

Successful Re-engineering Projects

Based on: Teng, Jeong & Grover, Profiling Successful Reengineering Projects. Communications of the ACM, Vol 41. No. 6 June 1998

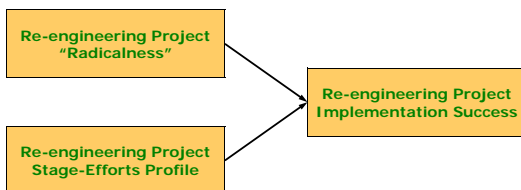
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The questions

- Are reengineering projects aimed at more radical change resulting in higher implementation success?
- If limited attention and resources must be allocated among the different stages of a reengineering project, which stage (or stages) should receive more emphasis in order to achieve higher implementation success?

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Research Model



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Comparison of variables:

- Re-engineering project radicalness
 - Measured in seven dimensions
- Re-engineering project stage-efforts profile
 - Eight typical stages in a project
- Re-engineering project implementation success
 - Perceived level of success
 - Goal fulfilment.

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Project stages and tasks (see Klein)

- | | |
|---|---|
| <p>Stage 1: Identification of BPR opportunities</p> <ul style="list-style-type: none"> Establish a steering committee Secure management commitment Align with corporate and IT strategies Identify major business processes with an "business model" Understand customers' requirements Prioritise processes and select one for implementation <p>Stage 2: Project preparation</p> <ul style="list-style-type: none"> Plan for organisational change Organise a BR team for the selected process Train the team members Plan the project <p>Stage 3: Analysis of existing process</p> <ul style="list-style-type: none"> Analyse existing process structures and flows Identify value-adding activities Identify opportunities for process improvement <p>Stage 4: Development of a process vision</p> <ul style="list-style-type: none"> Understand process customers requirements Identify process performance measures Set process performance goal Identify IT that enables process re-design Develop a vision for the redesigned process | <p>Stage 5a: Solution: Technical design</p> <ul style="list-style-type: none"> Develop and evaluate alternative process designs Detailed process modelling Design controls for process integrity IS analysis and design for the new process Prototype and refine the process design <p>Stage 5b: Solution: Social design</p> <ul style="list-style-type: none"> Empower customer contact personnel Define jobs and incentives Develop and foster shared values Define skill requirements and career paths Design new organisational structure Design employee performance measurement Design change management programme <p>Stage 6: Process transformation</p> <ul style="list-style-type: none"> Develop and test rollout plans Implement the social and technical design Train staff and pilot new process <p>Stage 7: Process evaluation</p> <ul style="list-style-type: none"> Monitor performance Continuous improvement |
|---|---|

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Project Radicalness

Extent of change to:

1. Patterns of process workflow
2. Rôles and responsibilities
3. Measurements and incentives
4. Organisational structure
5. Information technology
6. Shared values
7. Skills

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Success

- Perceived level of success
- Goal fulfilment
 - Cost reduction
 - Cycle-time reduction
 - Customer satisfaction level increase
 - Worker productivity increase
 - Defects reduction

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Research sample

- Questionnaires sent to members of the Planning Forum, a professional association focussing on strategic management.
- 239 responses out of 853.
- 105 of the 239 had completed at least one BPR project
- 2/3 of respondents were in manufacturing, financial or service industries
- Most were large companies

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Research sample

- 3 most popular processes were:
 - Customer service (13.7%)
 - Product development (13.7%)
 - Order management (10.5%)
- Others were:
 - Business planning and analysis (5.7%)
 - Financial systems (4.8%)
 - Accounting processes (3.8%)

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References

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- Kettinger, W.J., Guha, S. and Teng, J.T.C., *Business Process Reengineering: Building the Foundation for a Comprehensive Methodology*, J. Info. Sys. Manage., (Summer 1993), 13-22
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