Review

Business Process Reengineering (BPR): strategic choice

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This article reviews the Business Process Reengineering (BPR) vision of radical business process change, focusing upon the use of information technology, to facilitate a shift away from linear work organization towards parallel processing and multidisciplinary team working. To approach such a change, by focusing on the technologies aspect to the detriment of a regard on managerial, technological and human resources management, might however handicap a lot the chances of succeeding of such a project. Organizational structures and human resources management politics indeed shape the positioning of actors facing the change project, and constitute the appropriation context of those technologies. This article aims to show the significance to articulate those three poles of reengineering.

Key words: Business Process Reengineering, HRM, Information Technology.

INTRODUCTION

For two decades, the widespread adoption, the cross-technology information, the communication technology (ICT), and profound reorganization of work were transforming the landscape of industrial enterprises. ICTs are enabling technologies which affect the communication and the coordination within the firm, and driven by logic of rationalization of production of knowledge. The reorganization result from the implementation of quality procedures and practices such as lean, project team, or outsourcing the reengineering.

The magnitude, duration and persistence of the spread of these practices led to regard them as true structural changes within organizations (Osterman, 2000). These new practices would promote development of logical work more horizontal than vertical where decision making is decentralized, the employee become more independent, capable and versatile poly, and the collective dynamics would be preferred.

Today, the business environment is characterized by continuous growth of competition between firms. Indeed, these companies should adapt with the organizational changes, technological, managerial and environmental factors.

If the challenge of the 1980s and the challenge of the 1990s were total quality than reengineering, the 2000s will impose an even greater challenge for businesses. The industrial and commercial reality of today and tomorrow is increasingly complex and demanding. The company is facing these new realities imposed on it by changes on its environment to ensure its survival and development (Brilman, 1991). This has led to consequences that are both simple and tremendous for business.

Simply, in terms of competition, since all companies are subject to it regardless, but huge in terms, of the changes, they absolutely must bring to their management practices in order to survive (Gilles, 1993). Now
everything is played very fast. The speed has transformed production. Everything seems to occur at the same time and in the same place. The economic world has no borders (Bartlett and Ghoshal, 1989; Ohmae, 1991). Today, the company must have a global vision of the market, even if it does not export. Everything is changing and constantly exchanges now that the boundaries of time and space disappear. These changes have profound effects on our society and how we run our organizations. They are interactive, batch and more frequent. The traditional sources of information and management techniques have become less effective, when they are not already outdated (Bennis and Nanus, 1985). Obviously, these changes also include opportunities, but few companies are able to enter because many have not changed their management and their traditional shots are unable to meet the new market demands. Organizations change and the gap between the firm and network-one that fail to assimilate velocity, space and multiplied exchanges.

Although there is a super abundant literature on the many environmental changes and impacts on our organizations, very few authors have lingered specifically what these changes cause changes in management practices for company. Indeed, several theorists (Nohria, 1992; Powell, 1990) have recognized that the classical theories in management (especially regarding the mission, the trade, growth and competition) should be revised to reflect this new reality, the organization as a network. If the door opens from the inside as so aptly Chaize (1992), it should at least know how.

Towards a new organization: Reengineering and quality approach

Business Process Reengineering (BPR) involves changes in structures and in processes within the business environment. The entire technological, human, and organizational dimensions may be changed in BPR. Information Technology plays a major role in Business Process Reengineering as it provides office automation; allows the business to be conducted in different locations, provides flexibility in manufacturing, permits quicker delivery to customers and supports rapid and paperless transactions. In general it allows an efficient and effective change in the manner in which work is performed. The origins of the business process reengineering (BPR) to go back 50 years as organizations have begun to wonder about the possible contribution of IT to the effectiveness of some of their activities. Since then, multiple approaches, methods and techniques have emerged and helped lay the foundations of the BPR as we know it today. Thus Davenport (1993) noted six specific influences: the total quality approach, industrial engineering, systems approach, the socio-technical approach, innovation diffusion and use of systems information.

Recent interest in the BPR follows on the heels of the paradox of IT productivity observed by Roach (1987). Despite massive investment in IT from the mid-1970s and the beginning of this decade, neither the researchers nor the practitioners had been able to demonstrate that the increased productivity of IT organizations. Indeed, the concept of reengineering business processes succeeds in making profitable investments in IT.

The benefits attributed to the BPR are numerous (Davenport and Beers, 1995): reduced costs (Case, 1992; Terdiman, 1992), an increase in productivity (Eckerson, 1991; Smith and Mckeen, 1992; Wilder, 1991), higher quality goods and services (Rivera, 1992; Keen, 1991; Barton, 1993) and a streamlined organizational structure (Stanton, Hammer and power, 1993; Doucette, 1992; Davenport and Beers, 1995). To realize these benefits, it must meet a set of conditions. First, the project should count on strong support from senior management (Hammer, 1990; Mckeen and Smith, 1992; Clemons, Thatcher and Row, 1995). A multidisciplinary steering committee and multifunctional should also be assigned to the project (Bruss and Roos, 1993; Guha, Kettinger and Teng, 1992; Schnitt, 1993; Rivera, 1992). A clear methodology should be strictly followed (Kaplan and Murdock, 1991). Finally various fundamental principles should be respected to allow companies to reap the benefits covered by the BPR (Kettinger and Grover, 1995).

Also, Hammer and Champy (1993) define reengineering as a discount in root cause and a radical redefinition of business processes to achieve dramatic gains in performance reviews that are now the cost, quality, service and speed«.

The reengineering is considered as a New Form of Work Organization (NFWO) this concept has been defined by several authors, the opponent of Taylorism (Caudron, 1993; Ichniowski et al, 1996). Similarly, the Taylorist organization of work would be characterized by the division of labor, functional differentiation and hierarchical organizational structures, control, direct supervision and obedience to rules (Caudron, 1993). In contrast, the NFWO seek to group the tasks inherent in a position to grant more autonomy and flexibility for employees and their more responsibility. According to Ramsay, Scholarios and Harley (2000), this would give a degree of control to employees while trying to improve their welfare. The range of NFWO is considerable and it would be inappropriate to try to study them all. Boxall and Purcell (2003) suggest that indirect methods of employee representation, such as unionization and joint committees, have given way to direct modes focused on the task, such as job enrichment, quality circles and the semi-autonomous work. Indeed, the presence of these modes of representation has increased by 14% between
1984 and 1998 in the UK from 34% to 48% (Millward, Bryson and Forth, 2000). The same trend is observed in Europe (EPOC, 1997) and North America (Cotton, 1993). In Quebec, Grant and Levesque (1997) concluded that two categories of practices occur often among Quebec companies: those related to functional flexibility and those related to autonomy. Among the NFWO related to functional flexibility, they identify the job enlargement, job rotation and process reengineering. Among the NFWO related to autonomy, they conclude that job enrichment, quality circles and work teams are the most frequently observed. The company relies on conventional dominant bases on outdated human resource management. Focusing on procedures, regulations, Taylorisme, the conflict model of working relationship, centralization, top-down communications, the techno structure, the paperwork, the prevalence of hyper technician mentality, a brief type of organization called mechanistic. This management model has a profound expression of social discontent. This social costs of an unexpectedly manifested in terms of labor dispute, rigidity of behavior, attitudes, unfair, absenteeism, turnover, differences in quality, production disruptions, etc… Today, the mechanistic approach of organizations becomes dysfunctional because its an inefficient and removal of staff rather than a means of mobilizing minds. This involves ruptures that make anachronistic organizations that continue to operate by a simple reproduction of the past due to the paradigm of machine type. Organizations “mechanistic” are structured around functions. They then constitute a disability, requiring a large expenditure of energy to grow and change. This is a consequence of vertical structuring around functions. This type of organization has perverse effects such as partitioning, territorialism and protectionism. These defects are seen as incompatible with the new market requirements which demand collaboration, partnership, transfer of information and expertise throughout the transverse processes. Indeed, the component human resources, which implies some organizational actors a radical change.

To achieve this, a methodological approach should be presented; it amounts to defining the most appropriate steps for the conduct of an innovation project. This approach will identify the risk factors inherent to each company and which correspond to the following: the scope of the project, the intensity of change, the complexity of the process, the organizational environment and technological novelty.

The foundations of successful organizations are emerging in opposition to those of conventional organizations. These changes correspond to the defects introduced by mechanistic organizations. Regarding the aspect of team, the mobilization of all resources, the identification with values and a shared project, decentralization, open communication, the spirit of enterprise, the establishment of systems participatory mechanisms for sharing, regular feedback on the results, an organization called organic, living, powerful, excellent, this is the new paradigm-type organism. It is towards this advancement that aligns more and more successful businesses. Equally, the analysis of excellent companies in the western world (America, Europe) and Japan leads us to release a lot of similarity on various features of dynamic human resources. In fact, the BPR is not a question of reduction or restructuring, reorganization, automation or new technology. It is, rather, examining and changing the five components for your business: your strategies, your process, technology, your organization, and your corporate culture. The reengineering is the Continuous Improvement Process.

The role of Human Resource Management (HRM) in the success of the BPR

The Human Resources Management (HRM) has evolved since days when the function was called personal administration. It is no longer to administer but managerial human capital. Indeed, many theorists have introduced the human capital of the company as a source of sustainable competitive advantage to it (Prahalad, 1983; Pfeffer, 1994; Wright, McMahan and McWilliams, 1994) and management of this capital human as the ultimate determinant of organizational performance (Adler, 1988; Reich, 1991). School of human relations (Mayo, 1949; MacGregor, 1960; Likert, 1961; Maslow, 1954; Herzberg, 1966) have already stressed the importance of the relationship between individual behavior and performance at work, School socio-technical (Emery and Trist, 1964) noted the need to integrate the social system to the technical system and the school of contingency (Lawrence and Lorch, 1967), meanwhile, recalled the need for flexible organization face unstable environments, it is in the early 80 human resource management has been investing its current strategic role with Peters and Waterman (1982). It would be a key factor in achieving organizational goals.

At this level, the HRM is defined as « all activities aimed at developing collective efficiency of people working for the company. Efficiency is the extent to which objectives are met; the HRM will be responsible for driving the development of human resource for the achievement of corporate goals. At this level, HRM strategies and defines the capacity of human resources, organizational modes of operation and logistics support to develop the skills necessary to achieve the company goals. » (Roussel, 1996)

In 1992, Guerin and Wils place the human resource management (HRM) trends transformed by seven boxes, a management become more strategic, cultural,
participatory, individualized, anthropocentric and evaluative computerized.

A new human resource management dates from the 80 and marks the transition from personal management to proactive management of human resources characterized by its strategic dimension (Bélanger, 1993). Over 90 years with the focus on reducing expenses, customer satisfaction and also to the imperatives of mobilization actions and strategic management.

In this context, during this period, the human resource management has still retained the principals of change management (Yeung, Brokbank and Ulrich, 1994).

In fact, reengineering is not only beneficial in terms of economic performance. Indeed, on the one hand, the employee base is found in more motivated because their work will be richer, broader and more empowering: "The employees themselves are responsible for maintaining the portion of the work incumbent on the hierarchy. After reengineering, workers experience a greater sense of wholeness, completion and fulfillment. " On the other hand, reengineering is supposed to replace the "distorted diamond" of the company, by which it articulates processes, jobs, management systems and values, a "perfect diamond" when all these elements form a harmonious system (Hammer and Champy, 1993). At this level, reengineering business processes, aims to reorganize work processes to generate substantial progress in terms of quality, timeliness and cost. However, reengineering is as a new ideal, source of income "spectacular, for the company, its executives and its employees" (Hammer and Champy, 1993).

In an approach to developing human potential, the HR may be the main agent of change. It aims to articulate the human problems (employment, qualification, development, motivation) to other business problems (including problems of competitiveness and organizational). It is the prospect of a management transformation and change (Ulrich, 1997). To integrate the problems posed by changes in work, HR departments will have to take into account the contradictions, cleavages and conflicts between stakeholders.

That is to advocate letting employees the opportunity to make adjustments flexible and scalable to better manage conflict, uncertainty and change. At this level, the HRD will have to take into account the contradictions, cleavages and conflicts between stakeholders. The Director of Human Resources Change Agent is required to accompany the changes in the organization and to drive an important role in projects. He will then accompany the management of change by seeking to encourage the involvement of people at work.

The main role of HRD is to control and help implement changes in the organization. This is indeed adapt them continuously by frequent organizational changes but also to seek better ways to operate through a reengineering of their processes or to adapt the scope of their operations by outsourcing or the outsourcing of entire business.

In general, it is recognized that HRM can establish conditions for the emergence of innovations (Aydalot, 1986). In particular, it can intervene in several areas (Romelaer, 1998; Picq, 2003): the skills of the project leader innovative (Filion, 1997), the mechanisms of production of knowledge (Nonaka and Takeuchi, 1997), the role of competence networks in collective innovation (The Boterf, 1994), the specific practices of researchers Research and Development (Allen and Katz, 1986).

Changes to work structures generally have an impact on the organization and result in significant changes to the role of managers, changes that affect them in their work, but also on a personal level.

By practicing organizational change, managers who carried out staff rationalization as a means of reducing costs, are facing some difficulties with a major is to help the remaining employees to manage their reactions to the situation and to commit to be productive and motivated. According to Raber et al. (1995), the context plays a key role during the period of uncertainty surrounding the rationalizations.

Employees rely on senior managers to obtain information on the future of the organization; clear definitions as to their roles, the implications on the performance of a new reporting structure, and division of responsibilities between the parties.

To Gratton (1997), "when organizations are streamlined, the first activities to be evicted from the managerial function, the values are more" subjective "and more" human ". The flattening of the companies would highlight the fact that the managerial function responds more to economic considerations than human values. However HRM activities related to cost reduction measures generally respond to considerations of efficiency targets and efficiency of organizations, to facilitate the successful reengineering. The evaluation of the effectiveness and efficiency of organizational change necessitates the knowledge of its human and organizational consequences. Cooper and Markus (1995) have found that many reengineering projects failed because the social aspect was treated only in terms of "resistance to change." Willmott (1994) concludes from his side that the transition to a process-based organization depends on how staff appropriates reengineering. However, development organizations now spends more and more by their ability to change and by their success to harness the potential of human resources at their disposal. At the organizational level, by applying a reengineering, human resource management creates a climate consistent with organizational objectives and with the expectations of individuals within the organization. This management should be aligned with corporate strategy and the strategy elements are integrated into HRM practices at all levels of the hierarchy (Dyer, 1985; Gosselin, Le Louarn.
and Wils, 2001; Lengnick-Hall and Lengnick-Hall, 1988; Schuler, 1998). The choice of human resources should be influenced by the choice of objectives stratégiques, the latter reflecting the adaptation of the organization of dominant dimensions of the external environment, such as coercive pressures exerted by the state, the economy contextual, the arrival of a new technology, a competitor or market pressure (Bamberger and Meshoulam, 2000; Fabi, Garand and Pettersen, 1993; Pichaut, 1993; Pichault and Nizet, 2000).

Thereafter, the challenge is to maintain a flexible HR architecture and adapt to changes in the external environment (market, technology, etc...) And internal organization (stage of product environment (market, technology, etc...) And internal organization (stage of product development, structure, union, etc...). However, this challenge is not one-sided because the HR function has an opportunity to influence many of these contingencies, particularly the strategy, the choice of technology and culture to name a few.

The Director of Human resources (HRD) change agent may have an advisory role to the hierarchy responsible for the animation team work. It seeks to develop the educational function of supervision and learning abilities of the players.

The role of HRD door and the processes of creation and knowledge transfer. This is gradually being able to create, acquire and transfer of knowledge through the development of organizational principles and the professional conduct of employees. Organizational change should also encourage the learning of the employees with their main partners (customers, suppliers, service providers, etc...). This is to stimulate knowledge transfer by encouraging elaborations.

The role of Information Technology and Communication (ITC) in the success of the BPR

Large firms use new technologies not only to reorganize work space but also to reorganize the global geography of labor (Newman, 2005). At this level, information systems have no independent existence of their own, unless taken as part of an organization and its business processes (Hammer and Champy, 1993). While IT is considered a factor in organizational change (Hammer and Champy, 1993), it can also play a central role in the BPR process (Gratton, 1997: Ichniowski et al., 1996) and vice versa BPR is changing the way we view IT. Morton (Keen, 1991) suggests that the greatest short-term gains may come from the business process reengineering (BPR) with IT support. Although the relationship between BPR and IT remains a difficult issue (Maull et al., 1994: Byrne, 1997), companies are likely to engage in IT enabled BPR (Bennis and Nunnus, 1985: Eckerson, 1991). The transition from mainframe-based PC-based network systems is considered one of the most useful aspects of IT in BPR (Grant and Lévesque, 1997), although this is often a difficult task that includes software exchange and application platforms (Hammer and Champy, 1993). Indeed, Patching (1994) introduced reengineering as an organizational development approach that aims "to create dramatic improvements in processes and performance, giving an objective and holistic activities, structures, resources used to achieve the goals of the company." At this level, reengineering is characterized by the original use of information technology and communication (ICT), and covers a range of activities from the change of a particular process to a global transformation of the organization. First reengineering can design a new organization around several transverse processes, a process is a flow of activities, from one or more inputs produce a result set of value to a customer. Moreover, optimize these processes, using various methods, including: the consolidation of several positions into one, lower hierarchical levels, the questioning of the linear sequence of tasks, outsourcing, creating a single point of contact for the customer, or the establishment of information systems following all the processes in real time. The adoption of new technology in an organization leads to changes in the nature of the activity, work style and company culture to staff. The technological and social innovation is closely linked. At the organizational level, it is important to apply changes at this level teamwork is important and necessary adaptations. In fact, it is important to make reorganization within the organization. Based on the use of information technology and communication (ICT), which for this purpose, they promote organizational change, but hidden costs, the phenomena of resistance to change and require a cautious reminder of the contingency of social phenomena. Organizational issues are important: ICTs facilitate organizational change, but hidden costs, the phenomena of resistance to change and require a cautious reminder of the contingency of social phenomena.

Conclusions

In an uncertain, complex and fluctuating environment, companies are reviewing their traditional organizational structures (hierarchical and functional) and implement more appropriate structures. The establishment of such structures gives players much flexibility in policy management (Bazet et al. 1998) but requires greater cooperation and coordination between the actors. Chadwick and Dabu (2009) argues that HRM activities can create an organizational environment conducive to coordination and the use of knowledge held by employees. In this context, Wang and Chang (2005) added that human capital is central capital firms. It was
through him that the other forms of capital, is the innovation capital, structural capital and relational capital, can be energized to positively influence business performance.

REFERENCES


