



# **BPR - Business Process Reengineering**

## **Introduction**

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## The need of change

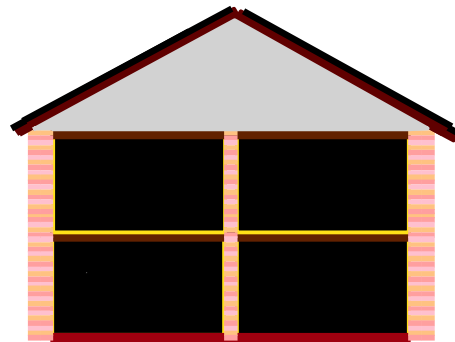
- Companies clearly need to find radically new ways to operate in a fast, complex and interrelated world
- Top management must take the necessary steps to set their organisation on the path to high levels of business performances

## The need of change

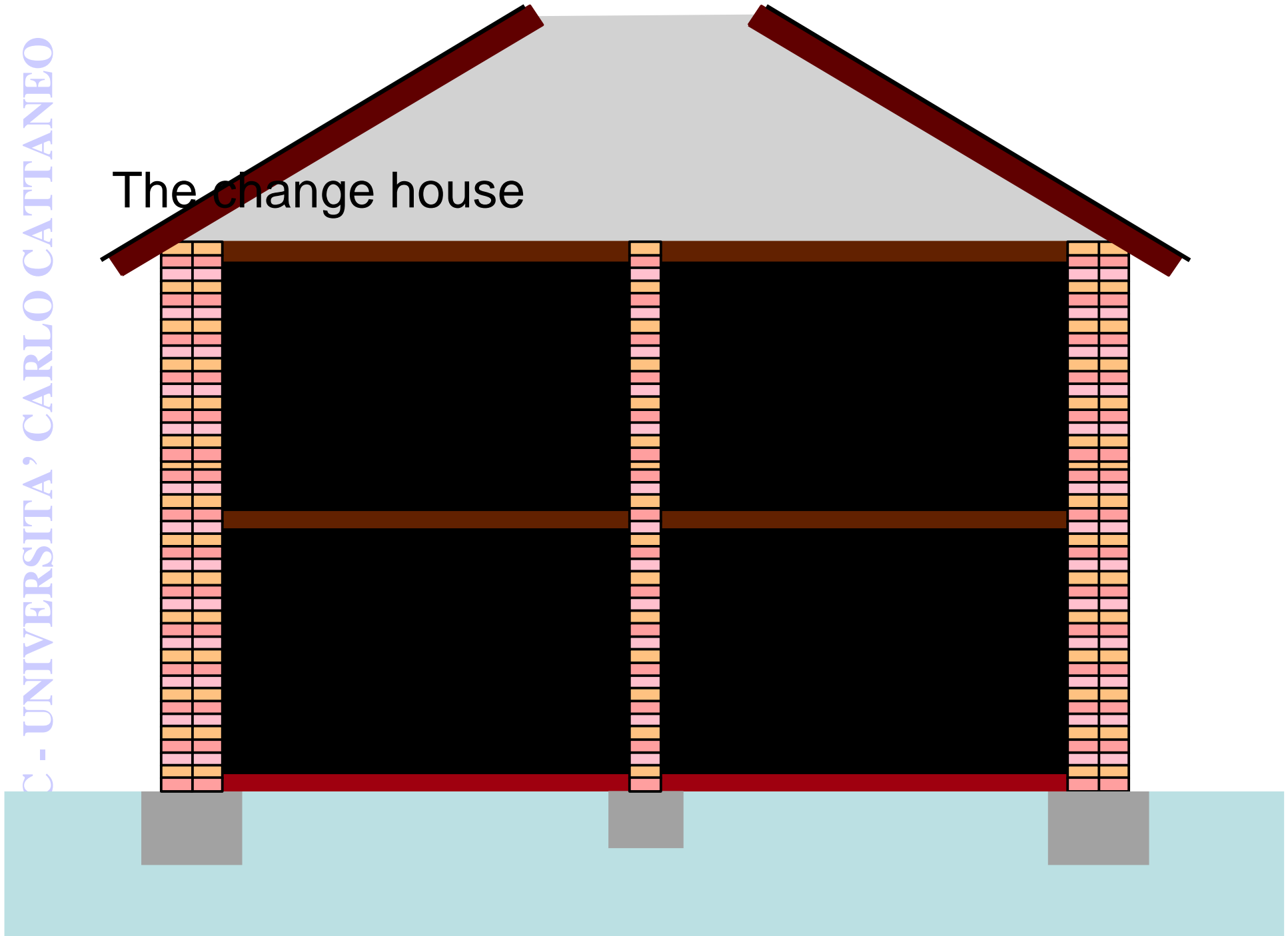
- In present situation companies find themselves in continuous not enough improvement: the philosophy of quality and continuous improvement is a necessary condition but it's not sufficient to making the quick change required by various drivers such as cost, quality, competition, regulation, shareholder ...
- BPR (Business Process Reengineering) is a fundamental effort to be undertaken by most international companies today
- A model that represent the change approach is the "change house"

## The change house

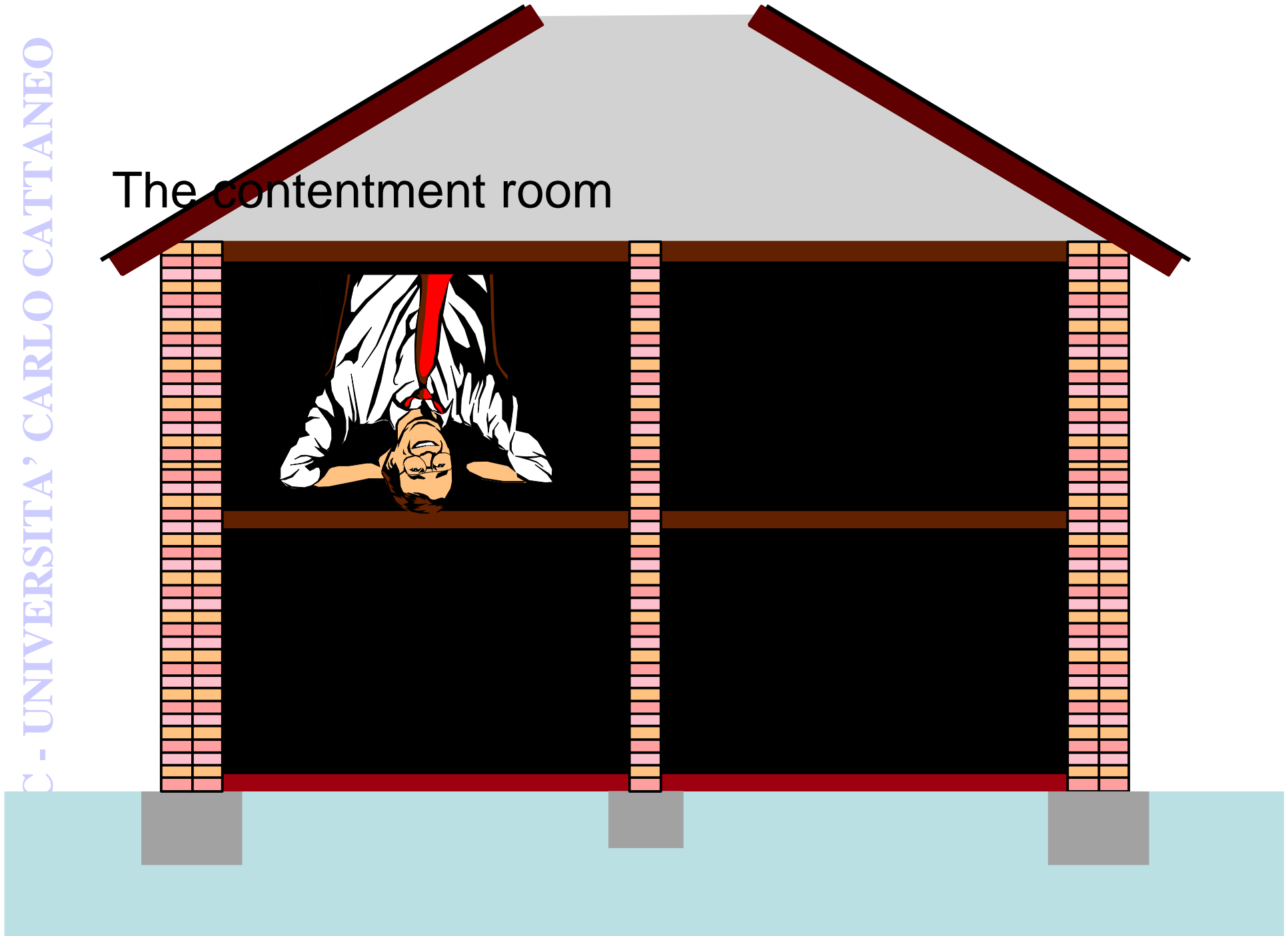
**Why change fails,  
how to diagnose readiness,  
how to make change happen.**



# The change house



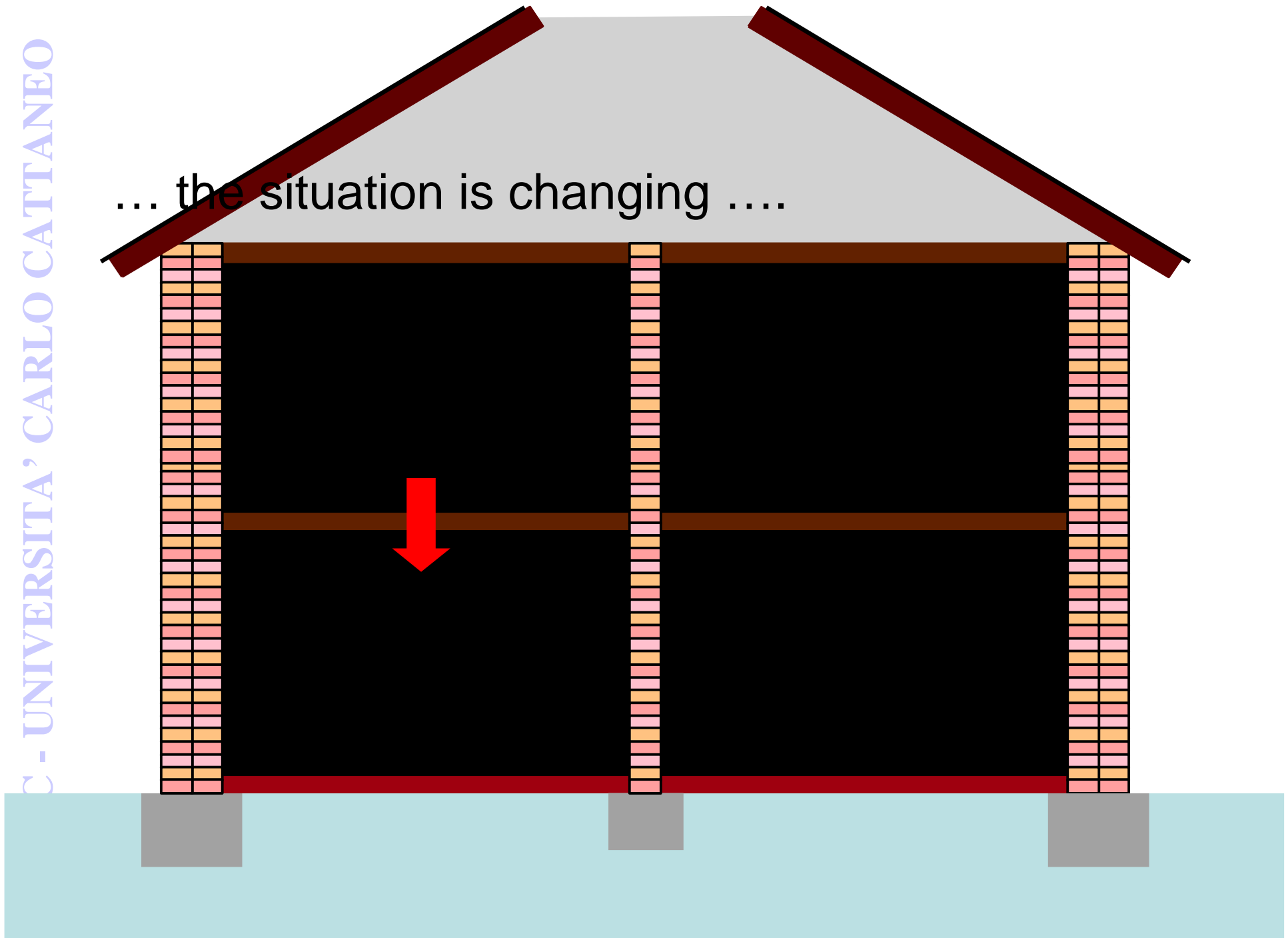
# The contentment room



## Evidence of contentment room

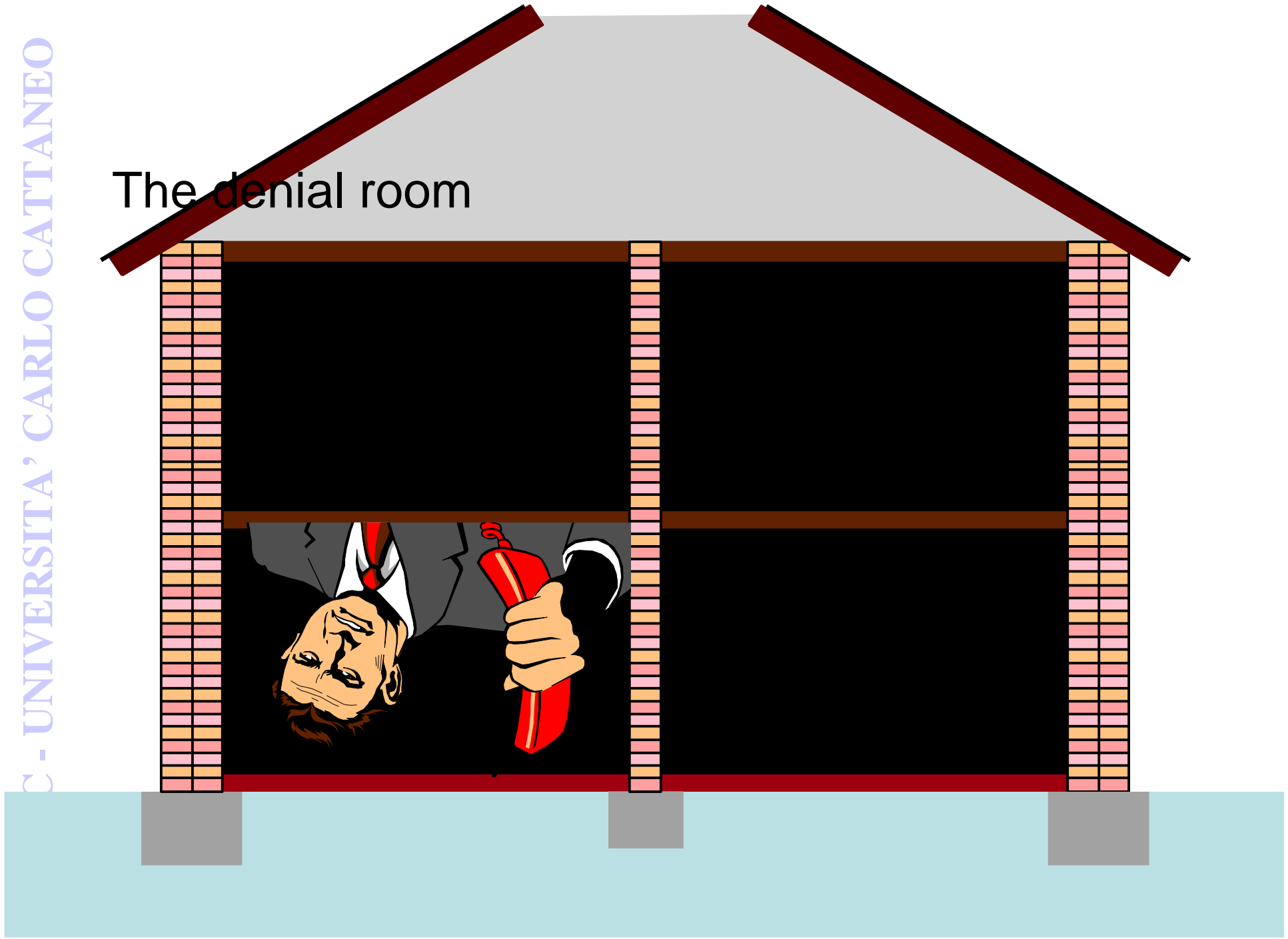
- "We are the best !"
- "Let's postpone it !"
- "Why should we do it ?"
- Arrogance
- Very bureaucratic
- Lots of internal publications
- "Let's talk about details"
- "Let's talk about us"
- Ignoring the outside world

... the situation is changing ....





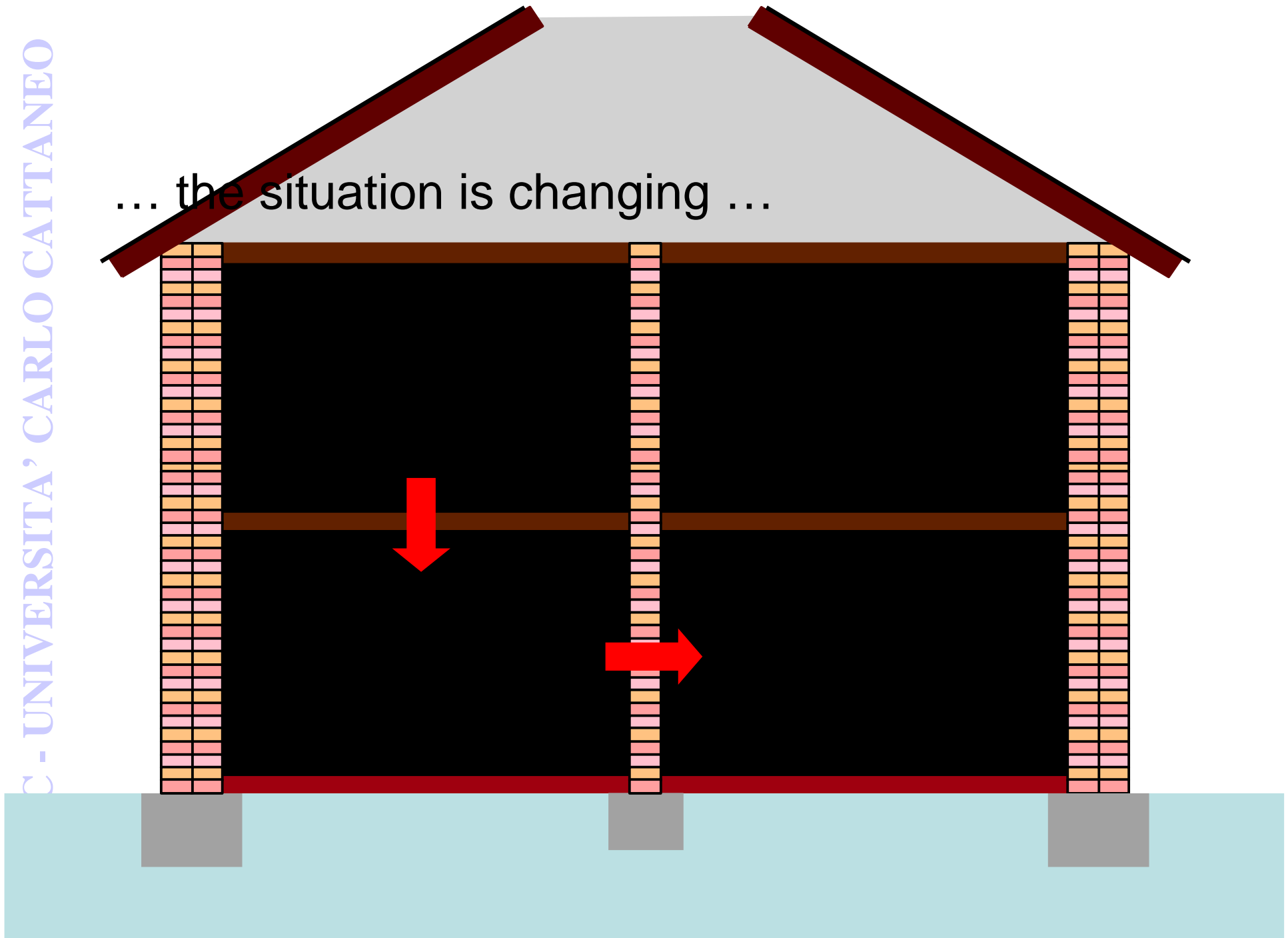
The denial room



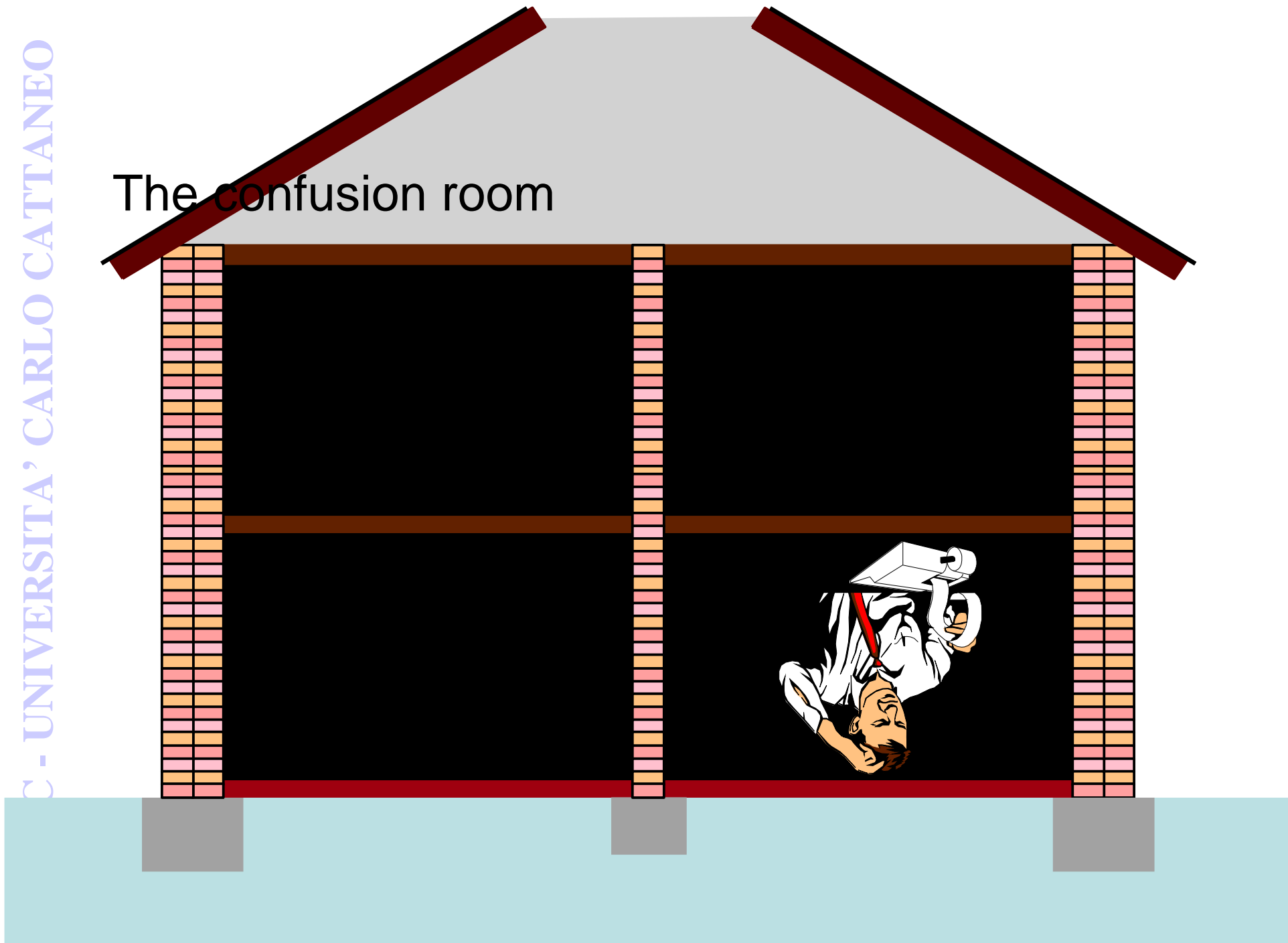
## Evidence of denial room

- "They are responsible"
- "Yes, but..."
- "Circumstances are responsible..."
- Fingerpointing
- Prophets ejected
- Persecute the innocent
- Protect the guilty
- High aggression
- Defensive behaviour

... the situation is changing ...



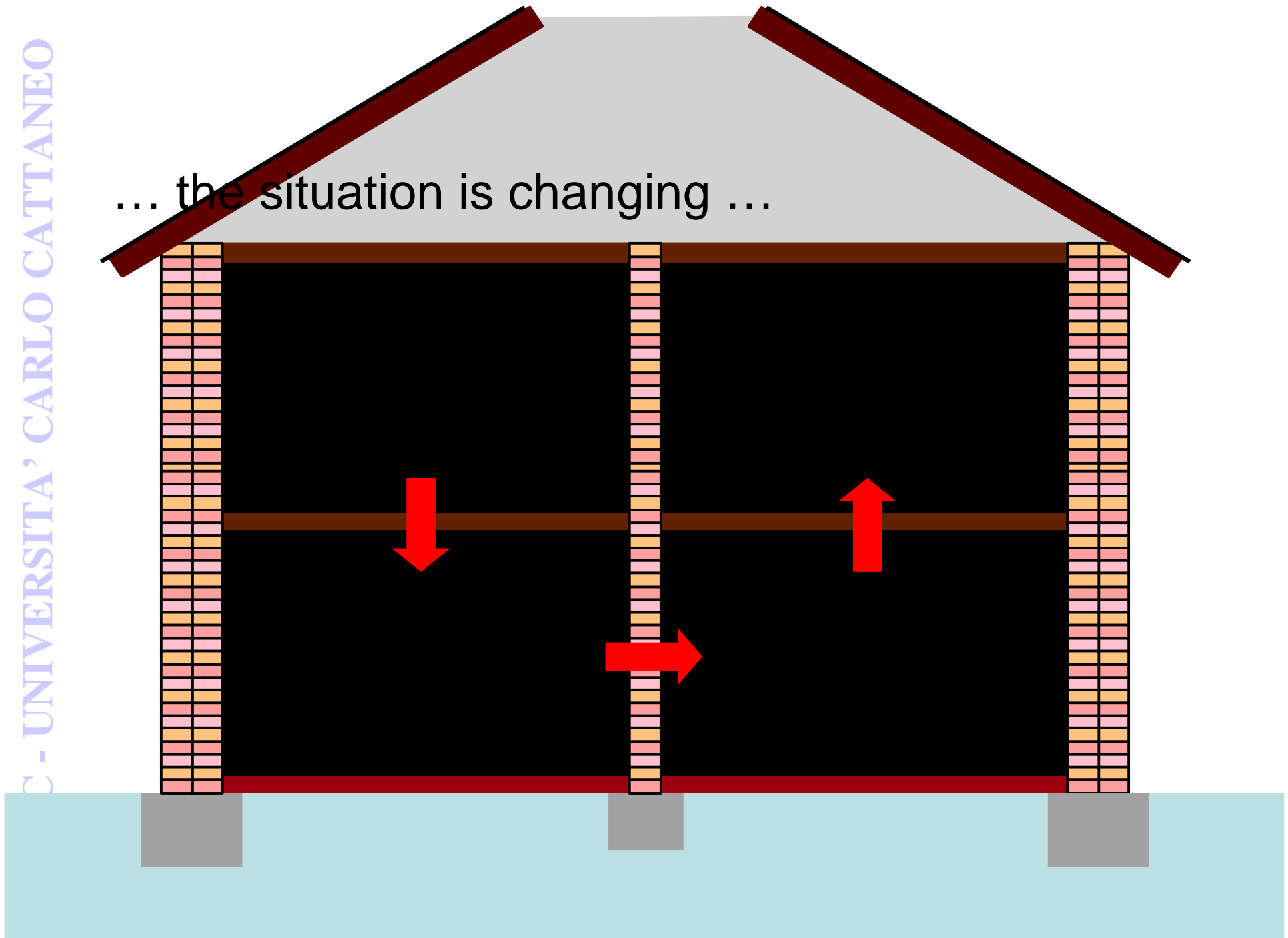
# The confusion room



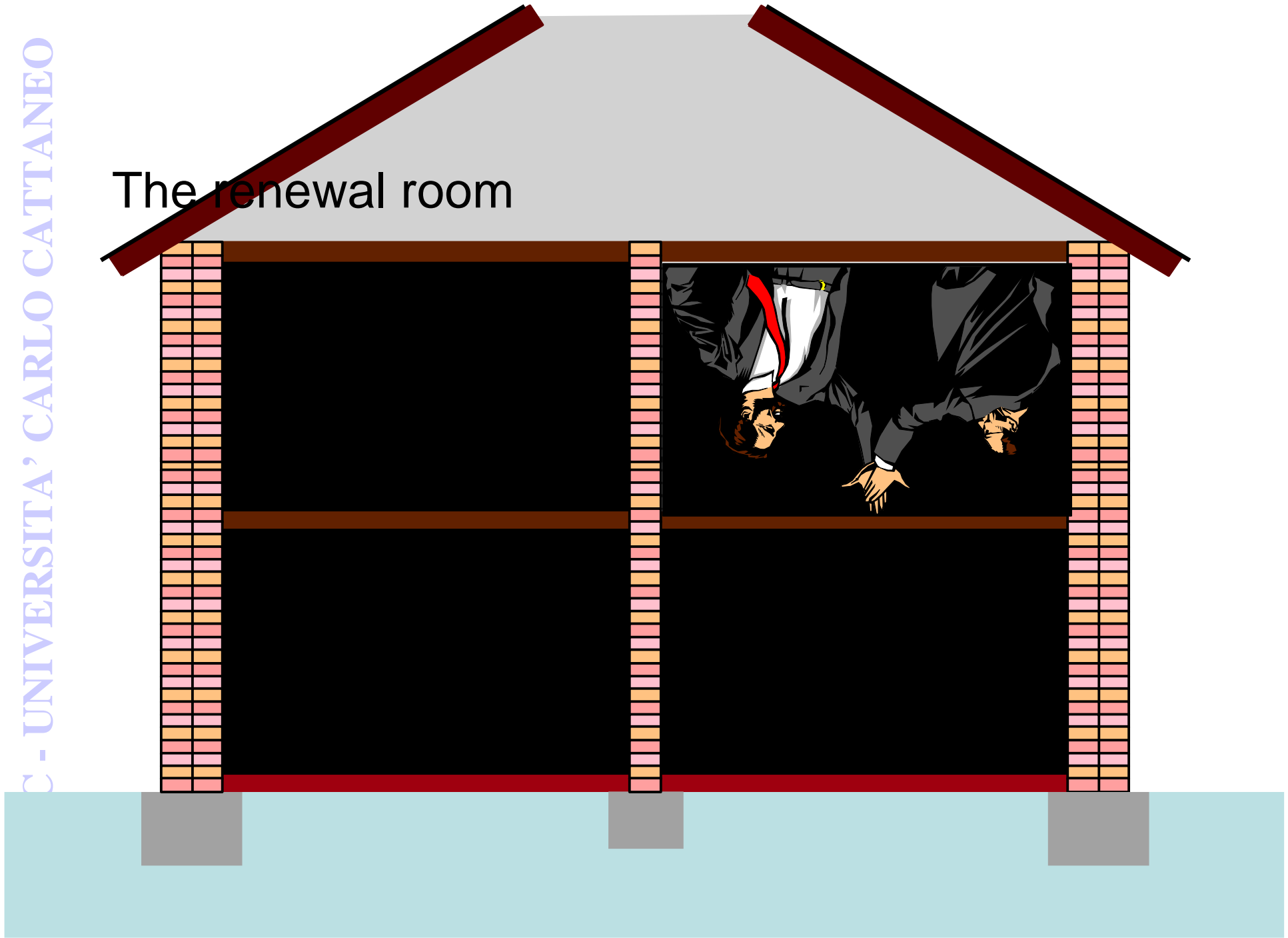
## Evidence of confusion room

- "Why, how, when, where, who..."
- Crying for help
- "Which way is best?"
- Hire and fire !
- A new strategy every day!
- Panic !
- Lots of uncoordinated initiatives
- Lost in the fog !
- Consultants in large numbers
- Hiring from outside
- Tower of Babel

... the situation is changing ...



# The renewal room

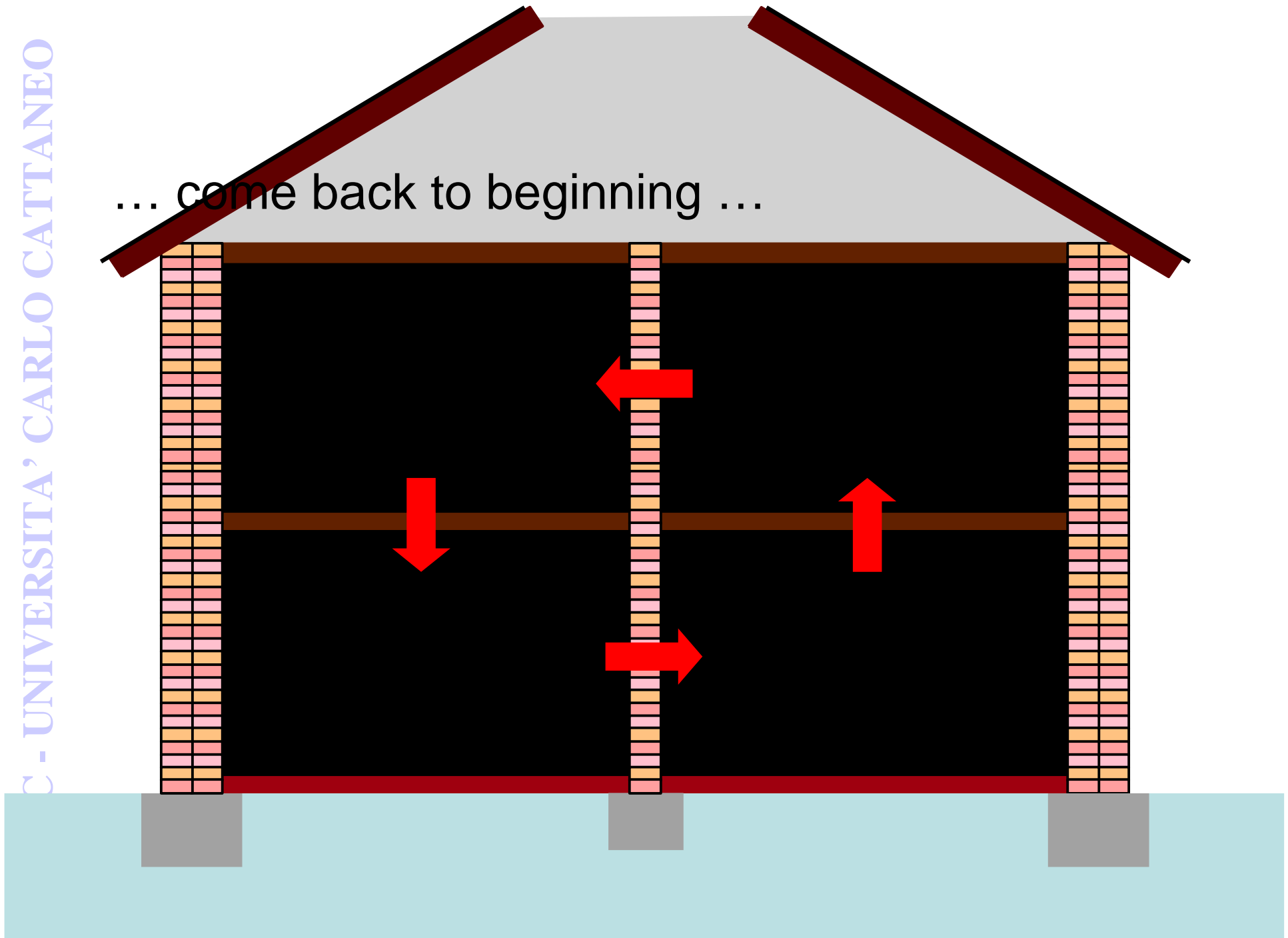


## Evidence of renewal room

- "Let's do it together"
- "Let's make it happen !"
- "Just do it"
- High motivation and energy
- Constructive spirit
- No lip service
- Clarity and light
- Dynamism
- Taking responsibility
- Trust/delegation
- Focus
- Real CI
- Moving/increasing targets



... come back to beginning ...



## The rules of the Change House

- **All organisations and individuals have to go from room to room in an anti-clockwise direction**
- **From Contentment/Complacency to Denial/Denigration to Confusion/Chaos to Renewal/Revitalisation**

## The Rules of the Change House

- **Organisations and individuals do not have to spend the same amount of time in each room**
- **It is possible to speed through some rooms very quickly**

## **The Rules of the Change House**

- **Organisations and individuals do not have to make it through the house.**
- **Both can die during the journey, usually in one of the first three rooms.**
- **One may never reach Renewal and Revitalisation.**

## The Rules of the Change House

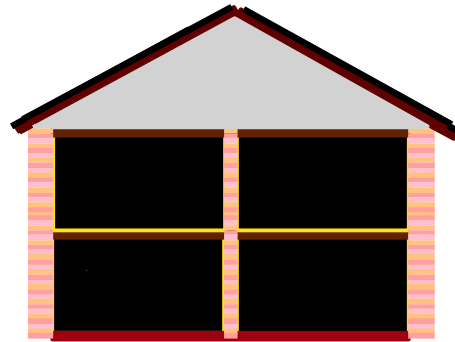
- **There is no end point; one continues to travel round the house from room to room until death**
- **Renewal is thus ultimately an illusion. Renewal and Revitalisation always turns into Contentment and Complacency**

## The Rules of the Change House

- **Some clockwise slippage is possible from Confusion and Chaos to Denial and Denigration or from Denial and Denigration to Contentment and Complacency**
- **Once in Contentment one cannot move clockwise into Renewal but have to go all the way around the house**

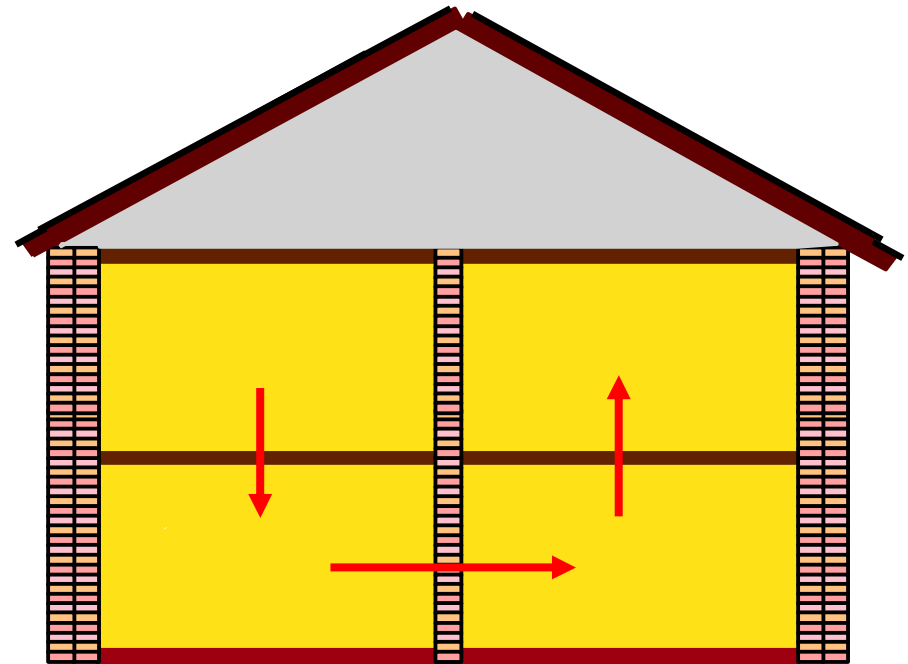
## MAKING CHANGE HAPPEN

**How to move people from  
room to room**



## How can we move people from:

- **Contentment to Denial ?**
- **Denial to Confusion?**
- **Confusion to Renewal ?**
- **And prevent slippage from Renewal to Contentment ?**





## From Contentment to Denial

- **Get people to benchmark**
- **Get people to go outside the company**
- **Provide data/stories on how well other companies are doing**
- **Provide a symbolic shock !**
- **Provide outlaws with a platform !**
- **Spread discontent !**



## From Denial to Confusion

- **Continue benchmarking**
- **Increase feedback from outside**
- **Expose the majority of the employees to the problem**
- **Bring in key influencers**
- **Fire those really stuck in denial**
- **Increase the shocks !**



## From Confusion to Renewal

- **Provide a vision and a direction**
- **Sell solutions, don't tell !**
- **Focus on the first steps**
- **Set demanding but attainable goals**
- **Keep feeding back results quickly**
- **Cross fertilize and cross-pollinate**
- **Reward new behaviours/performance**

## Preventing slippage into Contentment

- **Constantly ratchet performance targets**
- **Keep providing feedback - both internal and external**
- **Coordinate and channel efforts**
- **Keep refining and transmitting the vision**
- **Celebrate success but always link to new targets/objectives/visions**



## Process reengineering

- **Process reengineering approach is much more complex than CPI (Continuous Process Improvement) approach:**
  - More demanding
  - More time-consuming
  - More costly
- **It usually drives change in three different areas:**
  - Organizational structure
  - People/jobs
  - Technology

## What's BPR?

**It's a structured approach for organisational and managerial innovation, oriented to the radical improvement in performances through processes re-design**

## What's BPR?

### It's the tool

- **by which an organisation can achieve radical change in performance measured by cost, cycle time, service, quality**
- **by which a company can set internal functions organisation using a variety of techniques customer-oriented that focus on the core business processes**

## Why BPR?

- **There are more reasons to undertake BPR:**
  1. **Cost reduction: the radical improvement of non-core processes that leads to cost reduction far beyond what can be done through traditional cost-cutting efforts**
  2. **Renewed competitiveness: the reaching, within core or primary processes of “best in class”, attaining competitive parity with those who have, in the past, set the standards and made the rules**
  3. **Competitive dominance: the attempt to find and implement breakpoints, that change the rules and create the new definition of “best in class” for all others to try to attain**
  4. **.....**



## Organizational restructuring

- **Organization that remain “structured the same way” after a re-engineering effort may have a difficult overcoming business issues**
- **This is the reason because when restructuring your organization, you need to consider:**
  - **Reducing organizational layers**
  - **Realigning functions/work groups around the customers**
  - **Driving accountability to the front line**

## **Milestones of the “new organisation”**

- **Understanding of the basic principles of the “new organisation” isn’t enough, it’s necessary to implement these principles inside the company and realize the change, which is:**
  - **Systemic: i.e. affecting the whole organisation and its main processes and resources**
  - **Radical: i.e. deep and thus difficult to manage**

## Work re-designing

- **Work is typically designed so that a particular employee has responsibility for portions of an entire work process**
- **When redesigning work in your organization, you will need to consider:**
  - **Conducting a “customer value-added” process analysis of the job tasks**
  - **Expanding job scope and ownership**
  - **Building cross-functional teams**

## Technological retooling

- **Simply computerizing the old methods for doing things will not necessarily eliminate performance lacks or drive radical improvements in process productivity.**
- **Technological retooling for optimum performance requires that you consider:**
  - **Increasing the emphasis on process tasks that happen in parallel**
  - **Gathering and communicating customers-related data**
  - **Expediting access to information and data for all employees**

## Process view

- **The process view of the company is a very important key factor to support the change process**
- **It gives the opportunity to**
  - **Concentrate on processes**
  - **Evaluate their performances periodically**
  - **Identify improvements to create economic value**
- **It doesn't identify the actions necessary to reengineer the processes**

## Process mapping

- **The process mapping activity is particularly important for the process reengineering:**
  - **It represents a communication instrument among the people who take part to the BPR: they can share the knowledge about the present state of business processes**
  - **It gives the opportunity to evaluate the width and the value of the desired change to achieve the breakpoint**

## What's a Breakpoint?

- **A breakpoint is the achievement of excellence in one or more value metrics, when the marketplace clearly recognizes the advantage, and when the consequently result is a disproportionate and sustained increase in the market share**
- **There are 5 areas of operations where a Breakpoint can occur, and different value metrics that express what the market wants**

# Operations/Values

<b>MARKET</b>	<b>PRODUCT</b>	<b>VALUE CHAIN</b>	<b>FINANCE</b>	<b>IT</b>
Reaching new customers	Time to development	Cost of product	Funds cost	Internal interfaces
Promoting products	Design	Differentiation	Funds sources	External communication
Time to market	Technology	Manufacturing lead time	Product financing	Customers information
Understanding to change	After sale support: • Field service • Technical service • Service empathy	Flexibility of production	Financial stability	Supplier integration
Pricing of products range		Process design	Capital share	Automation
Product certification		Delivery reliability	Capital available	Reporting system



## **Breakpoint process redesign**

- **Core or primary process involving breakpoints have to follow key characteristics:**
  - **They require the most radical type of process re-design**
  - **Relationship with customers and suppliers must be improved**
  - **They are responsive to external competitive or regulatory pressure**
  - **They could become the key source of competitiveness, sustaining advantages and managing market**

## Breakpoint and customers

- **When searching for breakpoint it's important to understand what the market really wants, listen to the customers (surveys, interviews, questionnaires, etc...)**
- **It's useful to compare our company against competitors, asking to following questions:**
  - **What are we good at?**
  - **What are our competitors?**
  - **.....**

## Areas involved

- **Operations:**
  - Process technology
  - Cost
  - Quality
  - Production capacity
  - Material cost
  - Lead time
  - Delivery reliability
  - Flexibility
  - Cycle development
- **R&D/Design**
  - Product range
  - Product technology
- **Marketing & Sales**
- **Merchandising**
- **Product service**
- **Management approach**
- **IT management**
  - Common database
  - Standardized applications

## Difficulties and risks

- **There are difficulties and risks in engineering and realizing so deep and radical changes:**
  1. **Problems to understand new organizational and managerial approach**
  2. **Resistance to change by people working into organization**
  3. **Missing of commitment by company's top management**
- **It's important to recognize these difficulties and to follow a precise action plan in order to realize the change**

## Organisational implications

- **Because BPR seeks to make radical changes in the way where company operates, it's necessary to make concomitant changes in the company as an organic entity**
- **Organisational and managerial aspects should be carefully considered in every phase of a BPR project**
- **The areas that need to be changed are:**
  - **Culture**
  - **Organisational structure**
  - **Performance measure**
  - **Incentive systems**
  - **Management style**

## **BPR practical rules**

- 1. Focus on clear business strategy**
- 2. Helicopter view: top-down approach**
- 3. Core Business: max 3-4 core process**
- 4. Release your creativity**
- 5. Fluent and quick project**
- 6. High people involvement**

## **BPR & PMI**

- **Strengths:**

- **Easier to define strategy end goals**
- **Lean organization**
- **Easy to communicate**
- **People very involved**
- **Mindset process oriented**

- **Weakness:**

- **Lack of resources**
- **Lack of confidence on management philosophy**
- **Lack of management skills**

## BPR in few words...

- **Top-down reengineering system process oriented**
- **Main characteristics:**
  - Focus on strategy
  - Creativity
- **Lean organization model based on:**
  - People empowerment
  - Product innovation
  - Main aims:
    - Quality
    - Flexibility
    - Costs



## BPR model

- **The BPR model is structured around following phases:**
  - a. Perceive** *the need of innovation*
  - b. Plan** *the change*
  - c. Design** *the ideal process*
  - d. Implement** *the reengineered process*

## **a. Perceive**

- **During this step you will entry in “renewal room” (see the “change house” model)**
- **Use methods that help identifying needs for organisational innovation (check up, benchmarking, etc...)**
- **Listen to weak signals which come from inside and outside the organisation**
- **Involve the top management that has a huge role developing the need of innovation perception**

## **a. Perceive**

- **Carefully evaluate the risk due to a missed innovation**
- **Catch different types of opportunity to start the change:**
  - **Changes in standards and laws (quality, environment, safety, etc.....)**
  - **Re-design of a whole product family**
  - **Realization of a particular client's order (i.e that requires higher performances than usual)**
  - **New technological or informational systems implementation (ERP – Enterprise Resource Planning, APS – Advanced Planning Optimizer, etc...)**

## a. Perceive

- **Define long term objectives: how the company means to create economic value**
- **Define the organisational model to aim at mission:**
  - **Ex.1 – Supplier in automotive industry**  
“become in three years, the first supplier of hydraulic pumps for our main client, through an organisation founded on quality, people’s high commitment and process flexibility”
  - **Ex.2 – Supplier of electronic components**  
“change ourselves from a components supplier to a solutions supplier through a focus on clients in commercial, new product development and production processes”

## **a. Perceive**

- **1. Define company's strategy and goals**

## **b. Plan**

- **It's the first "practical" step where you'll forecast the requirements for the "new" process by focusing on customers' current and future needs, analyzing what the old process is currently accomplishing, creating a vision of what you want the reengineered process to achieve**
- **You will take a close look at the process you want to reengineer**
- **When you finish this phase, you should have a good trip on reality**

## **b. Plan**

### **Definition of change**

- **Identify the processes where it is necessary to operate coherently with the previous perception of needs and performance analysis**
  
- **Define the priorities and the timing of the change program articulated into different and sequential project, so that:**
  - **Each project would be focused and simplified**
  - **Each step could have higher commitment from top management**
  - **There will a progressive target approach**
  
- **Define the correct sequence of the actions which are necessary to implement the different steps of the change program, considering strategic priorities and opportunities offered by the internal and external context**

## **b. Plan**

### **Preparation of organisational change**

- **Communicate the change program to the whole organisation, showing the motivations, the mission, the objectives, ...**
- **Unfreeze the organisational status quo showing the inadequacy of organisation model with strategic vision**
- **Create a sense of psychological confidence accepting mistakes on new procedures application**
- **Verify that required competences are available into organisation and, eventually, acquire or develop them**



## **b. Plan**

- **2. Determine “new” process requirements (critical process individuation)**
- **3. Uncover “breakthrough” opportunities:**
  - Analyze “as is“ capability (process mapping)
  - Envision desired state
  - Identify process performance “gaps” (target definition)

## **c. Design**

- **This phase takes you from the actual mapping of the new process to the development of a change management plan**
- **You will be redefining and redesigning jobs, taking a careful look at the technology available and considering your organization's resources**

## c. Design

### Team definition

- **Consider each step of program change as a project, thus all stakeholders must be involved**
- **Choose project manager and define team: functional managers, process client, stakeholders, consultants, ..**
- **Make sure that:**
  - **BPR objectives and commitments are clear and shared among team members**
  - **Competences and resources needed are available**
  - **Constant support from top management will be assured**

## c. Design

### New organisation design

- **Analyze current situation starting from previous phase (“As is“ situation) considering all process elements (process mapping) and its performances (time, costs, quality)**
- **Consider problems and their causes identification with change and improvement opportunities**
- **Develop operative proposals with new organisational model starting from the problems previously identified.**

## c. Design

### Change program evaluation

- **Analyze the organizational resistance to the change. For each change it's necessary to:**
  - Analyze depth and width of the gap between “present” and “target” situation
  - Analyze the perceived advantages and the resistances
  - Evaluate the commitment level in the project
  - Identify actions necessary to overcome these barriers: working on communication, planning and incentive system
- **Evaluate the change from economic and financial perspective:**
  - Incremental cost (training, new technologies, transitory inefficiencies, ...)
  - Incremental benefits (from performance improvement and higher efficiency levels after change)

## **c. Design**

- **Investment's evaluation has to be undertaken with reference to present situation**
- **Evaluate intangible and long-term benefits too**
- **Carefully evaluate investment's risks**
- **Consider portfolio effects**
- **Analyze options opened by investment**

## **c. Design**

### **Change program's evaluation advantages**

- **Stress of innovation's benefits**
- **Help to overcome change resistance**
- **Help in identification of resources needed**
- **Opportunity to realize a precise investment's feasibility analysis**
- **Explicit target useful for reward and purposes control**

## c. Design

- **4. Map the ideal process**
  - Complete preliminary work
  - Set new targets and establish measures
  - Create a new process flow chart
- **5. Redefine process support requirements (people, technology and finance)**
- **6. Develop change management plan**



## **d. Implement**

- **During last phase you'll be testing out the new process, encouraging commitment to it, and gauging its success**
- **You'll work toward promoting an atmosphere of continuous process improvement in which employees strive to make improvements that make a difference to the customer**

## **d. Implement**

### **Change program realization**

- **A pilot project could be interesting with deep and wide change to implement**
- **Pilot project starting advantages:**
  - **Helps concentrating the team's effort on a narrow area**
  - **Gives the opportunity to test the change program on a small scale**
  - **Increase the success probability of implementation with positive effects on the organisational climate and on change resistances**
- **Diffuse the organisational change in the whole company**

## **d. Implement**

- **It's important to deep in organization change avoiding moving backwards to the past organisational model**
- **Some strategies to reach this objective are the following:**
  1. **Remove definitely the old systems (IT, procedures, ...)**
  2. **Include the new required behaviours into formal procedures (reports, reward systems, IT, ..)**
  3. **Carefully verify that all problems and misunderstanding are faced before moving to other areas or processes**
  4. **Evaluate processes and the continuous improvement of their performances**

## **d. Implement**

- **7. Implement on “trial run” basis and standardize the reengineered process**
- **8. Evaluate process performance on an ongoing basis**

## **BPR - Perceive**

- 1. Define company's strategy and goals**

## Top-down approach

- **One strategic vision is needed**
- **Top management must identified few core targets**
- **Company “mission” must be declared**
- **Reengineering effort must be focused on:**
  - **Wants**
  - **Needs**
  - **Demands**

## Operational leaning

- **Individuate strategic goals and be specific about targets definition :**
  - **Ex. Goal:**
    - To increase market share
    - To improve our quality
  - **Ex. Targets:**
    - To deliver our product every day before 11.30 am

## **Customer oriented**

- **Must be defined:**
  - **What our company is making**
  - **For which customers/market**
  - **With which characteristics/performances**



## Company mindset

- **“Reactive mindset”:**
  - **Marketing analysis**
  - **Customer satisfaction**
  - **Benchmarking**
  - **.....**

## Company mindset

- “Innovative mindset”:

Which are users' hidden needs?

## **BPR - Plan**

**2. Determine “new” process requirements**

## **Plan the reengineering effort**

- **Determining “new” process requirements involves uncovering what customers and the marketplace require and focusing in on own operating requirements: that’ where is necessary to start**
- **This information will fuel other decisions to make regarding the re-engineering effort**

## What the customers want?

- **Successful reengineering project realign processes to satisfy customers demand**
- **Are you in tune with your customers want?**
- **Organizations that use BPR approach propose the standard credo “the customer comes first”**

## Identifying your customers

- **First of all you have to know who the customers of your process are**
- **That's easy if the customers are external but the task becomes a bit more difficult if you have to search internal customers**
- **Work with your team to brainstorm a list of possible customers for the process being reengineered. Ask to team members two key questions:**
  - **Who is affected by this process?**
  - **Who depends on this process for information, products, service?**

## Zeroing in on customer concerns

- **Once the customer has been identified it's necessary the team brainstorm what think about the customer requirements**
- **Customer “requirement areas” often encompass some of the following: timeliness, cost, accuracy, functionality, responsiveness, follow-through, quantity, thoroughness, dimension, yield, price, availability**

## Soliciting customer input

- **If it's possible could be interesting to to develop interview/survey questions and solicit customer input**
- **Knowing what your customers want, helps you reengineer a process correctly: you shouldn't undertake process reengineering just because the CEO thinks the process should be done differently or because your biggest competitor is reengineering the same process**
- **It's also helpful to forecast future customer requirements: ask your customers what they would like to see you provide down line**



## What is the marketplace providing?

- **How does your organization compare with the competitors?**
- **It's necessary to keep up with the marketplace offers:**
  - **Know what's out there (don't live in a bubble)**
  - **Keep close eye on your competitors**
  - **Be open to new ideas, services and/or products**

# Benchmarking

- **Benchmarking is a process used in strategic management, in which organizations evaluate various aspects of their processes in relation to best practice, within their own sector.**
- **This then allows organizations to develop plans on how to adopt best practice, usually with the aim of increasing some aspect of performance.**
- **Benchmarking may be a one-off event, but is often treated as a continuous process in which organizations continually seek to challenge their practices.**

## Benchmarking

- **Knowing that competitors are doing better than you is one thing; knowing how they do it better is quite different**
- **Benchmarking can provide you with the inside information you need to reengineer the process: you choose successful operations performed by other organizations and try to adapt their processes to your own**
- **Benchmarking is critical because it provides targets and help you designing your new process**

# Benchmarking procedure

- 1. Identify your problem areas**
  - informal conversations with customers, employees, or suppliers
  - exploratory research techniques (ex. focus groups, marketing research, quantitative research, surveys, questionnaires, reengineering analysis, process mapping, quality control variance reports, financial ratio analysis)
- 2. Identify other industries that have similar processes**
- 3. Identify organizations that are leaders in these areas**
  - Look for the best in any country
  - Consult customers, suppliers, financial analysts, trade associations, and magazines to determine which companies are worthy of study.
- 4. Survey companies for measures and practices**
  - Companies target specific business processes using detailed surveys of measures and practices used to identify business process alternatives and leading companies.
  - Surveys are typically masked to protect confidential data by neutral associations and consultants
- 5. Visit the "best practice" companies to identify leading practices**
  - Companies typically agree to mutually exchange information beneficial to all parties in a benchmarking group and share the results within the group.
- 6. Implement new and improved business practices**
  - Take the leading practices and develop implementation plans which include identification of specific opportunities, funding the project and selling the ideas to the organization for the purpose of gaining demonstrated value from the process.

## **What are your operating requirements?**

- **When you know what your customers want and you've identified what the marketplace offer you're ready to look at what you need to achieve to meet the wants and demands of those driving your reengineering project**
  - **Brainstorm with your team and identify what the process should do based on the customers and marketplace information**

## **Two ways of thinking**

- 1. Focus on “key factors”**
- 2. Focus on “process performance index”**

## 1. Focus on key factors

- **High impacts on key factors identify critical process**
- **Typical key factors:**
  - **Service**
  - **Quality**
  - **Time to market**
  - **.....**

## Process/key factors matrix values

Key factors Process	Quality	Service	Delivery time	Time to market	Tot
Integrated logistic	5	8	9	2	24
Product development	3	2	1	10	16
Product delivery	6	4	10	5	25
Financial planning	1	0	6	3	10



## **2. Process performance index**

- **Low performance in key index identify critical process**
  - **Quality rate evaluation index**
  - **Time spending index**
  - **Cost trend index**
  - **Flexibility rate index**
- **Benchmarking find right values**

## **BPR - Plan**

### **3. Uncover “breakthrough” opportunities**

## **New vision**

- **Are you ready to discover if process reengineering will help your organization scale great heights of performance improvement?**
- **You will look at your current process to determine what it is accomplishing, create a vision of what the “new process” should be like, and figure out the difference between the two**

## Analyze “as is” capability

- **Unless you know how the process is currently performing, you can't state with any degree of certainty whether or not process reengineering will benefit your organization**
- **Process reengineering is usually quite complex. All major aspects of a process must be defined and then measured to achieve the greatest breakthroughs**

## **“As is” process**

- **Begin by documenting the “as is” process. You need to define and map out all the task in the process**
- **By doing so, you will have a clear and realistic view of the process**
- **It will also provide you with information that will help when you begin the designing phase**
- **The two basic steps involved in documenting a process are:**
  - **List the major process tasks: list the major tasks and decision required to translate inputs into outputs**
  - **Create a process flow chart: create a visual diagram of how the process currently works. Use it as an ongoing working document**

## List the major process tasks

- **List the determine what are input and output involved in the process**
  - **If you are analyzing the process of preparing market reports, the input would be the gathered data; the output would be the actual reports. Everything in between would be the tasks involved in the process**
- **Next, list the major tasks and their decision points. And after the major tasks have been identified, determine what smaller subtasks and decisions link the major tasks together.**

## Questions

- **Ask yourself questions along the way to help with this section of analyzing “as is” capability**
- **Possible questions include:**
  - **What really happens next?**
  - **Does someone need to make a decision before this task?**
  - **What approvals are required before proceeding?**
  - **Is there anything missing in these tasks?**

## Process flow chart

- **Creating a process flow chart allows to see what happens at each step of the process**
- **Try to limit the detail in your flow chart: too much detail defeats your purpose**
- **After you have documented the process you're ready to measure it**
- **Measurement clears up any discrepancies and provides an opportunity for comparison after your reengineered process has been implemented**



## Data

- **Look at the major process tasks in your flow chart and gather data for each necessary task or section of the process**
- **The data you gather depends on what you wish to measure**
- **Be sure to measure the “as is” capability of your current process in order to compare actual process performance to the “new” process requirements**

## Envision desired state

- This planning step builds on your work accomplished in determining “new” process requirements
- If everything is working as it should, what would things be like?
- You’ll be looking at your strategic goals
  - Ex.
    - Your doctor has discovered that you’re overweight and have out-of-sight cholesterol
    - He recommends that you change your way to eat and encourage you to start exercising
    - He has listed the results he want you to accomplish (reduce weight by 10 Kilos and cut cholesterol level from 260 to 200)
    - You analyze your present way of eating (milk, fast-food, coca cola, beer, sweets, ....) and your amount of exercise (walking to your garage, clicking the TV remote control ...)
    - Now you have to imagine your new regimen (process) and forget the current process

## Questions

- **Ask yourself:**
  - **How will the new process help the customer?**
  - **How will it help the organization?**
  - **How will the organizational environment change?**
- **You have to prepare a “current limitations list” that detail all the factors that constrict your current process**

## Current limitations list

- **Some of the items on your list may include:**
  - Organizational structure
  - Technology
  - Regulations
- **Each of these factors may be limiting your process' potential, forget it and start to envision your new process, unencumbered by limitations**
- **Brainstorm not only with team members but also with employees involved in the process reengineering effort.**
- **Their insights could enlarge the picture of the desired state: this is your chance to dream**

## Identify process performance “Gaps”

- **Once you have envisioned your desired state you have to return to reality and identify the difference between the current process and your ideal process**
- **You’ll use the data gathered to measure the current process and compare it with your description of the ideal process**
- **If this performance difference (“gap”) is slight, don’t reengineer, consider CPI instead, but, if the gap is great, prepare for a major effort**

## **Remember the “old“ process**

- **You must consider that some of the tasks in your old process already work very well and is an advantage to include them in the reengineered process**
- **Other tasks might be so detrimental to your organization that it's worthwhile remembering them so you don't design them into the new process**

## Targets definition

- **Targets definition is necessary to evaluate resources needed and results achieved**
- **Are defined by strategic evaluation like:**
  - **Benchmarking analysis**
  - **Customer satisfaction interviews**
  - **Business evaluations**

## Existing process goals

- **Targets are defined in term of process performances improvement**
- **“Ambitious” or “reasonable” goals?**
- **BPR suggestions:**
  1. **High performance targets emanate high motivations**
  2. **Limited process are easily controlled**



## Flexible goals

- **Re-engineering process could involve:**
  - New operational procedures
  - New competitive factors
  - New strategies
- **BPR is typical process “in progress”**

**Targets definition is always changing**