins the importance of implementing a map of processes within a company, and more importantly, evidence arising from successful experience in many organizations that demonstrate the utility of having a process map." In the "Why" process maps it could be noted that through them many companies have been able to detect that are

failing or that they can improve, and how to have a more globalized idea of the solutions to day to day problems that arise within the company".

(Mahecha, 2012).

Unfortunately, there is not guide that defines the “how to” when it comes to creating a process map, nor is there a default format when constructing a process map, so it is the task of each organization to adopt the design that best suits its system and needs.

b. Process File (characterization)

Once we have understood what a process is and how to differentiate itself from an activity, it is important to identify it and distinguish from the process its mission, input, output, resources and leaders, this is done by means of a process tab that facilitates its study.

Process files vary depending on the type of company and the characteristics of their processes.

Examples of Process files

SUBPROCESO:	RESPONSABLE SUBPROCESO:
MISIÓN:	
ALCANCE:	
ENTRADAS	RESPONSABLE:
PROVEEDORES:	
SALIDAS:	RESPONSABLE:
CLIENTES:	
COMPETENCIAS:	

Table 5-Process File. Figure taken from M.A(Miguel.2010)

MDP-SEGUIMIENTO Y MEDICIÓN DE PROCESOS		FICHA-PROC-	COMP
FICHAS DE PROCESOS			
FICHA DEL PROCESO	EDICIÓN	FECHA REVISIÓN	
COMPRAS	1	07/11/03	
MISIÓN DEL PROCESO			
Asegurar que los materiales y servicios adquiridos por Empresa S.A., cuya incidencia sobre el producto final sea significativa, cumplen los requisitos de compra especificados y que estos se ajustan a sus necesidades y a las de sus clientes			
ACTIVIDADES QUE FORMAN EL PROCESO			
Envío de Peticiones de Oferta		Recepción de Albaranes de Entrega	
Selección de Ofertas		Realizar Entradas en software de gestión	
Aprobación de Compras			
Envío de Pedidos en firme			
RESPONSABLES DEL PROCESO			
Departamento de Compras			
ENTRADAS DEL PROCESO		SALIDAS DEL PROCESO	
Stocks de Almacén		Material y Servicios adquiridos según los requisitos del cliente	
Pedidos especiales de clientes		Información para Evaluación de Proveedores	
PROCESOS RELACIONADOS			
Gestión Comercial, Seguimiento de Proveedores, Control de Stocks, Gestión de Certificados			
RECURSOS/NECESIDADES			
Acceso a software de gestión			
Listado de Proveedores Activos			
Tarifas y catálogos de proveedores			
REGISTROS/ARCHIVOS			
Peticiones de oferta lanzadas		Archivo	
Ofertas Recibidas		Archivo	
Pedidos aprobados enviados		Archivo	
Albaranes de entrega		Archivo	
INDICADORES			
Número de Incidencias relacionadas con el proceso abiertas en auditorías externas			
Número de total de Incidencias relacionadas con el proceso abiertas en auditorías			
Numero de incidencias por incorrecta definición de requisitos			
DOCUMENTOS APLICABLES			
Procedimiento de Compra de Material y Servicios MDP-COMP			

FORMATO-PROC-01

Table 6-Process File. Taken from ISO 9001

c. The Instructions Manual

Its aim is to contain established procedures for the activities that take place during the process of importing and logistics management, which in return will allow a reduction and optimization of execution times by providing an order to the activities carried out by those involved in each of the stages of the process management of importing and logistics.

Also contained within the manual for greater certainty, activities that directly influence the functionality and fulfilment of the mission of the process management of importing and logistics.

This manual is for mandatory use and appliance in the activities included in the process management of importing and logistics

The objective included inside the instruction manual must contain the conditions or quantifiable results that must be achieved in the process highlighting the benefits that this brings to the user, its structure should be in a brief and concise manner, according to ISO 9001 "it will specify the results or conditions that you want to achieve, it will begin with a verb in the infinitive and, if possible, avoid using gerunds and adjectives".

With this solves the Why? in which specific field is it performed? Why do you do it? And finally for whom is it made?

The scope is the space where it is left in written what will be the reach of the applied instructions, to whom it would apply and affect and the limits.

For an instruction manual to be complete it must be accompanied by a detailed definition of each process and its achievement.

The Profile manual according to directive N ° 001-2013 "is a normative document which describes in a structured manner all profiles jobs of the entity, developed from the organizational structure"

Within the profile manual one must identify the name and goal of the position, leaving in written what are the required skills needed to carry out the position's processes,

educational requirements, experience, training, and most importantly the functions and responsibilities of the position.

d. Procedural Checklist

This document is intended to conduct and control activities in a way that will minimize errors and that the responsible have a clearer idea of its role.

2.5.5. Methodology for the implementation of a process-based management:

A recurring recommendation is that the best way to start an analysis of the processes of an organization is to identify and define the company's mission of the company or, if one is already established, revise it, since the mission identifies the fundamental objective of the company, its reason for being.

Quoting (Miguel, 2010) in his research "Process based management: an approach to efficient management" it is recommended to start the construction of process-based management a methodology that includes the following steps:



Illustration 5-Steps toward making a process map. Own elaboration, 2016.

Stage 1: Information training and participation

An organization that works by processes is responsible for determining if its strategic platform "mission, vision, values and organizational structure" meets and satisfies the needs of its stakeholders (customers, suppliers, shareholders and employees), therefore, it is very important when beginning to generate a change of structure in an organization, one start out by raising awareness in employees that change can occur and show them the importance and the benefits that this can bring, it is important to keep them informed and train them in favor of this new changes; in addition, given that employees have the day to day operational knowledge it is necessary to count with their participation during this restructuring hence avoiding possible resistance to change, for this one should consider, according to (Lefcovich, 2006), a model that helps prevent resistance to change, his model

comprises of eight factors that properly harmonized allows an optimum and successful organizational change to be produced:

- Felt need.
- Visible support from senior management.
- Gradual clarification.
- Instrumentation and support.
- Modification of the component subsystems
- Increase in self-esteem.
- Participation.
- Presentation of the trade-off benefits.

Stage 2: Identification Of The Overall Processes And Definition Of The Boundaries Of Each One

At this stage to be able to work upon the processes it becomes necessary to identify them and according to Mallar (2016). "This will take place, drawing up a list of all processes and activities carried out in the organization, taking into account the following aspects"

- Identify the naming of the process which should be clear and an exact representation of what it consists in.
- All activities must be identified and those which are not part of the processes can be ruled out.

- Identify the number of processes since this depends on the difficulty of after-care.

Stage 3: Selecting Key Processes

Once macro processes are identified these should be categorized according to the importance or the impact produced in the organization's mission, these are classified in strategic processes, missional and support.

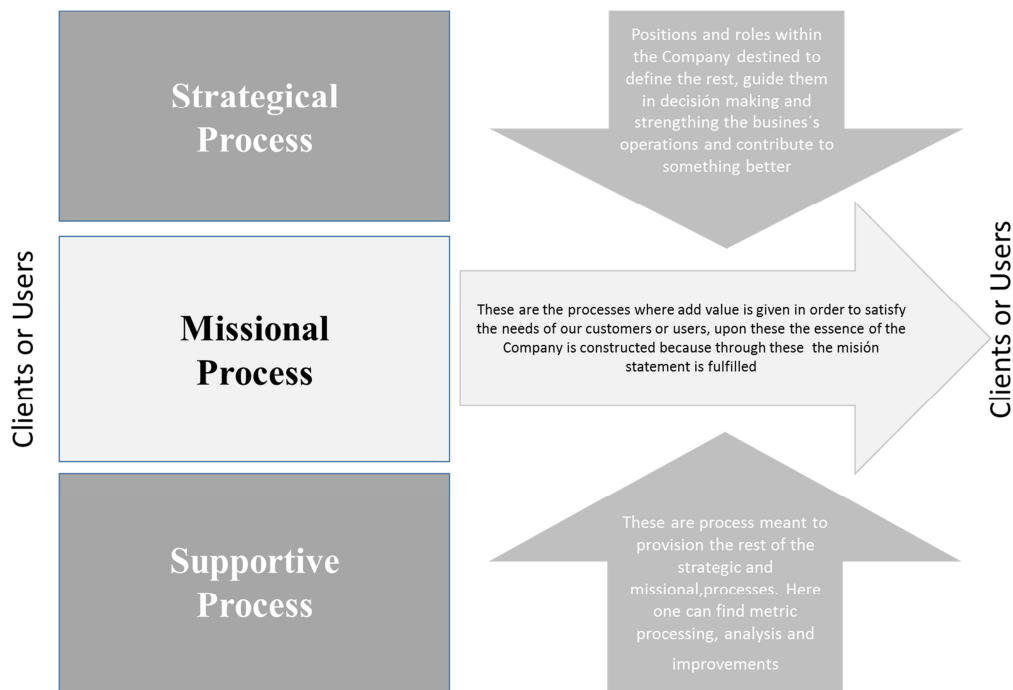


Illustration 6-Types of processes. Own elaboration, 2016.

Stage 4: Naming The Person Presponsible For The Process

Once processes are identified a liable persona must be assigned, this allocation is very important and making the best decision is suggested since this person will be responsible for the controlling and monitoring of the process's mission.

Stage 5: Review And Analysis Of The Processes And Derection Of Problems

Here an analysis of each of the processes in the area where structural change will initiate should be made, identifying if these are responding to the objective, if this does not hold true one must think on redesigning or a new design in itself.

Stage 6: Correcting Problems

From the results identified in the previous stage where problems that are affecting the mission and objectives are recognized, one must look for a real short term solution while checking possible actions to continually solve, those that have greater effect on the performance of the process taking into account the easiness to apply it and its interrelation with other processes. For (Miguel, 2010) the following are tools intended to solve a problem risen from activities:

"Problem solving methods: it is applied to the selected activities, provided that the information is specific enough to describe the object or place where it is detected and the particular flaw that occurs. Any troubleshooting-related tools is valid.

Value added technique: applies to all the activities of the process, questioning systematically all of them through questions such as the following:

- *Does it contribute to satisfying the customer's needs?*
- *Is the customer prepared to pay for them?*
- *Does it contribute towards obtaining some strategic goals?"*

(Mallar, 2010)

Stage 7: Establishing Indicator s

From this section, parameters and conditions are established in a way that it comply with the new structure and therefor identify its functionality.

Interview

To have an expert's appreciation on the topic of process based organizational structure and interview was required, by interview we mean according to (Garzón) collect information by means of communication, where the interviewer responds to previously designed questions according the topic of investigation.

Estructuración	Directividad	Finalidad	Según número participantes
Estructurada ⇕ No estructurada	Dirigida ⇕ No dirigida	- Clínica - De orientación - De selección - De investigación	- Individual - Un grupo - Varios grupos

Table 7-Interview Modalities according to different classification criteria. Taken from (Garzón).

The interview is an unstructured one since there was not a preset scheme of questions and sequence. The questions tend to be open and the interviewee has to construct the response. This type of interview is often referred to as an informal interview.

The interview is conducted because this type consists of a list of issues or aspects that have to be explored during the interview. The interviewer is free to adapt the form and order of the questions. This style is usually colloquial, informal and spontaneous.

Its research oriented and the number of participants is limited to one.

CHAPTER II

MAIN OBSTACLES AFFECTING PROCESS DEVELOPMENT WITHIN REPRESENTACIONES JG S.A.S

1. SMEs

JG representations S.A.S. represents more than five foreign lines of mining and civil engineering product manufacturers in Colombia, in its last 3 years it has had considerable growth which is reflected in various aspects such as: company recognition, market positioning, increase employment and hence sales year-to-year. Now regarding the issue of modernization of the roadway infrastructure in the country, as mentioned in the background, there is great possibility for continual growth given the different construction projects that are currently designed for execution in the short, medium and long term; the most important projects are fourth generation freeways 4thG that include a set of roadway projects that produce the construction of more than 8,000 km of new road networks and another very relevant project is the construction of the Toyo tunnel which is one of the longest tunnels intended for construction in the department of Antioquia.

On the other hand, 4thG projects have position Colombia as an investment destination for senior firms around the world in the market of construction provisions, making it day by day more common for these foreign manufacturing companies of specialized products to seek out Colombian commercializing companies to represent them. Consequently, JG as representative of foreign lines of mining and civil engineering product manufacturers in Colombia, must prepare to meet the demand of supplies and

equipment for these types of projects, delivering not only a product of excellent quality but also fast, efficient and timely service.

It is important to reiterate that JG representations is a company listed as a SMEs, which according to the classification given by professor Cardozo (2011), refers to business categories formed by a broad and heterogeneous group of companies with different maturity levels, found in almost all productive sectors and with growing importance in the region's countries. These tend to be classified according to: the type of activity, employed technology and intensity, financial criteria such as level of investment, sales volume or by his employer capacity.

Although these previous methods tend to be used to categorize an SME, in Latin America there is no pre-set criteria when characterizing these types of companies; What is demonstrated, is its impact on employment and its ability to locate in various productive sectors. **The following illustration** shows the difference in the categorization criterion of companies between some of the region's countries, measuring only the number of employees.

Definition	Small	SMEs	Large
Country			
Argentina	1 a 5	6 a 200	From 201
Brasil	1 a 9	10 a 99	From 100
Colombia	1 a 9	10 a 200	From 201
Costa Rica	1 a 4	5 a 70	From 70
Guatemala	1 a 10	n.d.	
Honduras	1 a 10	11 a 50	
Dominican Rep.	1 a 10	11 a 100	From 101
Venezuela	1 a 5	n.d.	

Tabla 8-Employment based definitions. Taken from “de Las Pequeñas y Medianas Empresas Agroalimentarias, (Cardozo 2011).

Small and medium-sized enterprises have become paramount for today's market, since these can be found in almost all sectors of the economy, they have become a key player in development, and play a major role in developing countries.

1.1 Key actors of development

SMEs are considered to be key actors in development. This perception is based on the incidence of employment, GDP and foreign trade (Cubillo, 1997).

1.2 The future of SMEs.

The new international context in which businesses move poses great challenges to SMEs in Latin America. The future of these will be defined when they are put to the test their ability to compete in increasingly open to outside trade economies. The fight will be both in domestic and in international markets. The confrontation between new forms of increasingly competitive external actors put SMEs to test to a critical extent to position and articulate themselves with other actors in their environment, such as suppliers, customers and competitors. This requires SME to domain and exercise a continual capacity to monitor or examine the environment. It is about perceiving, interpreting and transforming into decisions any variations of change in the environment indicated whether by strong or weak signals, whether they come from the so called microenvironment (space in which SMEs can exert some degree of control) or the macro (a space that is a given for SMEs).

2. JG representations as SMEs.


JG representations S.A.S, is a company with more than 8 years of experience in the market, dedicated to providing advice, technical support and provision of supplies and






equipment for the mining and civil works industry; representatives and distributors of foreign companies that given their experience in the participation of projects abroad contribute knowledge and technology, which is reflected in the quality of their products.






They provide accompaniment services in the import process, for which they have a specialized team that warrants and monitors the logistics process, reducing costs for customers and ensuring a timely delivery of the products to worksite.

Its development and growth, guide them to project themselves as the leading provider of products and services for the mining and civil works industry in Colombia; due to them having high standards of quality and reliability provided by their relationship with parenting establishments, which leads them to position themselves in the international market as one of the most valued representative companies.

2.1 JG Representaciones SAS Products

Product	Usage	Description	Image
<p>Bolts or helical bars and accessories</p>	<p>Civil Works</p>	<p>They help subterranean and superficial instabilities, acting as reinforcing elements</p>	

Metal shoring frame	Civil Works	These metal shoring frames, allow the demands of deepening mining explorations	
Trusses, plates and other Shoring products	Civil Works	They are utilized as reinforcing equipment for metal frames or large tunnels	
Ventilation system for tunnels, mines and hydroelectric terminals	Civil Works	They are utilized in subterranean worksites to guarantee hygienic and salubrity	
Road construction materials	Civil Works	They are used in the pavement of road networks, industrial constructions, and heavy fields of constructions	
Resin or Cement cartridges	Civil Works	Used for anchoring bolts	

Forged steel balls	Mining	These steel balls are used for the functioning of grinding mills	
Steel rails and accessories	Mining	Railways used for transporting vehicles	
pneumatic shovels	Mining	Used for worksites underground in multiple applications such as inclined levels, and cleaning ditches	
Locomotives	Mining	Transportation of materials	
Capstans or winches	Mining	Used for transporting people inside vertical wells, or inclined levels as well as extraction of minerals in mid-size production	


Lamps and chargers	Mining	Provide lighting for staff	
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Tabla 9-JG Representaciones S.A.S products. Own Elaboration 2016.

2.2 JG Representaciones S.A.S involved projects.

Involved Projects		
Carbon Mining	Civil Works	Gold Mining
Carbones San Fernando	CH Hidrosogamoso	Marmato
Nechi	PCH Guarino	Mina el Silencia
Carminales	PCH Chuza	Mina Sandra-K
Carbones Andinos	CH Tulua	Mina San Nicolas
Carbonera San José	Porce III	Mina el Fénix
Intercarbón	Presa Ituango	Mina la Y
Milpa	Doble calzada Bogotá/Villavicencio	Mina la Maruja
Carbosocha	Via Lobogorrero Cisneros	Mina Primavera
Carbocoque	Via Puerto Valdivia- Ituango	Mina el Roble
	PH Montañitas	Mina Higabra
	PCH Morro Azul	
	PCH Tunjita	
	PCH El Edén	
	PCH Carlos Lleras	
	Hidrocucuaana	
	Pescadero Ituango	
	Túnel Gualanday	

Table 10-JG Representaciones S.A.S involved projects. Own Elaboration 2016

At JG representations SAS, they are committed to the satisfaction and the production of technical solutions of quality for its customers, suppliers and partners, for this reason they have decided to prepare for the adoption the ISO 9001:2015 model of quality, in order to provide further support of good practices in the business of representation, imports and commercialization as a response to the demands of the current market.

For JG representations SAS, quality paves the way to improving in the day to day functioning of the organization therefore it always seeks to offer processes and teams committed to the satisfaction and the creation of long-term relationships with its customers.

a. Companies they represent

1. Aceros Arequipa - Perú
2. Adaro Tecnología - Spain
3. Bartz - Spain
4. DF Tedesa – Spain
5. Forjas Santa Barbara S.A. – Spain
6. Zittrón – Spain & Chile

b. Current Company Structure

Currently reflected within the company is a vertical structure given that they work by areas and most of the functions are directed by a manager who controls absolutely everything by a flow of orders, decisions, actions and information; this type of structure can be efficient because ultimately there is a sense of authority who is making decisions, allowing whole control of the company.

However, this presents a big disadvantage and is that even the most insignificant procedure must be authorized by this individual therefore delaying the operations, which as a consequence externally reflects onto others outside the company such as customers and suppliers. This type of structure is inward oriented and results in there being complex processes, since it is not customer-friendly and they are not working for the same goal, but rather to comply with an activity that was ordered by a superior leaving no recognition of their place within the process.

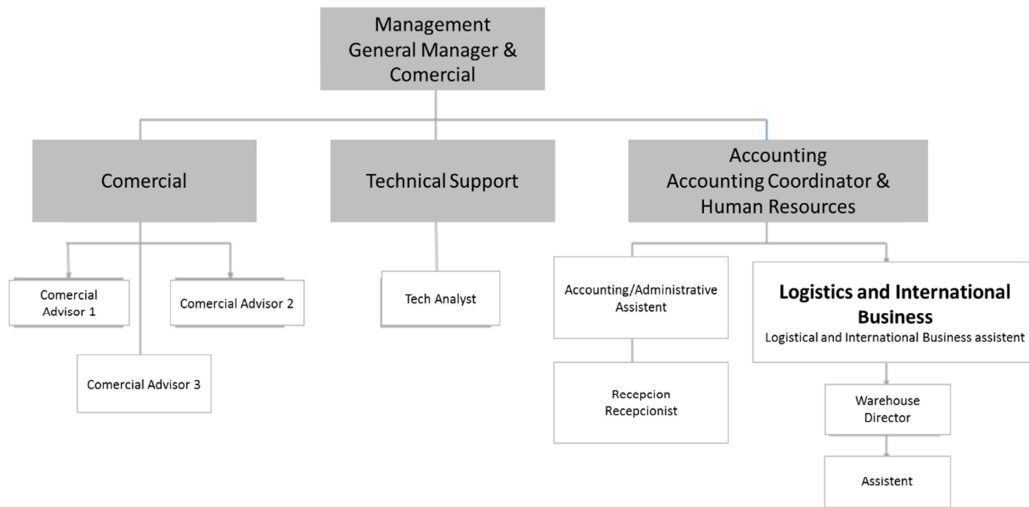


Illustration 7-Current Organizational Chart- JG Representaciones S.A.S. Own Elaboration 2016

The figure above shows how the current structure of the JG representations S.A.S. company is a hierarchical one.

C. Positions and current functions within the department of logistics and international business

Since the focus of this study is primarily conducted in the department of logistics and international business, a vision of the roles currently performed in that department are described.

- i. *Foreign trade and logistics Assistant:* The foreign trade auxiliary is responsible and expected to:

Coordinate, plan, direct and control imports alongside customs intermediation, conveyors (freight brokers) agencies and the entire importing process which includes: negotiating rates, revising that the conditions of price, delivery and quality of service. (international freight and national) are complied. Inform dispatching instructions to

the warehouse auxiliary according to the conditions agreed upon. Review and handle each of the importing documents. Coordinate with commercial management and/or suppliers regarding the reception or dispatch of goods and promptly inform the warehouse auxiliary on the goods pending arrival for their respective suitability or storage preparation. Review that when archiving imports documents these comply with the necessary proof in case of a review by a regulatory figure.

ii. *Warehouse director:* Amongst its functions and responsibilities are

The reception of goods and entrance into the Cardex system, support the loading and unloading of goods, dispatch products under referral issued by the bookkeeper versus dispatching order. Impose control upon all movements conducted in the warehouse (entrance and dispatching of material). Request reimbursement of cash when charges reach 70% of the amount and send the respective proof. Confirm before each shipment the vehicle and driver's information verifying that they are as informed by the commercial unit. Archived referrals according to the shipments that are underway. Request forklifting service with different providers in accordance to the specifications of the goods, weight, volume and type of material. At the end of the procedure, the director is also in charge of reviewing the forklifting invoices, revising time of service and value charged. Filling out the daily forklifting rental report, and giving it timely to the logistics and imports auxiliary so that he could estimate the time, subsequently, the warehouse leader fills out the rest of the paperwork required

Request invoices and purchase supplies for the warehouse, sending signed referrals via e - mail to the accounting department, the same day or the next day at best.

iii. *Warehouse Assistant*: Is in charge of:

Receive, classify, store and dispatch materials. loading and unloading of merchandise in warehouse of JG. Ensure a proper storage of the merchandise. Physical inventory. Confirm before every load the vehicle and driver's information verifying that they are as informed by the commercial unit.

d. Identification of the problems within the Department of logistics and international business in JG Representaciones S.A.S

According to the structure and the above-mentioned functions, the following can be observed:

They do not have a defined organizational structure due to the way in which they manage their activities as a consequence there is not a defined process nor a responsible for such activities.

Decision making for even the smallest of procedures depends on the manager.

Processes are not clear, there is no limits regarding dispatches nor the day of invoicing.

Decreasing of the company's function and effectiveness due to additional cost of human resources since there are several involved individuals acting upon the same process

Inability to resolve problems or changes in the company's processes when there is not an implicit responsible for each function.

There are other aspects that hold part in its infrastructure, for example, limited space for storage of merchandise, which leads to delays in customer's deliveries, damages to materials and work related accidents. There are also deficiencies in the profiling of the companies, for example, the personnel of the international business division do not speak English.

While we have heard throughout this chapter of the benefits and importance of SMEs in the current market, and how the company JG representations has grown since 2007 when it began its activities; it cannot be sidelined that this same situation has become an obstacle and it has not permitted an optimal functioning of the company.

As mention above, one can see that the SMEs make up a large and heterogeneous group of companies with different maturity levels, found in almost all productive sectors, without excluding the civil engineering and the mining sector, this has nowadays resulted in an increased of competition compared to the year 2007, when JG Representaciones S.A.S began to operate.

It is also observed that the company JG representations S.A.S. has yet to count on a process based structure within their units, resulting in unaware employees of the exact functions that should perform according to the position for which they were hired, which accounts for reprocessing and over performances in a single activity that negatively influencing their individual performance, since it doubles the cost in human resources or often weakens the procedure's responsibility without it being run and without a proper recognition of the truly responsible for the task being achieved.

Therefore, and due to the organic growth of the company, it now demands upon it the design and implementation of an organizational structure that can help identify what is failing or that it can be improved and which clearly and explicitly defines pending along with who or whom will be responsible for them; This in order to control all the conditions necessary to provide and maintain the quality of service expected by customers, as well as contribute to a redesigning of a global competitive strategy set to respond to the national and international market demand in the most effective and efficient way possible.

CHAPTER III

ORGANIZATIONAL STRUCTURE MODEL SUITABLE TO THE NEEDS OF THE COMPANY

JG REPRESENTACIONES S.A.S

The structure that is most suitable for the company JG representations S.A.S is a horizontal one, its approach is process oriented making it important to acknowledge expert's opinions on topics such as the importance of processes in a company, the adaptation of processes amongst other.

1. Importance of processes in a company

According to Professor Ana Maria Cano (2016) the idea is to have as leveled a structure as possible, where everyone depends on everyone, making interaction continual and that feedback flow smoothly; and in today's ever-changing and complex world a process based structure is better suited, due to it making parties interaction easier, there is less bureaucracy, and therefore there is access to information, this type of structure allows goals and organizational strategies to be met.

According to (Zaratiegui, 1999), processes are the operative basis of most organizations and are gradually becoming the structural basis of a growing number of companies. This trend comes after the reflected limitations arisen from various organizational solutions, in successive attempts to approximate business structures to the

needs of each moment. Thus functional type organizations generated higher levels of efficiency in specialized operations addressed by each function, often at the expense of the overall effectiveness of the company with less than smooth communication between the different functions

On the one hand (Zaratiegui, 1999) mentioned a matrix type organization, as a breakthrough in theory, designed to optimize the use of human's abilities, integrating them into ad-hoc teams – appropriately or specially designed for that purpose - for each project or new activity, to strengthen and fully employ available in-house expertise, they found countless difficulties in its practical application. Probably inadequate information about the organizational culture requirements of the company, along with the ever-present problem of lack of time (to explain, to experience, etc.) accounted for the failure of many attempts of this type of organization, which rarely came to be tested under appropriate conditions to ensure success.

Zaratiegui (1999 - p. 82) on the other hand, points out that the success of Japanese industries, well observed from the 1970s and 1980s, led to the application of models of productive organization, such as just in time or Kanban - Control or production and process- improvement. Their use produced amazing economic performance in Western countries; but they were limited models, mainly due to their focus on large series manufacturers and their need for parts suppliers closely linked to end of the systems or equipment-producing factories. Both the matrix and Japanese model pointed already to the importance of processes as a basis upon which to develop policies and a solid operational strategy.

As a result of this, studies rose exploring the possibilities of processes as a basis for the management of a company, showing that they were relevant in today's markets, increasingly tied to the global markets and, consequently, its ability to contribute steadily to the results, provided that the company design and structure their processes thinking about their customers. Processes, in this context, can therefore be defined as ordered and logical sequences of processing activities, departing a few entries (in a broad sense - orders data, specifications - information, material means - machines, equipment, raw materials, consumables, etc.)-, to achieve programmed results, which are delivered to whom had requested them, the consumers of each process.

2. From managing processes to process based management

As noted, the importance of processes progressively appeared in business management models. They did not emerge with force as a means for solutions, but rather gradually began to be considered as useful means to transform the company and to adapt to the market.

Initially, management models and companies adopted an individualized view of processes, in which they would chose the most interesting or most important, they would analyze and improved these processes and from that analysis they abstracted practical consequences which were applicable and useful for the next time that the company intended to renew another process.

There was yet to be a thought as to viewing the company as an integral system of processes, which are the basis for strategic changes in the organization. Even so, the

individualistic analysis of the processes produced considerable progress, especially in organizational models based on total quality management (TQM). Below are some of the most significant developments and most widely used in all sectors.

2.1 Processes Adaptation

According to counselor Angela Mejia (2016), a process based structure is a great way to guide a SME, in this case the company JG representations S.A.S. provided that not all macro processes of supply companies are equal there are strategic, missional and supportive process that support one another and their combination make up the company's mission.

(Zaratiegui, 1999) stated that one cannot think that processes can be designed within an ideal structure, that is going to remain unaltered over the years. On the contrary, processes are permanently subject to revisions in order to respond to two different reasons. On the one hand, from an internal point of view, all processes can be improved in themselves, provided that there be some detail, or any sequence that increases its performance in aspects such as the productivity of operations or reduction in defects. On the other hand, processes must change to adapt to the changing market, customer requirements and new technologies. Once this need for review and change is admitted, the company has to seek out, in each case, the appropriate pace of change.

2.2 Internal processes

Professor Henry Alexander Tamayo Muñoz (2016) suggests structuring the Organization horizontally (by processes) given that through these activities, functions and

responsible are defined, and allows the identification of how processes will interact (missional, strategic and supportive) providing adequate feedback.

For all companies to achieve the undertaken productivity, it is necessary to implement or adopt internal processes, as said by (Zaratiegui, 1999), internal processes are the means available to the company that contribute to its customers' value chain. Hence, the objective of this component should be to maximize the contribution of value to customers through the added and combined innovation of the processes, operations and customer service. With this orientation, the most relevant indicators associated with these internal processes must be of these types.

a. In the processes of innovation, % of sales of new products, introduction ratios with respect to competitors, differentiation with respect to competitors, market entry time, and period up to equilibrium.

b. In operational processes, % of deliveries in-time, level of quality perceived by customers, the products time cycle, individuals and equipment's productivity yields and costs, and environmental performance indexes.

c. In after-sales service processes, availability of products and services index, time invested in customer service (consultation, repairs), and an index of efficiency of the service: cost per type of service.

d. For the technological infrastructure (information systems), current availability of information, identified informational needs, % of

processes with feedback available, % of on-line access to information for frontline employees.

(Zaratiegui, 1999)

In addition to the previous opinions there is also the assessments given by three experts on organizational structure by processes, the marketing faculty coordinator Ana Maria Cano, commercial consultant Angela Mejia and the OPC Manager of Colombia Henry Alexander Tamayo Muñoz, whom concluded in the answers provided during the interview conducted, that the best option for SMEs today is to adapt to a process based organizational structure that permits feedback and achieve expected results.

It is a reality that companies today are implementing process based structures, a form by which they can be more competitive in light of consumer that given the excess supply has become more demanding; to envision the company JG representations S.A.S a proposal for an adaptation of the current structure of the company to an organizational structure for processes was produced.

CHAPTER IV

PROPOSED PROCESS BASED ORGANIZATIONAL STRUCTURE FOR THE COMPANY JG REPRESENTACIONES S.A.S.

It was identified that a process based structure is the most suitable for JG representations S.A.S since this grants the company greater control of the processes aligned with the strategy and provides trans versatility which includes allowing feedback focused on creation of value, and fulfilment of the organization's mission.

JG representations S.A.S. is a company dedicated to providing advice, technical support, and provision of supplies and equipment for the mining and civil works industry; representatives and distributors of foreign companies that given their experience in the participation of projects abroad, contribute knowledge and technology, which is reflected in the quality of their products and the precision of the customer choice making decision for the product best suited for each project.

Their main customers are companies engaged in the mining exploitation of coal and gold, development of road and structural projects that seek for technical and commercial assistance in order to supply the necessary products for their projects giving them support in the installation and maintenance of the products.

To focalize the organization towards the construction of a process-based management a methodology that includes the following steps will be used:



Illustration 8- Steps for the making of a process map, Own elaboration 2016.

Stage 1: Information training and participation

JG Representaciones S.A.S currently has 12 employees that make up each of the processes within the company, without whom a satisfactorily change can occur, as a result, at this stage our focus are those employees where change is intends to be made and for this a creation of an awareness campaign that would begin with an expectation campaign of expectation that would seeks to generate a need showing the conditions of the company, its great growth, new trends and the market's demands. For this campaign, the proposal is the usage of tools such as:

A Banner, which consists on designing a type of brief message where information on the growth of the company and of interest will be given, they can be place on the backboard of desk and as a screensaver on computers.

A Board or billboard, this would be a physical space that is sought in the company to place growth indicators, important events, and change related news that impact

Newsletters, the changes sought after within the company arises from the demands of the market making it important to inform of what is happening both at an internal and external level.





To complete the sensitizing campaign, there has to be a launching campaign, now for this part is very important the presence and strong support of the leaders which are the head of command and upon which depends a creation of a sense of credibility and security with its employees; tools such as briefings reunions will be used where the need for change and how this will contribute to the common good will be told to the employees. Surveys will be used to make them feel involved in the changing process and understand how they feel about this; creating training guides meant to help them grow so they will adapt and finally keeping them informed of the stages of the changing process through newsletters and billboards.

Stage 2: Identification Of The Overall Processes And Definition Of The Boundaries Of Each One

A review of all processes involved in the company was made for this stage by reviewing the step-by-step of what is done and should be done to fulfill their mission of JG representations S.A.S. depicting them with a name which reflects the exact action and identifies the process quantity It was identifies within each process the different activities that was performed to accomplish it discarding those which were not.

1.List of the Processes

General Processes	Activity
	-Identify future project to implement

<p style="text-align: center;">Marketing</p> 	<ul style="list-style-type: none"> - Research and updates on mass media (news, journals, internet and radio) - Market research - Analysis of the competition - Communicate through advertising to achieve recognition - Market positioning
<p style="text-align: center;">Commercial</p>  	<ul style="list-style-type: none"> - Find clientele and initiate contact - Commercial visits - Presenting the company, its products portfolio and services - Generate and cultivate commercial relations - Identify customers' needs - Seek alongside suppliers how to satisfy customer's needs. - Suppliers added value - Presentation of the company's technical and economical offering to clients - Calculate importing costs in order to negotiate prices - Conduct efficient sales - Provide the company feedback on the market - Provide post-sale service
<p style="text-align: center;">Importing</p> 	<ul style="list-style-type: none"> - Place order - Regular purchases - Sending documents to initiate the importing process - Contact loading agent for international transportation according to the ICOTERM agreed upon
<p style="text-align: center;">Logistics and Storage</p>	<ul style="list-style-type: none"> - In-land logistics and transport for deliverable goods at worksite or storage facility



	<ul style="list-style-type: none"> - Successful deliveries - Controlling Stock and disposable inventory
<p style="text-align: center;">Administrative</p> 	<ul style="list-style-type: none"> - Attention of claims and returns - Human resources
<p style="text-align: center;">Accounting</p> 	<ul style="list-style-type: none"> - Generate invoices - Salvaging accounts receivable - Provide reports for management
<p style="text-align: center;">Technical</p> 	<ul style="list-style-type: none"> - Technical support for the instalment of equipment - Monitoring and support during installation
<p style="text-align: center;">Management</p> 	<ul style="list-style-type: none"> - Financial reporting - Decision making

Table 11-List of Processes. Own elaboration. 2016.

Stage 3: Selecting Key Processes

After identifying the processes, these are divided according to their importance and the impact each of them has on the company's mission:

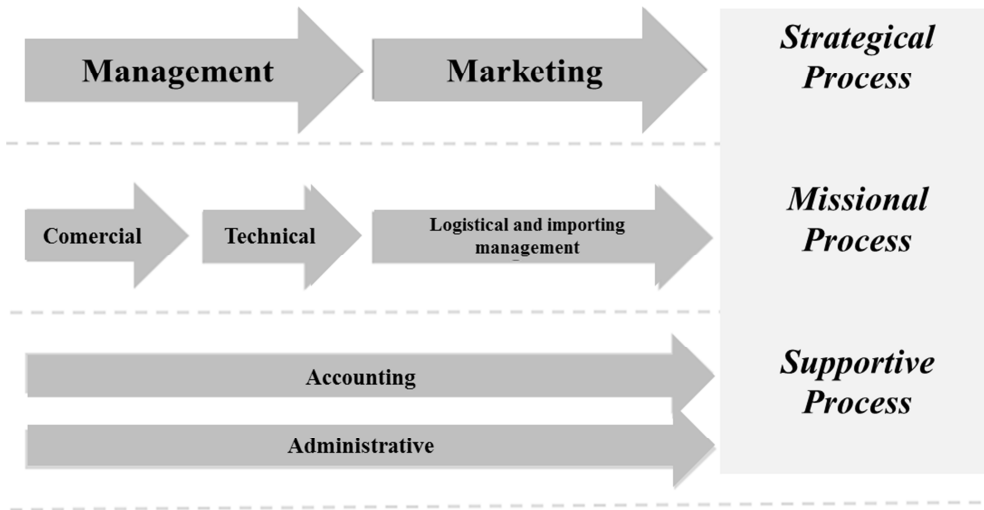


Illustration 9--Process Map. Own Elaboration. 2016

Stage 4: Naming The Person Presponsible For The Process

At this stage, identifying according to the requirement of the process and capacity of the company’s staff, whom will be responsible for each process.

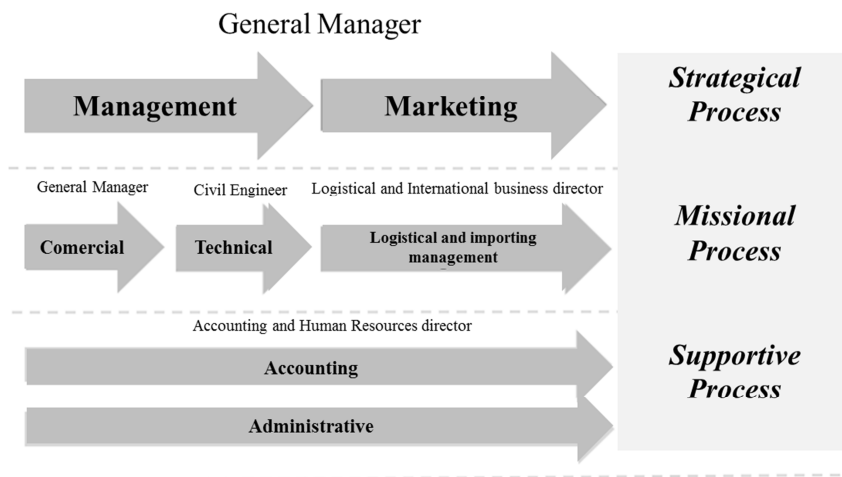


Illustration 10-Process Map with its responsible. Own elaboration. 2016

Stage 5: Review And Analysis Of The Processes And Derection Of Problems

Focus is given to the current management of the department of logistics and international business which is the Department in which change is meant to begin.

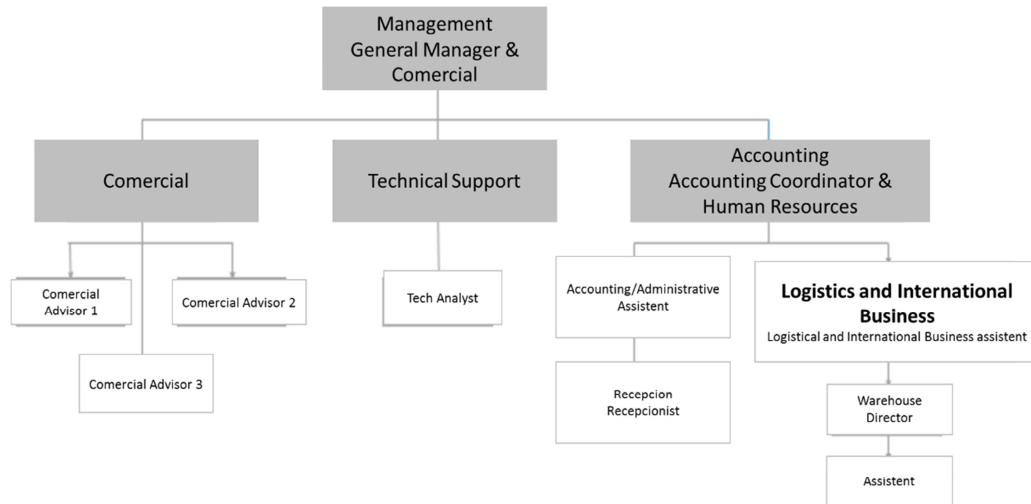


Illustration 11-Current Organizational Chart of JG Representación S.A.S. Own elaboration. 2016

1. Current positions and functions within the Department of logistics and international business

a) International business and Logistics assistant:

Coordinate, plan, direct and control imports with customs intermediaries, conveyors (loading agencies) agencies and the entire importing process which includes: revising that the conditions of price, delivery and quality of service. (international freight and national) are complied. Inform dispatching instructions to the warehouse auxiliary according to the conditions agreed upon. Review and handle each of the importing documents. Coordinate with commercial management and/or suppliers regarding the reception or dispatch of goods and promptly inform the warehouse auxiliary on the goods pending arrival for their

respective suitability or storage preparation. Review that when archiving imports documents these comply with the necessary proof in case of a review by a regulatory figure.

b) Warehouse director

Functions and responsibilities:

The reception of goods and entrance into the Cardex system, support the loading and unloading of goods, dispatch products under referral issued by the bookkeeper versus dispatching order. Impose control upon all movements conducted in the warehouse (entrance and dispatching of material). Request reimbursement of cash when charges reach 70% of the amount and send the respective proof. Confirm before each shipment the vehicle and driver's information verifying that they are as informed by the commercial unit. Archived referrals according to the shipments that are underway. Request forklifting service with different providers in accordance to the specifications of the goods, weight, volume and type of material. At the end of the procedure, the director is also in charge of reviewing the forklifting invoices, revising time of service and value charged. Filling out the daily forklifting rental report, and giving it timely to the logistics and imports auxiliary so that he could estimate the time, subsequently, the warehouse leader fills out the rest of the paperwork required

Request invoices and purchase supplies for the warehouse, sending signed referrals via e - mail to the accounting department, the same day or the next day at best.

c) Warehouse Assistant:

Functions and responsibilities:

Receive, classify, store and dispatch materials. loading and unloading of merchandise in warehouse of JG. Ensure a proper storage of the merchandise. Physical inventory. Confirm before every load the vehicle and driver's information verifying that they are as informed by the commercial unit.

Analyzing the current structure and the previous functions the following is the result:

- The structure is hierarchical, which limits the proper flow of information, avoiding top-down feedback and vice versa; decision making depends on supervisors consequently delaying operations.
- The logistics and international business division is under the command of the accounting Department making this process depend upon an outsider that does not know it's operation and performance.
- Their processes are not documented with its respective activities, which limits the function of monitoring and control.
- It should not be called division or Department of logistics and international business but rather logistical and importing management because a process based structure is "set of activities that take place in a certain sequence".
- Processes are not properly structured to each position which results in a high percentage of errors and customer dissatisfaction; damaging their normal performance.

Stage 6: Correcting Problems

When implementing the process based structure in JG representations S.A.S. results in the department of logistics and international business to not be seen as such but as a process that will be represented by someone who is in charge of planning, doing, verifying and acting upon each activity.

Supposing that the process based organizational structure is imposed leaves the logistical and importing management a missionary process backed by the accounting process which will allow the logistical and importing management no to have the need for a superior that control the activities and decision-making as it was before.

Having documented the functions and responsibilities within an import and logistical instructive manual (see attachment A) An instructive for negotiating currencies (see attachment B), serve as a guide to having a detailed step by step process and specific activities carried out for a sole purpose.

A profile manual (see attachment C) will help the company hire the person with the abilities, attitudes and skills for the given position.

An import registration procedure checklist. (See attachment D) perform and control activities in a way that will minimize errors and result in clearer responsibilities for the person in charge.

A process file or characterization (see attachment E) identifies what is, the objective and scope of the entire process.

Once naming it “Logistical and importing management” they are equipped with a set of activities conducted in a sequential and determined way. Allowing that a system of indicators evaluated the effectiveness and efficiency of processes both from an internal or external point of view.

Stage 7: Establishing Indicators

Assuming that one already has a newly approved by directives process map, the first grateful and useful observation that can be done with the map in hand, it is that allows a visual of the work that it carried out in each Department, and how it affects the final result of the work in terms procedure or processes in a positive or negatively manner

The process map should be a clear and detailed summary that allows you to detect all of the company’s interconnections and understand them as a system, in which some processes can be identified as central nodes which may give rise to other processes. Without a process map, this can hardly be determined.

A) OTHER UTILITIES OR BENEFITS OBTAINED BY A PROCESS BASED STRUCTURE:

- Analyze the steps within the process to decrease time decrease or increase quality.
- Use current processes as starting points to carry out process improvement projects.
- Develop alternative ways to do the job during critical times.
- Evaluate indicators and the results of the company’s functions.

B) WHAT SHOULD A PROCESS BASED STRUCTURE PREVENT:

- Customer complaints related to delivery time for an end service or result.

Internal errors caused by an incapable employee who does not possess the knowledge or skills necessary for the task in question.

"When a company wants to make productivity measurements and where defined indicators are required, the process map allows it to determine which processes to evaluate and what specific tasks or procedure you want to measure, this is also useful to the extent that avoids unnecessary collection of information"

(Mahecha, 2012)

3.FINDINGS

The company JG representations S.A.S could be defined as an organization with an empirically created structure, and that does not have a process based management. And some of the consequences observed within the organization, perhaps the most relevant are: delays in compliance towards clients due to either internal and external failures in processes, delays in problem solving thus reducing the effectiveness of the function of the company when it has to double the cost of human resources. In this sense, consider the implementation of a rational design for the organizational structure of JG and defining the process based management would not only positively impact the performance of the company after minimizing errors but also improve the timely implementation in the delivery of other company's products making it even more competitive and why not more lucrative.

In summary, what is hereby proposed is a rigorous evaluation of the researched information and comparison against the reality of the business, to finally propose a type of organizational structure that fits the current requirements of the company and implement the structuring process for the department of logistics and international business in order to have more control over the activities and a better performance of all processes.

The main discoveries found in the study of JG representations S.A.S. company reveal the need to implement a process based organizational structure, in a way that guarantees successful permanence throughout time.

Some of the findings are listed below:

- The structure is hierarchical, which limits the proper flow of information, avoiding top-down feedback and vice versa; decision making depends on supervisors consequently delaying operations
- Decision making depends on superiors, delaying operations.
- The logistics and international business division is under the command of the accounting Department making this process depend upon an outsider that does not know it's operation and performance.
- Processes along with their respective activities are not documented.
- It should not be called division or Department of logistics and international business but rather logistical and importing management because a process based structure is "set of activities that take place in a certain sequence"
- Processes are not properly structured to each position which results in a high percentage of errors and customer dissatisfaction; damaging their normal performance.
- SMEs have become paramount for today's market, since these can be found in almost all sectors of the economy.
- SMEs are considered to be key actors in development. This perception is based on the incidence of employment, GDP and foreign trade

- Such is the force that SMEs have acquired in recent years that they are vital to the progress of developing economies.

- Despite the opportunities offered to SMEs by the globalization process, these have yet to be fully exploited, due to the fact that some developing countries have yet to completely freed their economies to international trade.

- JG representations S.A.S is a company that has had rapid growth, not only in sales volume and representing clients but also in the number of employees to date; The basis upon which it has being able to maintain itself in the national market.

4. Conclusions and Recommendations

4.1. Conclusions

- When creating a company there is not always clear and much less documented procedures, activities and functions that the personnel must perform; and at the end everyone knows and fulfills other's tasks, which entails that no one takes responsibility.

- It is important the proposal of a Process based organizational structure design for the company JG representations S.A.S. especially for the management of import and logistics, in order to have clearly defined roles and responsibilities.

- Is of utmost importance for SMEs to have process based managerial tools due to limited staff, while allowing continuous interaction and feedback will be evident and fluid

- Because JG is in a process of continuous growth and immerse in an environment of opportunity that will result in a higher level of demand for their services, JG will be exposed to moments of tension during which, as mentioned, adopt an organizational structure that favors better performance of each of its employees and will eventually lead the company to continue in this process of improvement of its standards of quality and that the validity and permanence in the market can continue to grow and be more productive and competitive.

- Considering the implementation of a new organizational structure in principle is not an immediate solution to the problem, on the contrary, it demands and

initial investment of effort in the search for relevant academic information, information others have done and what has been their experience those stages of transformation JG is not the first nor the last company. In the business world its becoming increasingly visible that more and more oriented efforts to adapt organizations to the complex scenario in which they move in. Changes in the rules of the game, increased competition, openness to the world through technology and much more demanding customers that constantly change their demands and needs.

4.2. Recommendations

- It is recommended that the company defined and documented position and functions that permits the correct performance of the employees.
- Implement the process based organizational structure within the different divisions of the company JG representations S.A.S.
- Adapt the company's internal processes to achieve a greater efficient communication and feedback weighted in pro of the business.

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Attachments

A. Attachment: Instructions for import and logistics

	INSTRUCTIVO		
	IMPORTACIONES Y LOGISTICA		
	Fecha de emisión:	Fecha de revisión:	

1. OBJECTIVE

Timely importation of merchandise for its commercialization and deliverance to customers.

2. SCOPE

All imports conducted in JG representations S.A.S.

3. RESPONSIBILITIES

It is the responsibility of the logistical and importing management to follow the guidelines set out in this instruction manual.

4. DEFINITIONS

PO: Purchasing order

INCOTERM: Universal term that defines a transaction between importer and exporter, in such a way that both parties understand the tasks, costs, risks and responsibilities, as well as the logistical management and transportation from the dispatching of the product up to the reception by the importing country.

INCOTERM COMMONLY USED IN JG:

Cost, insurance and freight (CIF) - Seller (exporter) is responsible for shipping the merchandise to the transportation vessel and for clearing customs in the exporter's country. While it is also responsible for the purchase of an insurance, with the name of the purchaser (importer) as its beneficiary. The buyer is responsible for the risk of loss when the merchandise crosses the boat's entrance. That is, if the merchandise is damaged or stolen during international transport, the buyer is the owner of the goods and should file a complaint with the insurance obtained by the seller. Buyer must dispatch customs in the importing country and pay the rest of transportation and insurance in the importing country. CIF can be used as an Incoterm only when the international transport of goods is done partially by water. If FOB is the basis of the customs value, international insurance and freight costs must be deducted from the CIF value.

(FOB) free on board - Seller (exporter) is responsible for sending the goods from their point of business, load it into the container at the port of export, and for clearing customs in the exporter's country. As soon as the goods cross the ship entry, the risk of loss is transferred to the importing buyer. Buyer must pay all transportation and insurance costs from that moment on, and must dispense customs in the importing country. An FOB transaction. If CIF is the basis of the customs value, the load and the international insurance should be added to the value FOB.

(EXW) in factory - Seller (exporter) puts the goods available to the buyer (importer) in the seller's premises. The buyer is responsible for all transportation costs, tariffs, insurance, and accepts the risk of loss of goods, immediately after that the merchandise is bought and is placed outside of the factory. EXW prices do not include the price of shipping goods in a truck or container, and does not include any kind of permission to dispense customs. If FOB is the system of valuation of the customs in the country of destination, the costs of transport and insurance from the seller's premises to the exporting port must be added to the EXW value.

(END)

MULTIMODAL transport: is the articulation between different means of transportation in order to perform faster and more effectively the operations of trans-shipment of materials and goods (including containers, pallets or similar items used for consolidation of loads). Multimodal transport is one in which it is necessary to use more than one type of means to transport goods from their place of origin to their final destination, but upon a single carriage contract.

MULTIMODAL TRANSPORT USED IN JG:

FCL: FULL CONTAINER LOAD. Full container with a single charger merchandise. Indication of the acronym FCL-FCL shipment documentation reflects that the container is filled in its entirety in the warehouse of an exporter and empties entirely in the warehouse of an importer.

LCL: LESS CONTAINER LOAD. Container with loads from several chargers (bulk). The indication of the acronyms LCL within the shipment documentation reflects that the container is filled (with loads of merchandise from several Chargers merchandise) in the port-airport - auto terminal of origin later on emptied in the port-airport - arrival terminal of destination.

(END)

Bill of LADING or B/L (by his initials in English, *Bill of lading*): is a document proper of maritime transportation which is used in the context of a transportation contract of the goods in a ship direct line. The purpose of this document is to protect the loader and the consignee of the cargo against the ship-owner and provide confidence to each party with respect to the behavior of the other.

SWIFT code: is a banks identification code mainly used for facilitating international wire transfers.

5. DESCRIPTION OF THE PROCESS

1. Request PO to the commercial advisor and revision.
2. Tracking delivery of the PO.
3. Open a folder with the import's consecutive number.

To Start filling out the importing checklist, in order to be sure that it comply with the instructions and that the required proof of documentation is had.


4. Check with the commercial advisor the deadlines of cargo.
5. Check the terms of delivery for the load.
6. Request invoices for international transport according to the negotiated INCOTERM and type of load (FLC, LCL)
7. Review final documents drafts (commercial invoice, packing list, certificate of origin, BL or AWB) to authorize the shipment of them.
8. Review with commercial advisor the payment scheduling of the PO. (in advance, against delivery, line of credit, etc.) (See payments to suppliers instructive).
9. Ask vendors for photographic record of the load in manufactured imports FLC, where you appreciate the correct manipulation of the burden, the state of the equipment at the time of receipt and the loading of the material. (according to updates presented by the load).
10. Inform the insurer through an email (**Vision Insurance Agency**) information regarding the load when you set sail to and import (according to registration - calculating policy).
11. Follow-up the loading of cargo either by maritime, cargo agent or courier agent.
12. Invoice inland transportation according to the packaging list, type of cargo and route.
13. Request the customs agent an opening of a D.O. for nationalization.
14. Coordinate with the commercial unit the place of delivery of materials whether it is for JG warehouse stock of warehouse of JG or worksite (as support email).

15. Document the customs agent assigned with a magnetic copy of the following documents: commercial invoice, packing list, certificate of origin and an eraser of the BL (giving time to obtain the original).
16. Send original physical documents to the customs agent.
17. Check original documents sent by Courier (DHL, TNT).
18. Provide a copy of commercial invoice to the Administrative Assistant to any new import, in order to give material entrance into the Cardex system.
19. Confirm the loads arrival with the agent by means of a drafted BL or # Booking (via website)
20. Request advance payment and check payment for costs and importation taxes.
21. Send letter to the **Bank** paying for taxes referred to in the imports declaration.
22. Manage the release of load (already made the payment of the sum of expenses which includes the release clause).
23. Request a report of the load's advancement to the customs agent D.O, order, vendor invoice, deposit, ETA, arrival, charge, situation)
24. Ask for pre-tax liquidation and handling of load, when the load is via Courier manage payment with administration for the day of delivery of the cargo at the offices of JG.
25. Inform the warehouse when arrival of material at its facilities is applied.
26. Be advise of the authorization for the lifting of the load and coordinate the dispatch of the load (**JG warehouse** or worksite).

- 27. Report via email to the insurance company "**Vision Insurance Agency**" once load is authorized and is ready for release. (See payment to suppliers instructive)
- 28. Make follow-up phone calls or e-mail of the load's deliverance according to the assigned conveyer and final destination of the cargo.
- 29. Include the import in the weekly report given to management "Loads pending shipment & cargo already shipped pending nationalization process".
- 30. Send management weekly report of overseas supplier's portfolio.
- 31. Manage containers deposits given the agent conveyer.
- 32. Enact the imports insurance report and deliver them at latest the tenth of each month.

Elaborated by	Revised by:	Approved by:

B. Attachment: Instructions for Negotiating Currencies

	INSTRUCTIVO		
	NEGOCIACIÓN DE DIVISAS		
	Fecha de emisión:	Fecha de revisión:	

6. OBJECTIVE

To Negotiate the best exchange rate possible for JG representaciones S.A.S

7. SCOPE

All imports conducted at JG representations.

8. RESPONSIBILITIES

It is the responsibility of the commercial, administrative and strategic management processes to follow the instructive guidelines defined by the international business process

9. DEFINITIONS

Spot rate. A spot exchange rate is the current market rate for cash transactions

Future exchange rate or forward: A future exchange rate indicates the a currencies price in present day market transactions but with a settlement date is in the future, for example, within 180 days.

Delivery - tangible delivery: Those forwards with delivery, which translates that on maturity one interchanges total currency flows, for example there is a tangible exchange of the respective currency for Colombian pesos, or in other delivery cases one currency for another

To negotiate **forward deliveries**, there should be an obligation or a duty of payment abroad of mandatory channeling through the foreign currency market these are understood as the payment of imported or exported goods, the disbursement or payment of capital and interest of

international loans granted to residents or non-residents and previously channeled international investment through the foreign currency market.

Those Services, transfers, and other transactions than those concepts are not of mandatory channeling through the foreign exchange market exchange, therefore derivative contracts cannot be done under the premise of delivery but rather Non delivery in Colombian legal currency.

Non-Delivery - liquidating it against an index: In this scenario on maturity there is not a delivery of currency flows. In this case, the parties are obliged to agree on a settlement and compliance using a netting mechanism, comparing an agreed upon forward agreed with the reference index, multiplied by the nominal value of the transaction agreed between the parties, in the case of *forwards Non Delivery COP/USD* the normally used reference index is the short-term representative market rate published on the work day following the date of maturity.

SWIFT code: is a Bank ID code mainly used to facilitating international wire transfers.

10. DESCRIPTION OF THE PROCESS:

1. Verify with management payments deadlines according to financial reporting & purchasing orders pending dispatch.
2. The designated persona must call the bank to negotiate the exchange rates according to previously authorized amounts either using a spot rate or forwards whether delivery or non-delivery.
3. Send formats to the bank (negotiated currencies contract), (confirmation letter of forward transactions).

4. Send a week before the forwards maturity, the value in pesos according to the negotiated rate for funds to be managed in order to comply with the negotiation.
5. The day of the forwards maturity, call the designated Bank to negotiate the exchange rate according the amount in form of delivery or non-delivery. (for non-delivery transactions "financial settlement" on the date of maturity one can negotiate an amount that differ from the agreed upon, for delivery transactions on the date of maturity the agreed upon amount must be honored
6. The day of the transaction, one must fill out Form number 1 "Imported Goods Declaration" and a currency request form, these documents must be sent first scanned before 1pm (for the bank to guarantee that the transaction be done the same date) and secondly in physical to the bank with which the transaction was performed
7. For the currency request form, thoroughly review the beneficiary information: full name, address phone number, account number, bank codes according to the country's currency, bank's name, address, amount that will be sent, currency, concept, etc.
8. For form 1 on must have a clear notion of the concept code (if it's an advance payment, goods already shipped within a term equal or less than a month, within a term exceeding one month equal to or less than 12 months, or more than 12 months and discriminate FOB value from freight & insurance).
9. If one has any question regarding the due diligence of the forms for the transaction, call the international commerce line of each banks.


- 10. When the swift code is obtained send it to the corresponding commercial advisor reporting if it is partial or full payment of the invoice in or for it to be sent to the supplier.

- 11. Provide a copy of the swift message & fee settlements to administrative assistant with the corresponding import number to which it is assigned.


- 12. Deliver registered documents and declaration to the administrative assistant.

Elaborate by:	Revised by:	Approved by:


C.Attachment: Profile Manual

 PERFIL, FUNCIONES Y COMPETENCIAS Proceso de Gestión Humana		
Denominación del cargo	GESTION DE IMPORTACIONES Y LOGISTICA	
Misión del cargo	Responsable del proceso de importaciones, inventarios y la coordinación de logística corporativa.	Cargos que le reportan Directamente N.A.
COMPETENCIAS		
Educación	Tecnólogo en Comercio exterior, logística, administración aduanera, bilingüe	Formación
Experiencia	Experiencia mínima de 2 años en puestos relacionados al área de importaciones, manejo de inventarios y logística corporativa.	
Habilidades	Organizacionales	Horario Laboral
	Alto grado de responsabilidad, iniciativa, alto sentido de urgencia, capacidad de trabajar por objetivos y bajo presión, alto servicio al cliente y trabajo en equipo, toma de decisiones y con buenas relaciones interpersonales. Organizado, colaborador, honradez, ética e integridad, metódico, analítico, proactivo y con carácter.	Lunes a Viernes de 8:00am a 6:00pm y los días sábados de 8:00 a 12:00pm,
		Horario de Almuerzo Lunes a Viernes de 12:00pm a 2:00pm
FUNCIONES Y RESPONSABILIDADES Basadas en enfoque por procesos		
Actividades del Proceso		
<p>Coordinar, Planear, dirigir y controlar las importaciones con las (Agencias de Intermediación Aduanera) y las transportadoras (Agencias de Carga).</p> <p>Coordinar todo el proceso de importación bajo los lineamientos del INSTRUCTIVO DE IMPORTACIONES velando por la llegada oportuna del material a la bodega de JG.</p> <p>Realizar negociación de tarifas y revisar que cumplan con las condiciones de precio, entrega y calidad del servicio. (Flete Internacional y Nacional Itr), operadores logísticos en puerto, entre otros.</p> <p>Informar instrucciones de despacho al auxiliar de Bodega según corresponda la negociación.</p> <p>Diligenciar dentro del registro Reporte diario de alquiler de Montacarga el tiempo estimado para contratación de servicios de Montacarga.</p> <p>Revisar la documentación de importaciones y el manejo de cada uno de los documentos.</p> <p>Realizar la liquidación de importación.</p> <p>Cordinación con Gestión Comercial y/o Proveedores de recibos y despachos de Mercancía e informar oportunamente el Auxiliar de Bodega sobre las mercancías en llegada para su respectiva adecuación o preparación para almacenamiento</p> <p>Verificar e informar a Gerencia el estado de cuenta de los proveedores en el exterior para el oportuno pago</p> <p>Revisar que al archivar los documentos de las importaciones, los soportes del pago al proveedor como mensajes Swift, Notas Debito, Formularios del Banco, legalización de anticipos (cuando el pago sea por anticipado) y otra documentación relacionada bajo el registro de LISTA CHEQUEO DE PROCEDIMIENTO DE IMPORTACION .</p> <p>Mantener actualizado los documentos de evaluación de proveedores del exterior y proveedores de servicios nacionales de comercio exterior.</p> <p>Negociación de tasas para pólizas de Seguros</p> <p>Control de mercancías en tránsito para cada una de las importaciones</p> <p>Presentar puntualmente informes de gestión y demás solicitados por gerencia.</p> <p>Mantener la confidencialidad en el manejo de la información.</p> <p>Conocer e identificar los procedimientos, instructivos, manuales, formatos y demás documentos que se manejen en su proceso</p> <p>Cumplir las normas y disposiciones establecidas en el Reglamento Interno de Trabajo y de más Políticas y establecidas por la Empresa</p> <p>Demás actividades que por motivo del desarrollo de su objeto contractual sean inherentes a su cargo.</p> <p>Utilizar la dotación y elementos de protección personal para ejecutar las actividades en las instalaciones.</p> <p>Estar en continua comunicación con el cliente (Almacenista) informando las novedades del cargue y salida de mercancía</p>		

D. Attachment: Check listing procedure

	REGISTRO			
	LISTA CHEQUEO DE PROCEDIMIENTO DE IMPORTACION			
	Fecha de Emisión	Fecha de Revisión		
	25/11/2014			
DOCUMENTOS SOPORTES EN CARPETA DE IMPORTACIONES				
1	Orden de Compra			
2	Factura Comercial			
3	Packing List			
4	B/L			
5	Certificado de Origen - Certificados de Calidad			
6	Legalización de anticipos (cuando aplique)			
7	Codigo swift			
8	la solicitud de giro			
9	la liquidación de divisas			
10	2 Declaraciones de cambio numerada o Formulario 1 (La enviada al Banco y la Magnética enviada por el banco ya numerada)			
11	factura agenciamiento con todos los soportes			
12	factura transporte terrestre con soporte de cotización			
13	Otras facturas de terceros (agentes de Carga, Navieras, etc.)			
14	declaración de importación			
15	Carta radicada en banco de occidente para pago de impuesto de declaración de importación			

E. Attachment Characterization

COMERCIO EXTERIOR Y LOGISTICA				
				
OBJETIVO: Realizar las operaciones de comercio Exterior y operaciones Nacionales Manteniendo un control adecuado de acuerdo con la legislación aduanera y cambiaria con el fin de cumplir con las operaciones para realizar una entrega de los Materiales comercializados por JG de forma satisfactoria a los clientes.		RESPONSABLE: Auxiliar de Importaciones y Logística.		
PROCESO PROVEEDORES	ENTRADAS	ACTIVIDADES (PHVA)	SALIDAS	PROCESOS CLIENTES
Gestión Comercial	Orden de Compra	Ejecución de los instructivos: Importaciones y Negociación de divisas y sus respectivos registros asociados	Importación y nacionalización de Material listo para comercializar	Gestión Comercial / Gestión Logística
Proveedores y/o Terceros	Factura Comercial			
	Packing List			
	B/L			
	Certificado de Origen			
	Código Swift			
	Cotizaciones			
	Autorización de Agente de Aduana para Nacionalización			
	Reporte seguimiento de Carga con el agente de aduana			
	Registro Fotográfico de Carga importaciones FLC (Proveedor) - Digital			
	preliquidación para gestión de pagos con gerencia			
Negociación de divisas (Tasas)				
Dirección Estratégica	Aprobaciones	Aprobación de Proveedores (Tarifas) y pagos	Recursos Invertidos	Gestión comercial
	Reglamento Interno del Trabajo	Políticas y Directrices para el desempeño del cargo de acuerdo a los lineamientos de Megaequipos	Llamados de atención, Suspensiones y/o Terminación Contratos de Trabajo	Todos los Procesos
Gestión de Mejora	Documentos Controlados	Actualización y socialización de Documentación actualizada	Entrega de Documentos pertenecientes al SGC actualizados con sus respectivas versiones.	Gestión Comercial
DOCUMENTOS	INDICADORES		INFORMES	RECURSOS
INSTRUCTIVO DE IMPORTACIONES, INSTRUCTIVO NEGOCIACIÓN DE DIVISAS, INSTRUCTIVO DESPACHO DE MATERIALES EN STOCK, INSTRUCTIVO PROGRAMACIÓN PAGO A PROVEEDORES, INSTRUCTIVO PARA TRANSITO EN BODEGA.	Pendiente		Informe de cargas aseguradoras (Aseguradora), informe de los pagos pendientes al exterior, informe de Fardware e informe de las importaciones en proceso.	HUMANOS: Auxiliar de Logística e Importaciones INFORMATICOS: Hardware y Sistemas de Información Electrónica, Teléfono Celular INFRAESTRUCTURA: Bodega

F. Attachment: Interview Ana María Cano

Company: Educational institution Esumer

Job Title: Coordinator of the Marketing Faculty

Main findings of the interview:

According to Professor Cano, the idea is to have as leveled a structure as possible and argues that in fact the organizational flowchart is circled, since everyone depends upon everyone, interaction is continual what really allows for the process to flow is the feedback, in this ever changing, complex and current world the most successful structure is one by processes.

95% of companies have hierarchical structures which produces a lot of bureaucracy, delayed decision making and companies that lag to react to the changes in the market, for this reason these companies are left behind and competition with the best added value propositions move ahead; This is the reason why hierarchical structure are inefficient since when a reaction occurs one has already lost a customer; Another difficulty is information which only flows from the top down, and the opinion of individuals further down in the structure, living the day to day, and receiving customer feedback is not accounted for. Which consequently causes those who are at the top of the structure to take decisions or define strategies that do not correspond to the customer's need since they don't know how the market is moving.

A process based structure recommended above a functional one since this latter's characteristic is that each group member complies with its task and does not go beyond the assigned role, this cuts off the process and when not done properly the individual that follows up on the chain cannot be efficient.

Unlike the previous what a horizontal structure seeks is to be as leveled as possible so that the everyone's interaction is aligned and much easier, the less degrees of power the easier information flows.

The characteristics of a process based organizational structure are:

- The organization's personnel, the structure, the organizational flowchart and its modus operandi allows objectives and organizational strategies to be are met, that is to say the company strategy.
- All of the company's employees acknowledge the company's goals, its needs and principles, one which Philip Kotler "the father of marketing" mentions when speaking of the co-creation principal, which states that you must always be with the customer, always brainstorm as to how one develop products, offer services, delivers, searching for ways to offer an added value in the customer's mind.

Another important aspect that Professor Cano emphasizes is the interaction between divisions given that in a process based structure these can't work alone, when business is done with a client and production does not fulfill or the distribution center does not deliver on time, the company's reputation is at stake, a negative voice to voice is created and objectives are not met.

Another important aspect that a process based has is its training and growth perspective that seeks to evaluate how in-house knowledge is managed within the organizations. Already today, the majority of employees do not last long at their jobs taking their knowledge with them which leads companies to have to begin once more with a person's selection processes, trial period and adaptation taking up to 6 months, causing individuals to be the most difficult asset to manage; because of this within management, there is an important trend with the human beings interest is what is important, "A more humanistic organization" is the theme making happiness a common day topic. Structures become flatter resulting in less difficulty for managers to reach out and integrate with various people involved in the process, being more interested in how they go about their work, informing how the company is doing in a generalized sense, what is being done and what is planning on being done and how they are each contributing towards these achievements, they involve themselves a lot more causing personnel to feel part of the company; Today, there is also the discussion of organizations with faith, not in the religious sense, but rather in the sense of believing that anything is possible, that with work, effort and adequate planning everything can be achieved; also it is spoken of an organization's soul, brands must be in consumer's and employee's spirit because we are in a world with a falling out on topics such as environmental and social.

For the above mentioned reasons, if a company express or desire to structure its organization by processes it is important to take into account the previous details, because if one speak of processes and or a more humane organization everyone should know where the company is going and what is its mission, if one work in a selfish company regarding

information and does not transmit their strategies, goals or objectives is very little the amount of feedback that one can obtain.

For an SME a process based structure is ideal given that it is a small company with few employees and the idea is that everything flow and the less people it have the more information will flow, for these small sized organizations, a hierarchical form of structure would not make much sense.

G. Attachment: Interview Henry Alexander Tamayo Muñoz

Company: Educational institution Esumer

Job title: Manager of OPC Colombia

Main findings of the interview:

According to Professor Tamayo, within a process based approach there is something very important which is the value chain, where a company structures each of its processes in a manner set to meet the ultimate goal with is customer satisfaction. Within this value chain, it is very important to identify the missional, supportive and strategical processes, the most important are the missional since these represent and convey the company's goal.

"Professor Tamayo suggest that an organization be structure horizontally and recommends the design of step by step activities where functions are defined and responsible individuals , based upon this take into account which are the missional, strategic and supportive processes in order to be able to generate a flowchart considering the linear approach and identifying how will the processes interact in such a way that there be good feedback and finally produce a process based structure within the division where it will be applied".

H. Attachment H: Interview Angela Maria

Company: JG representations S.A.S.

Job title: commercial advisor

Main findings in the interview:

According to counselor Angela Mejia (2016), a process based structure is a great way to guide a SME, in this case the company JG representations S.A.S. provided that not all macro processes of supply companies are equal there are strategic, missional and supportive process that support one another and their combination make up the company's mission, through research and market analysis, management takes decisions considering other processes feedback to afterwards strive for customer satisfaction; This decision is based great market analysis, one considers market research that which helps management in decision-making for market development.

There are processes known as areas whereas in a procurement process structure they are identified as processes.