

SIPOC (Suppliers / Inputs / Process / Outputs / Customers) and IPO

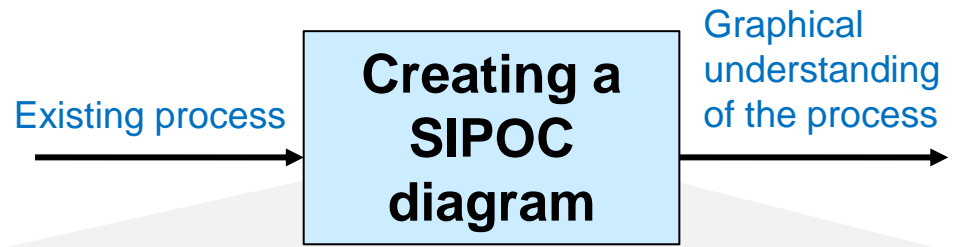
Problem

How to explain a business process?

Difficulty

Some training required

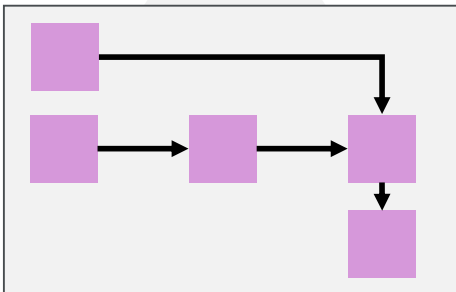
- A **SIPOC** diagram shows an end-to-end business process, from suppliers (S) to customers (C).
- Without the “S” and “C”, a SIPOC diagram is an **IPO** diagram.
- A SIPOC diagram explains a business process, keeps team members aligned, and clarifies parts of a process.
- A SIPOC usually fits on one page.
- All 6in6 presentations have an IPO diagram (Inputs/Process/Outputs), see image to right.



1. Select a process to document and/or explain.
2. Assemble a small team of process owners.
3. Create the SIPOC diagram in the following order
 - A. Define the **process** steps (perhaps 4 to 8): **P**
 - B. List the **outputs** (perhaps 3 or 4): **O**
 - C. Identify **customers** (internal & external): **C**
 - D. List the **inputs** (perhaps 1 to 4): **I**
 - E. Identify the **suppliers**: **S**
4. Share the SIPOC diagram.

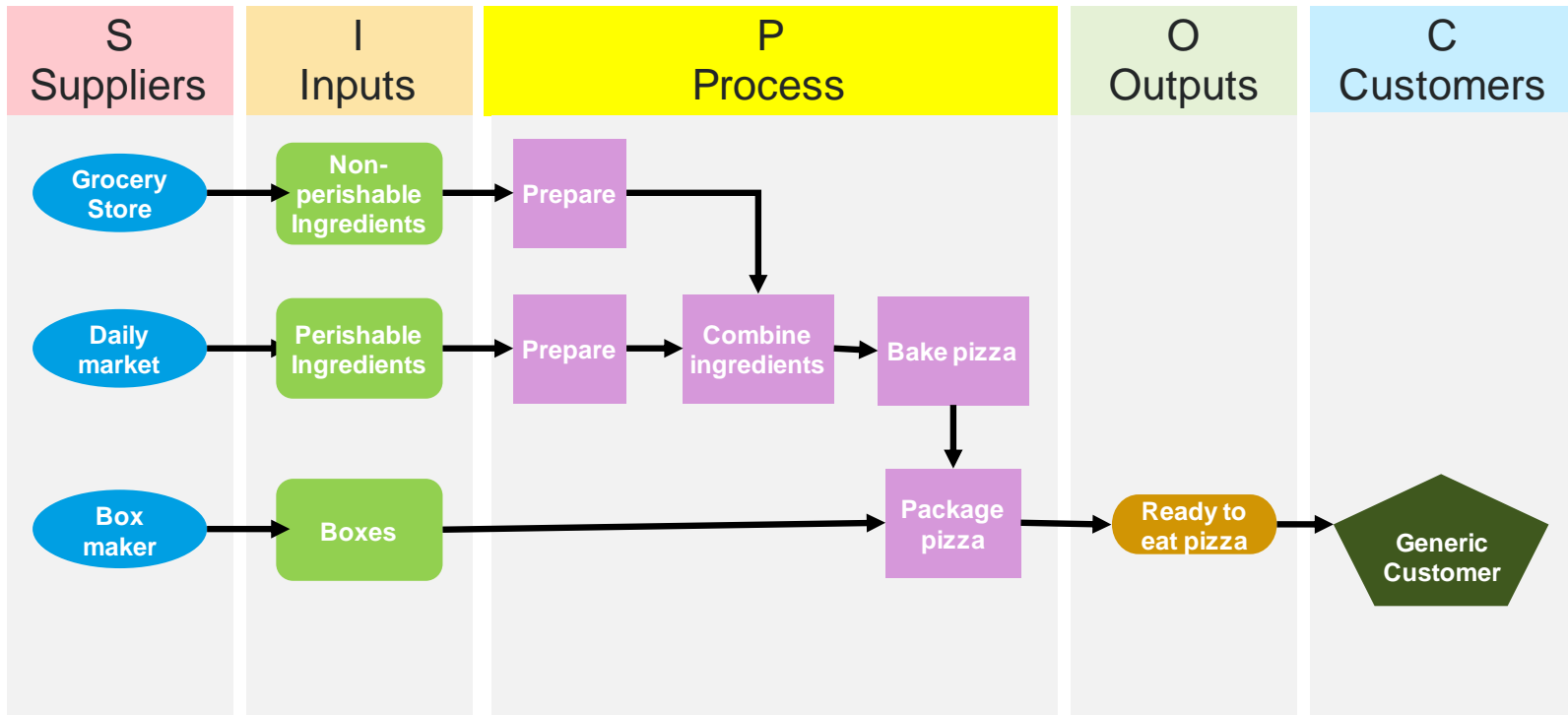
Terms

- **Suppliers:** The source of the inputs required by the process
- **Inputs:** The resources needed for the process
- **Process:** The high-level steps defining the process
- **Outputs:** The results of the process
- **Customers:** Those who receive outputs or benefit from the process



SIPOC – Example – Making a pizza

A SIPOC using a graphical representation (same data as below)



A SIPOC using a spreadsheet representation (same data as above)

Suppliers	Inputs	Process	Outputs	Customers
Grocery store	Non-perishable Ingredients	Prepare non-perishable ingredients	Ready to eat pizza	Customer
Daily Market	Perishable Ingredients	Prepare perishable ingredients		
Box makers	Boxes	Combine ingredients		
		Bake pizza		
		Package pizza		

SIPOC – Notes

Slide 1

- SIPOC diagrams are easy to create. It is useful to create one at the beginning of every process improvement to frame the problem and ensure everyone understands the high level process.
- SIPOC diagrams are not meant to provide too much detail.
- A SIPOC is usually insufficient to solve process-related issues by itself. It is a simple approach to process mapping and works best when complemented by other tools.
- A SIPOC can be thought of as a simplified Value Stream Map (VSM). A VSM displays in detail the important steps in a process and related information.
- Common problems when creating a SIPOC include including too much process detail and not including all (internal and external) customers.

Slide 2

1. Both representations (graphical and spreadsheet) are of the same process.
2. There are many templates available on the web for creating SIPOCs, using Excel, Word, and PowerPoint.