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Term Paper

"Business Process Reengineering; Overview of Concept and Application"

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I. Introduction

Most companies are feeling the pressure caused by globalization and an ever-changing economy; many are looking to Business Process Reengineering in order to survive, to remain competitive, or to simply expand. Often this means changes to what a company does and how it does it.

The goal of this paper is to provide a comprehensive definition of business process reengineering and insight into the evolution of business process reengineering methods. In addition, a detailed summary stating the required steps a company should take to implement business process reengineering is outlined in the paper. a conclusion is drawn regarding the obvious positive effects of business process reengineering as a fundamental rethinking and redesign of business processes to achieve dramatic improvements.[1],[2][10][12][9]

II. Business Process Reengineering and Organization

If performed properly, business process reengineering can achieve various different objectives within an organization. Depending upon the goals of the company, some of these objectives may include: **improving efficiency** e.g. reducing time to market and providing quicker response to customers, **increasing effectiveness** e.g. delivering a higher quality and achieving cost saving in the long run, **providing more meaningful work** for employees, e.g. realizing the vision of a company at all levels of the

organization, **increasing flexibility and adaptability to change**, e.g. strategizing against the ever changing economy and technology enabling new business growth. [1], [3], [4], [5]

a. What is Business Process Reengineering

The industrialization and later the automation have led to much cheaper products, larger factories and from producing by order to producing large quantities of one product. The most important methods over the time to enhance the development of the industrial revolution are:

- Specialization of labour
- Mass production
- Hierarchical organizational structure following functional specialities with top-down lines of authority
- Assembly lines that bring the work to the worker whenever possible
- Complex support systems for planning and budgeting, resource allocation, coordination and control.

These principles have been very successful but for many companies they no longer work. This is an effect of the world moving into a competitive global environment with continuous and unpredictable changes. As long as pace of the changes was slow, it was possible to deal with them by using continuous improvement programs, which included automation of existing processes, small structural modifications, quality and productivity improvement and modifications in management procedures. As the pace and the magnitude of business pressure and the changes accelerate could these programs become ineffective. This has led to a need for new approaches, which has led to a process called business process reengineering (BPR). BPR is an approach for rapid change and dramatic improvement in measures of performance such as quality, cost, speed and services. It can lead to a complete organization transformation and stabilization.

Business process reengineering is defined as the analysis and radical redesign of business processes within and between organizations. A business process is a set of logically related activities that take one or more kinds of input and create an output of value to the customer. It implies a strong emphasis on how work is done within an organization. The processes have two important characteristics: they have customers and they cross organizational boundaries. Processes are generally identified in terms of beginning and end points, interfaces, and organization units involved. High impact processes should have process owners. Examples of processes include: developing a new product, ordering goods from a supplier, creating a marketing plan, processing and paying an insurance claim etc. Processes may be defined based on three dimensions:

- Entities: Processes take place between organizational entities. They could be interorganizational, interfunctional or interpersonal.
- Objects: Processes result in manipulation of objects. These objects could be Physical or Informational.
- Activities: Processes could involve two types of activities: Managerial (e.g. develop a budget) and Operational (e.g. fill a customer order).

Hamper and Champy define business process reengineering as,

> "The fundamental rethinking and radical redesign or change of business processes (such as the process of receiving a sales order to billing the customer and receiving and payment), in the way in which an organization performs its business activities, to bring about dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service and speed." [1][2]

b. Origins of business process reengineering

Business process reengineering, as a term and as a practice, has a tarnished history. Reengineering became very popular in the early 1990s, however, the methodology and approach was not fully understood nor appreciated. Many times, improvement projects labeled with the title "BPR" were poorly planned and executed. Employees and organizations cringed at the thought of another "BPR" experience. The term itself is being used less, or is being altered so that these types of initiatives are not associated with the "BPR" of the past. The concept of BPR has been with us since about 1990, however it is widely misunderstood and has been equated to downsizing, client/server computing, quality, ABC, and several other management nostrums of the past several years.

Despite this abuse of the practice and tarnished name, the practice of redesigning business processes and the associated technology and organizational structure is more popular today than ever. Companies continue to reexamine and fundamentally change the way they do business. Competitive pressures and a sluggish economy provide the impetus for continued efforts to "deliver more with less." Reengineering remains an effective tool for organizations striving to operate as effectively and efficiently as possible [2] [3] [8]

c. The principles of business process reengineering

Many of the concepts of BPR have been known for many decades but they were formalized only in the late 1980s and early 1990s when the term BPR was invented. Lately its extreme viewpoints has been changed that it is no longer obligatory to destroy all and start from a scratch; instead BPR is viewed as a flexible approach that can be executed by proven methods and principles, some of which are presented below. Certain common characteristics exist in business reengineering and the major characteristics are:

1. Several jobs are combined into one
2. Employees make decisions (empowerment of employees). Decision-making becomes part of the job.
3. Steps in the business process are performed in a natural order, and several jobs get done simultaneously.
4. Processes may have multiple versions. This enables the economies of scale that result from mass production, yet allows customisation of products and services.
5. Work is performed where it makes most sense, including at the customers or suppliers sites. Thus, work is shifted, if necessary, across organizational and even international boundaries.
6. Controls and checks and other non-value-added work are minimized.
7. Reconciliation is minimized by cutting back the number of external contact points and by creating business alliances.
8. A hybrid centralised/decentralised operation is used.

The application of BPR techniques can lead to a new world of work. The major differences between this world and the conventional world are summarized below: [2] [3]

From conventional	To BPR
Functional departments	Process teams
Simple tasks (division of labour)	Multidimensional work
Controlled people (by management)	Empowered employees
Training of employees	Education of employees
Compensation for skill and time spent	Compensation for results
Pay raises based on promotions and seniority	Low pay plus high performance related bonuses
Advancement based on ability	Advancement based on performance
Protective organisational culture	Productive organizational structure
Managers supervise and control	Managers coach and advise
Hierarchical organizational structure	Horizontal (flat) structure
Executives as scorekeepers	Executives as leaders
Separation of duties and functions	Cross-functional teams
Linear and sequential processes	Parallel processes, concurrent processes
Mass production	Mass customisation
Working in the office; extensive checks and controls	Working everywhere; minimum checks and controls

d. Business process reengineering is NOT

BPR may sometimes be mistaken for the following five tools:

1. *Automation* is an automatic, as opposed to human, operation or control of a process, equipment or a system; or the techniques and equipment used to achieve this.

Automation is most often applied to computer (or at least electronic) control of a manufacturing process.

2. *Downsizing* is the reduction of expenditures in order to become financial stable. Those expenditures could include but are not limited to: the total number of employees at a company, retirements, or spin-off companies.

3. *Outsourcing* involves paying another company to provide the services a company might otherwise have employed its own staff to perform. Outsourcing is readily seen in the software development sector.

4. *Continuous improvement* emphasizes small and measurable refinements to an organization's current processes and systems. Continuous improvements' origins were derived from total quality management (TQM) and Six Sigma. Davenport notes that "*Quality management* often referred to as total quality management (TQM) or continuous improvement refers to programs and initiatives that emphasize incremental improvement in work processes and outputs over an open-ended period of time. Six Sigma is a methodology, a metric, a philosophy, involving data to reduce variation in everything we do. By reducing variation any organization can significantly reduce cost, improve cycle times, eliminate customer complaints and drastically improve the bottom line."

Different Between TQM One of the key concepts of BPR is that it is fundamental and radical. The alternative business improvement methodology is TQM (Total Quality Movement). TQM and BPR share a cross-functional orientation. Quality management often referred to as total quality management (TQM) or continuous improvement emphasizes small and measurable refinements to an organization's current work processes, systems and outputs over an open-ended period of time. In contrast, Reengineering, also known as business process redesign or process innovation, refers to

discrete initiatives that are intended to achieve radically redesigned and improved work processes in a bounded time frame. Contrast between the two:

	Improvement	Innovation
Level of Change	Incremental	Radical
Starting Point	Existing Process	Clean Slate
Frequency of Change	One-time/Continuous	One-time
Time Required	Short	Long
Participation	Bottom-Up	Top-Down
Typical Scope	Narrow, within functions	Broad, cross-functional
Risk	Moderate	High
Primary Enabler	Statistical Control	Information Technology
Type of Change	Cultural	Cultural/Structural

5. Business process simplification includes improving the way work is done by providing value-added services which deliver the results necessary to transform and grow the business faster, better and cheaper than the competition. Business process simplification builds on an understanding and simplification of the processes relative to a task to eliminate waste and improve the overall quality of the output. Generally, the areas focused upon include elimination of waste (or non-value added activities), reduction of cycle time, elimination of defects or disconnects within the process, employee involvement, and continuous improvement. [1][2][3]

e. What is a process?

A process is defined as a **series of actions** directed toward a particular aim or a series of natural occurrences **that produce change** or development. Processes are generally identified in terms of beginning and end points, interfaces, and organization units involved, *particularly the customer unit.* High impact processes should have *process owners*. Examples of processes include: developing a new product; ordering goods from a supplier; creating a marketing plan; processing and paying an insurance claim; etc.

Davenport and Short define processes based on three dimensions:

> "**Entities:** Processes take place between organizational entities. They could be inter-organizational (e.g. EDI), inter-functional or interpersonal (e.g. CSCW). **Objects:** Processes result in manipulation of objects. These objects could be physical or informational. **Activities**: Processes could involve two types of activities: Managerial (e.g. develop a budget) and operational (e.g. fill a customer order)."

Davenport and Short go further to define a business process by understanding the key characteristics involved in a process.

> "A business process is a set of logically related tasks performed to achieve a defined business outcome… a process is a structured, measured set of activities designed

> to produce a specified output for a particular customer or market. It implies a strong emphasis on how work is done within an organization. Processes have two important characteristics: (i) They have customers (internal or external), (ii) They cross organizational boundaries, i.e. they occur across or between organizational subunits. One technique for identifying business processes in an organization is the value chain method proposed by Porter and Millar (1985)."

In order for the business processes to flow at maximum efficiency, and with the fewest number of disruptions possible, the organization must eliminate all sources of process variability to the greatest extent possible. This is done by embracing process standards whenever possible. A process standard is an understanding or an understood statement regarding the single way that the organization expects the process to be performed e.g. who reviews documents, when is the review done, where are documents maintained. The organization should consider alternative ways to perform the process, and select the best way. Once a process standard has been determined, all members must adhere to the standard. The organization may modify its process standards from time to time, for any of a number of reasons. If this happens, all members must be informed of the modification.

The scope of business process reengineering may be **intra-functional**, a small scope within department having the least impact on the organization as a whole; **inter-functional**, a horizontal view across departments, with slightly more impact to the company; **inter-organizational**, a broad view including entire supply and delivery chain, carrying the greatest impact with regards to scope.

As mentioned various definitions of business processes have been provided in the literature. Table 1 lists a broad sample of suggested definitions. The definitions listed in Table 1 interpret a *business process as a workflow*, a set of activities aimed at creating something of value to the customer (Keen and Knapp, 1996). Clearly, the customer, being the recipient of the defined business outcome, plays a central role in the process view of the business. In this regard, a useful distinction can be made between processes that involve direct contact with external customers and back-room processes on which the customer-facing processes are dependent (Davenport, 1993).

Table 1 Definition of Business Process

Definition	Reference
- "a set of logically related tasks performed to achieve a defined business outcome"	- Davenport and Short, 1990, p.12
- "any activity or group of activities that take an input, add value to it, and provide an output to an internal or external customer"	- Harrington, 1991, p.9
- "a collection of activities that takes one or more kind of inputs and creates an output that is of value to the customer"	- Hammer and Champy, 1993, p.35
- "A process is a structured, measured set of activities designed to produce a specified output for a particular customer or market … A process is thus a specific ordering of work	- Davenport, 1993, p.5

activities across time and space, with a beginning, an end, and clearly identified inputs and outputs: a structure for action."	
- "A process is most broadly defined as an activity carried out as a series of steps, which produces a specific result or a related group of specific results"	- Morris and Brandon, 1993, p. 38
- "A process is a set of linked activities that take an input and transform it to an output"	- Johansson et al., 1993, p. 57

III. Reasons For Reengineer

In today's competitive society, companies encounter substantial forces of change. The business process reengineering effort is undertaken for some reason. For example, perhaps something is broken. Customer satisfaction is low, profits are not what they should be or employees are not performing. Reengineering is not about making marginal improvements or modification but about achieving dramatic improvements in performance. Reengineering profoundly changes all aspects of business and people. Part of the organization is easy to change by reinventing a way to work. There are three kinds of companies that undertake reengineering in general. First are companies that find themselves in deep trouble. Second are companies that foresee themselves in trouble

because of changing economic environment. Third are companies that are in the peak conditions. They see reengineering as a chance to further their lead over their competitors. Whatever the reason, a strong business case will begin with a thorough understanding of the issues facing the organization and your teams' conclusions about what is wrong, broken or under performing. If an organization is to survive, it must respond to changes in its environment. Therefore, companies should have an effective program, such as business process reengineering, to help redesign the operation processes so companies can function well in the new environment. Three crucial changes having significant impact on a business are **customer demand**, **competition extent**, and **technology development**.

The customers' role is changing. They have the power to tell companies what they want, when they want it, and how they want it. They are demanding better products and services and companies must keep in tuned with the ever changing needs of consumers in order to compete. For most market-oriented companies, customer satisfaction becomes a major obstacle. As a result, organizations are forced to change their original business processes and design entirely new procedures to accommodate these trends.

Moreover, the extent of competition is broadening. Organizations are no longer confined to local levels due to globalization. Effectively coordinating various subsidiaries, suppliers, and retailers located in different countries have become important issues for companies in today's global economy. To find the best solution and vision for the company, organizations are engaging in business process reengineering.

The advancement of technology is another change force. The popularity of computers and implementation of networks have changed the face of our work styles and

actions. The Internet, intranets, and extranets facilitate information gathering, sharing, and integration. However, companies can not simply buy these facilities to support current operations. They must develop more efficient processes in which new technology and companies' value-adding processes are integrated to create a new distinctive competency.[1],[2],[5],[6]

IV. Reengineering Benefits to a company

Business process reengineering brings about numerous benefits to organizations. Some of the more obvious and common benefits are cost reduction, quality improvement, service improvement, and efficiency enhancement.

First, business process reengineering can help companies reduce cost. Large numbers of non-value adding activities emerge when companies expand their businesses. Those activities result in higher cost and are often overlooked by companies. Through rethinking and redesigning business processes, management minimizes non-value adding activities leading to cost reduction.

Second, business process reengineering can aid organizations in delivering a higher quality to their customers. In process-centered organization, a work team handles a product manufacturing process. They understand each step of the process and have full control of the whole process. Any problems occurring during manufacturing can be detected as early as possible and the work team can take corrective actions to resolve problems. As a result, companies can produce better products than before.

Third, a companies' customer service can be improved by implementing business process reengineering. In a functional company, people in each part of the process only understand what their day-to-day job involves. On the other hand, when an organization is cross-functional, a process owner oversees the whole process and its result. They can tell the customer where the order is and when it will arrive. Therefore, customers can track their orders any time and get feedback rapidly.

Finally, reorganizing business processes can enhance efficiency. In a traditional, functional structure, departments are separated and process flows in different departments can be extremely complex. After developing horizontal, cross-functional processes, a company can prevent work from overlapping between departments. As a result, a great deal of time can be saved and work productivity can be increased. [3], [7], [8]

V. Reengineering challenges

Although business process reengineering provides many benefits, many companies are not willing to or fail to implement it. There are three major challenges in redesigning the business processes: complacency, resistance, and fear of unknown and failure.

The first challenge is complacency. From some leading companies' point of view, they have superior expertise and largest market share so business process reengineering is not relevant to them but they ignore the fact that any business may become outdated due to environmental changes. In addition, many companies were unable to reorganizing their processes successfully because they were too content with status quo. As a result,

companies that want to succeed in reengineering must recognize the problem of complacence.

Resistance is the second challenge. Managers may be resistant to changes because their established powers are threatened. In addition, resistance may also come from employees. Their fear of layoff may result in loss of commitment to the work and they could undermine the redesigned processes. Therefore, it is crucial get “buy-in” from all departments before organizations start to change. Without corporate-wide commitment, business process reengineering will not be successful.

The last challenge is fear of unknown and failure. No one can ensure the success of business process reengineering so this becomes a barrier to change. Many companies do not know the methodology of reengineering and they fear that dramatically reorganizing the processes may lead to collapse. To enhance their confidence, change agents should effectively convey the reengineering project to whole organization and ensure fully understanding of new processes. [1], [9]

VI. Implementing a business process reengineering strategy

When implementing business process reengineering, companies must undergo a very detailed process. There are two critical steps to implementing business process reorganization that include: selecting the process and appointing the process team. [1], [3], [10]

a. Select the Process

First, selecting the process requires defining the processes, systems and organizations included within the scope of the reengineering effort. This can be accomplished by reviewing the business strategy, understanding the customers' needs, and selecting the core processes.

The company can simply ask questions, hold meetings, or conduct focus groups to determine where improvements need to be made. For example, Texas Instruments calculator business was "plagued by long cycle times in new product development," writes Hammer and Stanton in *Harvard Business Review*, (1990). Texas Instrument's long cycle time for production of calculators was the process for improvement, and was identified by management who recognized that they were losing sales to their more nimble competitors. Typically, those interviewed are directly involved and are knowledgeable. The company will gain firsthand knowledge about day-to-day operations but must be careful not to closely identify with how things are currently being done. The interviewer must keep an independent frame of mind. Typical questions might include:

1. Describe the activities you perform.
2. What forms or materials do you need in order to perform these activities?
3. Is anything passed on to another group? Is further approval required?
4. What resources do you use such as computers or software?
5. What problems are you experiencing with the current process?
6. What are your recommendations for future improvement?

Many times companies take a different look at their existing business strategy to find foreshadowing problems. For instance, Duke Power identified a different process in their company which revolved around the delivery of value or service to their customers. Research was not clear whether the management team identified this problem, however Duke Power most likely reviewed their business strategy and realized with "deregulation looming" that they would have to do a much better job of customer service to compete. Most failures of reengineering are attributable to the process being viewed and applied at a tactical, rather than a strategic level.

The final step in selecting the process is the identification of the core processes, the ingredients of a "process." In the case of Texas Instruments, cycle time for production was the process and can be broken down into a number of activities or processes. Cycle time refers to the beginning of the first step of the process until the beginning of the first step of the next process. Texas Instruments found these cycle times in producing calculators to be long; affecting sales negatively based on shear numbers of production compared to competitors. Some core processes that can be identified in this step would include customer order, product development, production, and distribution. To solve Duke Power's problem with customer service, they identified five core processes that together made up the work that Customer Operations performed for their customers. These core processes included: Develop Market Strategies, Acquire and Maintain Customers, Provide Reliability and Integrity, Deliver Products and Services, and Calculate and Collect Revenues.

b. Identify characteristics of the process team and the BPR Champion

The second critical step involves appointing the team. To do this a company must first understand what characteristics they would like the process team to hold. For example, the team should view the organization as a whole rather than as departments. The team should also be able to focus on the end customer which will drive the results of implementation in the correct direction. The team should look at a process without bias which is extremely difficult considering top candidates to be involved in a team will typically be tenured employees of an organization. They must have the ability to challenge assumptions and the courage to deliver. Those employees who do not assume individual responsibility should not be considered for a business process reengineering team.

c. Appoint the Process Team

Selecting the team of choice within an organization is the next step after the desired characteristics have been defined. Each process should have a designated Business Process Champion with authority over how the company operates in these processes. For example, Duke Energy's Customer Operations unit was divided into four regional profit centers, and the regional vice presidents, "overwhelmed by an endless stream of administrative duties, had little time for wrestling with the details of service provision." *Harvard Business Review*, (1990). To fix the problem, each process they identified was assigned an owner who reported directly to the head of Customer Operations. The regional vice presidents continued to manage their own workforces, but the "champions" or process owners are responsible for the design of the processes, setting

performance targets, establishing budgets, and distributing those budgets. "While the regions continue to have authority over people, they are evaluated on the basis of how well they meet the targets set by the process owners." *Harvard Business Review,* (1990). This forced a partnership between the Vice Presidents and the process owners.

d. Understand the current process

After selecting process for redesign and the team, the first two critical steps in the implementation of business process reengineering are finished. Now, each team must understand the current process in place at the company. To accomplish this, the champion should develop a process overview by partnering with their respective team members to clearly define the mission. An example of a mission that Duke Power may have implemented could resemble a plan similar to this:

> The business process reengineering team should plan and implement an efficient and effective system of delivering quality customer service through the delivery of products and services. The mission may require the team to participate in the following:
>
> 1. Identification of all value added and non value added activities in the production and delivery process
>
> 2. Mapping the process flow and tracking time for each of the events in analysis
>
> 3. Consolidation of production support services, including clerical and administrative support services and information resources support services, with support services provided to or by the production group itself.

After the champion defines the mission, the scope or boundaries of the process must also be understood. The goal in compressing time is not to devise the best way to perform a task, but rather to either eliminate the task altogether or perform it parallel with other tasks so that the overall system response time is reduced. The measurements for the business and the customers must also be clearly set so that there is an understanding of the customer expectations from the process. Once a mission is in place and the current process is understood, improvement opportunities can be identified. For example, the process owner at Duke Energy realized a new way to organize warehouse facilities. "Parts that will be required by installation crews, for example, are laid out the night before for easy pickup in the morning, so that crews can load their trucks and be on the road in ten minutes, a fraction of the 70 minutes it used to require." - *Harvard Business Review*, (1990).

This process must be documented on the terms of cost, time, and value data. This is the step where companies could build a process map. A process map or matrix illustrates the relationship between business processes and functional entities. In some companies, there are time collection processes within a customer care functional group that needed to be integrated into the overall core time collection process. A process map will show these relationships.

Next, the organization must carefully resolve any inconsistencies from the old plan with the new reengineered idea. Certain questions must be asked at this point to make sure the reengineering effort is moving in the right direction and that the reengineering effort is realistic or ideal for the company goal. In the case of Duke

Energy, the goal is clear, straight forward transaction with the customer. The emphasis has gone from looking up the command chain to looking out at the customer. Once the goals of business process reengineering have been carefully evaluated compared to the existing systems in place at an organization, the entire team must be informed f the new vision.

e. Develop and communicate vision of improved process

In business process reengineering, moving from a very narrow, routine job to one that's broader and allows an employee to think more is very challenging. Change in general at an organization is a challenge and requires strong communication to employees. There can be a good deal of initial wariness of business process reengineering by employees worried about losing their jobs. Keeping the company informed about the project from the start through a series of all-hands meetings to allay fears or using internal networks to keep communications up, are two ways in which organizations may calm nerves and deliver a clear vision. In addition to communicating, the company must identify actions required and those responsible.

> "The most visible difference between a process enterprise and a traditional organization is the existence of process owners….Process ownership has to be a permanent role, for two reasons. First, process designs need to evolve as business conditions change, and process owners need to guide that evolution. Second, in the absence of strong process owners, the old organizational structures will soon reassert themselves."

VII. Why does BRP fail?

70% of the BPR projects fail. Biggest obstacles that reengineering faces are lack of sustained management commitment and leadership, unrealistic scope and expectations and resistance to change.

The positive preconditions for BPR success are: senior management commitment and sponsorship, realistic expectations, empowered and collaborative workers, strategic context of growth and expansion, shared vision, sound management practices, appropriate people participating fulltime and sufficient budget. The negative preconditions related to BPR are the wrong sponsor, a "do it to me" attitude, cost-cutting focus and narrow technical focus. The negative preconditions relating to the organization include unsound financial condition, too many projects under way and fear and lack of optimism. To turn around negative conditions, firms should do something smaller first and conduct personal transformation.

The primary reason of BPR failure is often seen as overemphasis on the tactical aspects and the strategic dimensions being compromised. The most failures of reengineering are attributable to the process being viewed and applied at a tactical rather than a strategic level. There are important strategic dimensions to BPR, for example developing and prioritizing objectives, defining the process structure and assumptions, identifying trade-offs between processes, identifying new product and market opportunities coordinating the reengineering effort and developing a human resources strategy. The ultimate success of BPR depends on the people who do it and on how well they can be motivated to be creative and to apply their detailed knowledge to the redesign of business processes.

To avoid failure of the BPR process it is recommended that:

- BPR must be accompanied by strategic planning, which addresses leveraging Information technology as a competitive tool.

- Place the customer at the centre of the reengineering effort, concentrate on reengineering fragmented processes that lead to delays or other negative impacts on customer service.
- BPR must be "owned" throughout the organization, not driven by a group of outside consultants.
- Case teams must be comprised of both managers as well as those who will actually do the work.
- The Information technology group should be an integral part of the reengineering team from the start.
- BPR must be sponsored by top executives, who are not about to leave or retire.
- BPR projects must have a timetable, ideally between three to six months, so that the organization is not in a state of "limbo".
- BPR must not ignore corporate culture and must emphasize constant communication and feedback.

It has been criticized that BRP it is often used as a euphemism for "denominator reduction." One may view productivity as a function of revenue or sales divided by the number of people required to generate the revenue. BPR increases productivity by cutting costs but does nothing to increase the revenues or sales. BPR is often undertaken by firms "playing catch up" to avoid disaster, but it does nothing to "regenerate core strategies," which can lead to a real growth in revenues. Other critics warn that although BPR may lead to a competitive advantage, it is destined to be short-lived. When one company lowers its costs of doing business, other companies will immediately follow, and the competitive advantage is lost. [1], [5], [12]

VIII. Conclusion

In this paper a comprehensive review of Business Process Reengineering has been presented. As have been reviewed the Reengineering is a fundamental rethinking and redesign of business processes to achieve dramatic improvements. BPR has emerged from key management traditions such as scientific management and systems thinking. Rules and symbols play an integral part of all BPR initiatives. Don't assume anything - remember BPR is fundamental rethinking of business processes. BPR also encourages companies to perform the unheard

of in today's business: **"**Trust Yourself" and remember that BPR is a model that assumes that the individuals working there are professionals and understand the industry that they work. BPR makes companies better by shedding the old image of conflict between departments over money and favor to one where everyone needs to work together to ensure the viability of the company. BPR also takes its mantra to the customer himself.. Oversees competition makes BPR even more imperative. Furthermore, all members of the organization work toward a single identifiable goal that does necessarily exist in their domain. The feedback from Customers will be indicative of how the company is perceived. If the organization has a long-term commitment to building trust and quality with their accounts, then these firms would be likely candidates for success.

However, if the same organization is known for fighting, and a cut-throat approach to sales, then this type of firm probably is in trouble. BPR allows the rest of us to examine our organizations, identify weakness and propose changes that challenge the way we run companies. Admittedly, the catalyst has been a response to economic difficulties, but more and more organizations are embracing the need to operate smarter,

faster, with more horizontal integration and at a greater speed than ever before. Once again, BPR is the alternative to the famed “consultants” coming into your business to ask the two following questions: Why are you not making any money?” if so, “You could be making a lot more.” However, the people who make the products still have the inside track on making it run efficiently.

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