

BPR and TQM

ABSTRACT:

In today's era management are confronted with new methodologies to provide competitive solutions. Enterprise engineering focuses on the planning of the future enterprise, as well as the methods needed to transform the enterprise. The synchronized implementation of these methods facilitates in achieving the expected benefits.

The paper focuses on two such methods, business process reengineering (BPR) and total quality management providing a critical review for each of the literature selected and proposing some additional insights. The goal here is to study various approaches, develop in-depth understanding of methodologies, and highlight the obvious pitfalls.

INTRODUCTION:

I expect to learn the basic concepts of business process engineering and total quality management. I want to get a clear insight of how by applying these two methodologies a system can be improved. In addition, as I am not at all in favor of "radical changes-(BPR)", I will like to get convinced about the notion.

The first article provides a methodical and consolidated approach to redesigning a process or enterprise, using the principle of business process reengineering. A systematic road map was developed from how to redesign a process to implementation, and embedding continuous improvement into the process.

The second article focuses on the issue of compatibility between TQM and BPR. It aims to make clear the fact that if implementation of TQM is adequate, it can also generate dramatic or tremendous results. Nevertheless, it was explicitly elaborated that co-opting the two methodologies can improve efficiencies and promote the philosophy of continuous improvement.

The third article has identified some vital influencing factors that contribute to the inadequate implementation of the total quality methodology. This literature was formulated from various survey results and case studies. The focus is to look at what others have done, mistakes, and overall approach to total quality management.

Article 1: Business Process Reengineering: A Consolidated Methodology.

The first article, entitled “Business Process Reengineering: A Consolidated Methodology” (Subramanian, Whitman, & Cheraghi, 1999, p.1), provides a methodical and consolidated approach to redesigning a process. The authors have achieved this by encapsulating the best practices from various literatures. The authors start by explicitly reviewing the concept of reengineering, what to reengineer and finally how to reengineer.

The authors start by quoting the definition Hammer and Champy, “Reengineering is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measure of performance such as cost, quality and speed”. The goal here is to eradicate the entire process and not just an activity. It was realized that reengineering is not improvement because improvement implies accepting current procedures as a starting point. Reengineering forces one to unlearn the old methods and principles.

The authors pose the question, “what to reengineer,” and state that the focus should be towards process reengineering. It was emphasized that a business process should be mapped so that it gives an accurate As-Is scenario of how the activities are currently performed. The As-Is map also facilitates in developing a To-Be road map. The next critical question that was highlighted by the authors was which process to select for reengineering. The selection was based on three criteria: “dysfunction; importance; and feasibility.”

The authors then describe a methodology for “how to reengineer.” The first step developed was “prepare for reengineering” and the requirements were stipulated. The requirements facilitate in developing a vision and mission statement. It was realized that in this phase it is necessary to justify whether to reengineer or not, because beyond this point there is no turning back. Inefficiencies are stipulated from existing process based on customer satisfaction.

The next step is “map and analyze As-Is process,” and the requirements were stipulated. It was realized that the goal here is to understand the existing process before embarking on a new venture. This phase facilitates in identifying, and examining in detail the flaws present in the existing process that prevent the process from achieving the desired outcomes.

The authors state the third step, “design To-be process,” and the requirements were stated. This phase carries out a “What-if” analysis to arrive at To-Be scenarios that satisfy the established vision in the first step. However, this is only possible by comparing the existing process with other relevant processes in order to identify insights for possible improvements.

The fourth step is to “implement reengineered process,” and the requirements were stated. It was suggested that care should be taken, since there might not be an encouraging environment to accept the reengineered process. Opposition will try to kill the effort. The authors insist that a cultural change program should be initiated so that the To-Be process undergoes a smooth transition. Nevertheless, the new process should be aligned with other existing processes.

The final step is “improve process continuously.” The authors suggest that a verification and validation process carried out. It was also realized that the TQM philosophy of continuous change should be embedded into the redesigned process. This initiates achieving incremental improvements.

This is a good article to read for novices. It explicitly explains the factors to be considered and the sequence to follow in order to succeed in reengineering. I strongly recommend that everyone read this paper.

Article 2: Is reengineering compatible with total quality management?

The second article is entitled, “Is reengineering compatible with total quality management?”(Hans, 1994, p.1). The article aims to link two important concepts reengineering and total quality management. Hans suggests that the blending of these two methodologies can support the development of a dynamic, competitive process. The paper has explicitly stipulated the characteristics of both concepts and how they collaborate. These notions and approaches are clearly reviewed in this article.

The author states the definition of reengineering by Hammer and Champy, and elaborates by stating that reengineering does not believe in leaving the existing infrastructure intact by trying to make incremental changes. Some of the important characteristics stipulated by the author are as follows: bottom-up approach; empowerment; promotes boundarylessness organization; and removal of non-value added

activities. As most of the characteristics are self-explanatory, the one I would like to emphasize is “promote a boundarylessness organization.” This forestalls waste, costly delay, and duplication in process.

TQM is based on applying continuous change or fine-tuning across an enterprise. It was further elaborated that the basic infrastructure is kept intact while actively trying to achieve continuous improvement. It was highlighted that TQM approaches its problem in systematic manner and does not demand radical changes. Hans stipulates TQM characteristics, some of them were: top down approach; frame of cultural change; activities of improvement are based on customer satisfaction; and replacing antagonistic relationship with internal and external partners.

The article intensely tries to convince the reader that BPR and TQM philosophy are set towards achieving the same goal. As BPR believes in “a gigantic leap” towards success so does TQM if and when possible. There is no superior power or champion that can provide an excellent outcome. Instead, collaboration between these two methodologies produces an efficient and effective process.

Hans states, “Reengineering should be incorporated within the TQM framework of management as a valuable tool”(Hans, 1994, p.3). Firstly, it was highlighted that perfection does not appear from day one. That is, once a new process is conceived, we need to improve it through continuous improvement. In addition, it is not viable based on the economics of scale to keep on reengineering the redesigned process. Secondly, it facilitates in the smooth transformation from one phase to another. This is achieved by teamwork or individual people efforts. However, to get full cooperation from participants a cultural change has to be initiated, and that is where TQM comes in.

The author co-opts two important concepts in this article, that is reengineering and total quality management. The paper has explicitly stipulated the uniqueness of both concepts and how they collaborate to provide a competitive advantage. I strongly recommend that everyone read this paper.

Article 3: Top ten reasons your TQM effort is failing to improve profit.

The third article is entitled “Top ten reasons your TQM effort is failing to improve profit” (Tatikonda and Tatikonda, 1996, p.1). The authors have identified some

key influencing factors that contribute to the inadequate implementation of TQM, and discuss of survey results to validate each factor. This paper review will explicitly discuss all the contributing factors in brief.

“Lack of vision” was first reason stated by the authors. It was realized that visioning is looking ahead time. It helps one to establish a goal and environment for change. However, to have a clear vision, peoples’ “ability to learn” should be accelerated. Learning does not only enhance knowledge, but when blended with experience it develops a complete vision.

“Lack of the customer focus” was the second factor stated. Organizations tend to get misled in the process of satisfying the final customer, thus performing activities that are of no value. It was realized that as customers’ expectations keep on changing, the process change must also be concurrent. The goal is develop a dynamic TQM methodology.

“Lack of management commitment” was the next factor stated. It was emphasized that senior management should be involved in every aspect of the activities and not try to flee away from responsibilities. There should be teamwork. The authors warn that management seeking advice from consultants can only slow down the improvement process or even lead to a chaotic situation if they are not able to understand the present scenario.

“Training with no purpose” was briefly discussed. It was pointed that much of the effort and time spent are irrelevant, and employees have no clues as to how they are suppose to apply the new methods they have learnt. It can be said that organizations that fail to formulate the mission, value, and strategy face this problem.

“Lack of cost and benefit analysis” was the next factor stated. As discussed by the authors, organizations tend to measure visible costs such as quality, warranty, and other easy to count costs, rather than critical cost parameters. The focus was on meeting standards or goal set by the company. It was highlighted that lost revenue (profit) helps to escalate the cost.

“Organization structure” was the next issue considered. The authors suggest that a “boundarylessness” organization be created. This promotes information flow and

communication. The objective is to eliminate unnecessary barriers among different entities and try to collaborate efficiently.

“TQM creating its own bureaucracy,” was the next factor stated. The authors point out that the process improvements “czar” isolate themselves from the real world or actual people that can also be an enabler for process improvement. They focus on generic procedures on how to improve and meet standards.

“Rewards and recognition” was the final issue stated. The authors suggest that people should be rewarded based on their performance and be motivated to enhance the performances. This supports the paradigm shift.

The authors explicitly explain why total quality management efforts fail by identifying some key influential factors. I recommend this article for selected audiences that are trying to adopt the TQM method. This article can act as a guide to practitioner and help them state their requirements clearly.

INCORPORATIONS:

One of the issues discussed in the review was developing a “boundarylessness” enterprise. My goal will be to get rid of traditional barriers, promote teamwork, and eliminate bureaucracy. This will not only improve communication between organizational levels but also subsequently escalate the capabilities of people, as knowledge will be shared. The focus will be to leverage the skills and bring about consistency.

As an IE, I may set goals and formulate plans theoretically, but to achieve it in reality, I will leave it on the actual people who will be responsible on how to go about it. In addition to the “boundarylessness” notion, I am also incorporating the idea of “empowerment”. I have to be open to ideas from all levels of people to enable the development of a clear vision.

SUMMARY:

After reading these articles and other relevant literatures, I am very much convinced with the methodologies of BPR and TQM but only if they are applied together.

Both have similar focus such as customer satisfaction, streamlined process, and commitment to improve performance.

Combination of these two efforts can enhance full participations among different functional team, as well as, reducing if not eliminating the resistance towards a new redesigned process. This promotes interdisciplinary and cross-disciplinary collaboration thus developing an effective and efficient system.

It was clearly understood that TQM provides the essential support to enable BPR. This is by initiating the change of people behavior and attitudes creating an amicable environment. Nevertheless, it can be said that TQM approach is dynamic in nature because as customer needs (internal or external) keeps on changing the redesigned process has to be improved in accordance to the require needs. Therefore, embedding continuous improvements into the redesigned process is an excellent approach.

References

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