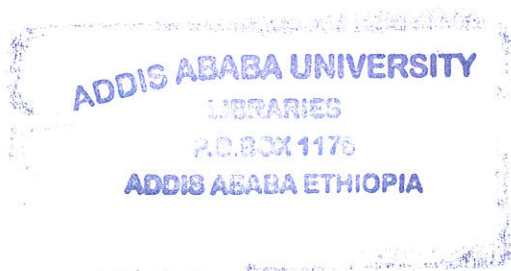


**THE PRACTICE OF BUSINESS PROCESS REENGINEERING IN
SELECTED MINISTRIES OF ETHIOPIA AND BUREAUS OF THE
AMHARA REGION**

**BY
MATEBU YENEHUN ENDALEW**

**SCHOOL OF GRADUATE STUDIES
ADDIS ABABA UNIVERSITY**



**JUNE 2008
ADDIS ABABA**

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AMHARA REGION**

**A THESIS PRESENTED TO
THE SCHOOL OF GRADUATE STUDIES,
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DEGREE OF MASTER OF ARTS IN HUMAN RESOURCE AND
ORGANIZATIONAL DEVELOPMENT**

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TABLE OF CONTENTS

	Pages
Acknowledgements -----	i
Table of Contents-----	ii
List of Tables-----	v
Acronyms-----	vi
Abstract-----	vii

CHAPTER 1

THE PROBLEM AND ITS APPROACH

1.1. Background of the Study-----	1
1.2. Statement of the Problem -----	3
1.3. Basic Research Questions-----	6
1.4. Objectives of the Study-----	7
1.4.1. General Objective-----	7
1.4.2. Specific Objectives-----	7
1.5. Significance of the Study-----	7
1.6. Delimitations of the Study-----	8
1.7. Limitations of the Study-----	9
1.8. Definition of Key Terms-----	9
1.9. Organization of the Study-----	10

CHAPTER 2

REVIEW OF THE RELATED LITERATURE

2.1. Historical Perspectives of Management -----	11
2.2. The Evolution of Business Process Reengineering-----	12
2.3. Principles of Business Process Reengineering -----	14
2.4. The Rationale of Process Centering -----	15
2.5. Different Phases of BPR Projects-----	17

2.5.1 Planning and Preparation Phase -----	17
2.5.2. Mapping and Analyzing the Current Process-----	27
2.5.3. Designing the Work Process (TO-BE Phase) -----	30
2.5.4. Implementing BPR-----	32
2.6. Change and Resistance -----	36
2.6.1. Organizational Change-----	36
2.6.2. Understanding and Managing Resistance -----	37
2.7. Global Experience-----	39
2.7.1 The Case of Decentralization and Reengineering of Faculty Hiring Process at the National – Level Higher Education in Iran -----	39
2.7.2. Reengineering Teaching and Research- the Case of Brandies University-----	41
2.8. Civil Service Reform in Ethiopia-----	42
2. 8.1. Brief History of the Ethiopian Civil Service -----	42
2.8.2. Service Delivery Improvement in the Civil Service Reform Program-----	43

CHAPTER 3

RESEARCH METHODS

3.1. Method -----	45
3.2. Sources of Data-----	45
3.3. Sampling Techniques and Samples -----	45
3.4. Data Gathering Instruments and Procedures-----	46
3.5. Data Analysis-----	47

CHAPTER 4

PRESENTATION AND DATA ANALYSIS

4.1 General characteristics of the respondents-----	48
4.2 Analysis of the Main Features of BPR-----	51
4.2.1. Readiness and Preparation-----	51
4.2.2 Planning Related Activities-----	58
4.2.3. Process Description, Mapping and Redesigning-----	65
4.2.4. Attitude of Employees towards BPR-----	68
4.2.5. Action Stage/Implementation-----	74
4.2.6 Success factors and Challenges-----	76

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary-----	82
5.2 Conclusions-----	89
5.3 Recommendations-----	90

Bibliography

Appendices

LIST OF TABLES

Table	Page
1. Respondents' Sex, Age, Education Level and Work Experience-----	48
2. Respondents' Role in BPR and Duration of Relevant Trainings Attended-----	50
3. Ratings on the Purposes of BPR-----	51
4. Responses on Organizational Readiness-----	54
5. Comparison of the distribution of preferences of Organizational Readiness-----	56
6. Rating on vision and goals-----	58
7. Rating on Tasks of the Organizations-----	60
8. Rating on Leadership-----	61
9. Ratings on Items Related To Design Team Members and Process Owners-----	62
10. Rating on change communication-----	63
11. Rating on Performance Target Establishment-----	63
12. Rating on the AS-IS Phase-----	65
13. Ratings on selection and prioritization of candidate Processes-----	66
14. Ratings on Process Redesigning-----	67
15. Ratings on Identification of Changes for the New Processes-----	68
16. Rating Responses on Attitudes-----	69
17. Rating on Attitudes (continued)-----	70
18. Comparison of the Distribution of Responses of BPR teams and Other Employees-----	72
19. Rating Implementation Related Activities-----	74
20. Ratings on Implementation Problems-----	75
21. Rating on Success Factors-----	77
22. Rating on Challenges-----	79

ACRONYMS

MoE	Ministry of Education
AREB	Amhara Region Education Bureau
ARCBB	Amhara Region Capacity Building Bureau
MoCB	Ministry of Capacity Building
CSRP	Civil Service Reform Program
ECSC	Ethiopian Civil Service College
FCSA	Federal Civil Service Agency
BPR	Business Process Reengineering
FDRE	Federal Democratic Republic of Ethiopia
GoE	Government of Ethiopia
TGE	Transitional Government of Ethiopia
EPRDF	Ethiopian Peoples Revolutionary Democratic Front
SDIP	Service Delivery Improvement Policy
IT	Information Technology
HRM	Human Resource Development

ABSTRACT

The Ethiopian Civil Service has been suffering from long and time consuming service delivery and obsolete management structures which hampered its efficiency and effectiveness since its establishment. In order to alleviate these problems and enable the civil service play the role the society requires of it, the Government of the FDRE initiated the Service Delivery Improvement Policy under the comprehensive Civil Service Reform Program in 2001. This study was conducted to assess the practices of BPR, one of the tools of the CSRP, in two federal ministries and two bureaus of the Amhara National Regional State. An attempt was made to examine the efforts of the organizations in terms of planning and readiness to change and the extent to which the change was implemented. A brief review of the related literature has been made to lay the theoretical background. Through descriptive survey method, data were gathered from 45 team members, 4 BPR leaders, and 161 other employees selected using random, purposive and availability sampling techniques as appropriate. Data gathered through questionnaires, interviews and focus group discussions were analyzed qualitatively and quantitatively. Frequency counts, mean differences and the χ^2 test for significance of differences were used in the analysis. The results of the study indicated that the attempts made to show the purpose and benefits of reengineering were not satisfactory as evidenced by employees' poor understanding of the principles and the multi-dimensional changes of BPR. The criteria used to select the members of different teams didn't meet most of the requirements. Most employees have developed negative attitude towards BPR as the result of poor change communication and unsuccessful previous reform experiences. However, a significant difference was observed in the distribution of preference concerning attitudinal items between design team members and other employees who were not involved in such responsibilities. Major success factors such as consensus about the change, involvement of key stakeholders, effective communication, strength and commitment of people involved in the change process were not sufficiently available in the organizations. Previous experience and adequate understanding of BPR principles, benchmark partners, and necessary skills and competence to run the project were observed as deficiencies, even though not at their worse. The strength in the organizations was the political commitment towards serving the public efficiently and effectively. On the other hand, some weaknesses were observed in areas such as timely accomplishment, producing Whacko ideas, change communication, sustained management commitment and effective leadership, the attention given to training and stakeholders' involvement. On top of this, organizing a series of visionary workshops to clearly show the necessity of the change and its targets, and different trainings at three levels to help accomplish the transition of the organizations; establishing a resource center at the federal level and help centers at the organization's level in order to facilitate the access of information and help whenever and wherever required; and working in joint with higher education and management institutions in terms of training, research and change management techniques were suggested as indispensable ways to effect the intended change.

CHAPTER 1

THE PROBLEM AND ITS APPROACH

This chapter deals with the background of the study, statement of the problem, basic research questions, the significance of the study, objectives of the study, its delimitations and limitations as well as definition of key terms and the organization of the study.

1.1 Background to the Study

Governments establish institutions that are committed to providing some unique economic, political and social services aimed at satisfying the needs and ensuring the wellbeing of the society as well as enforcing laws, regulations and their directives. Although, Ethiopia is one of those countries with a long history of governmental structure, the establishment of such public institutions dates back to 1907 when Menillik II initiated the formation of a few ministries (FCSA, 2007).

Education is one of the most important services the public need badly from the government. People under any social system require educational and other services to be provided equitably, efficiently, effectively and in an orderly manner. The responsibility to do so lies on the institutions established for this purpose.

According to the Public and Foreign Relations Department of the MoE, the Ministry was established in 1930 to guide and to coordinate the activities of the education sector. The Ministry of Capacity Building was established in 2001 by Proclamation No.256/2001 to guide, to organize and to coordinate 15 capacity building activities in the country (MoCB, 2007).The Amhara National Regional State Education Bureau was established in 1995 following the decentralization of the education system management on the basis of the 1994's Education and Training Policy (TGE,1994).The Amhara National Regional State Capacity Building Bureau was established in 2001 by proclamation No.234/99 of the regional government to study and identify capacity gaps; to follow up and supervise reform programs; to ensure whether modern and complete human resource management is designed and implemented; and to facilitate and coordinate the

expansion and utilization of information and communication technology in the region (ARCBB, 2008).

Throughout its journey of a century, the "modern" civil service of the country has been operating in a traditional way irrespective of the improvement attempts made by different governments to change its structure and content. According to the MoCB (2001), the government organized a task force that conducted a comprehensive nation wide study to improve the quality and timeliness of the civil service. The study revealed that the orientation, the work practice and the attitude of the civil service towards serving the public were the major problems associated with it. Following the findings of this study, a Comprehensive Civil Service Reform Program, composed of five sub-programs, was launched in 1996 on the purpose of alleviating these problems.

Different tools, including Business Process Reengineering (BPR), were designed to improve the civil service, especially, the service delivery sub-program. Business Process Reengineering was first introduced in Ethiopia as an institutional transformation tool in 2003. However, it was not possible to acquire the intended goal through BPR at that time due to lack of the necessary knowledge and skill. These days, the effort has been restarted with a new direction designed to upgrade the already started initiative. The effort is currently on its way in the public service organizations both at the Federal and at the Regional levels

Business Process Reengineering as a means of dramatic improvements of services in terms of quality, time, cost, etc. was first introduced in business organizations. However, different Government Organizations applied the technique because of its strategic importance. According to Linden (1994), its importance in the public institutions lies in the fact that the existing models try to make improvements using the current organizational designs that are built on and guided by the nineteenth century industrial structure.

Education as a sector plays a key role in the over all development of Ethiopia. Capacity building has become the primary agenda of all public institutions due to its vital importance in bringing desired changes in all aspects. Hence, an efficient and effective

service delivery in these organizations where education, training, and capacity building activities are being guided and coordinated contributes much to the development of the country as a whole. Moreover, there hasn't been conducted an organized study concerning the practice of BPR in these institutions as it is a new experience. The investigator's focus on the education and capacity building organizations both at the federal and regional levels is from this rationale.

1.2 Statement of the Problem

Towards the turn of the twentieth century, different companies began employing scientific methods to root out inefficiencies and waste in order to increase productivity through improved accounting, control, and gain-sharing plans to motivate their workers. The same pattern repeated in public sectors too. According to Linden (1994), public agencies adopted similar management models to the business companies such as division of labor and separation of staff to meet public demands for accountability and honesty. Following the introduction of tall pyramidal structures which consisted of many layers and functional departments in the government organizations, work was fragmented into simple and repetitive steps, and senior managers were separated from the customers. Above and beyond this, most of the different levels and activities involved add little or no value to their stakeholders. The overall effect was failure to respond to their environmental changes rapidly. As the result of higher customer expectations, intensified competitions and constant changes taking place in their environment, organizations started focusing on business improvement activities in the second half of the 1980s(Hammer and Champy,1993; Hammer,1996).

With regards to the impeding nature of such dysfunctional organizational structures to educational innovations, Hanson (1986) indicates that one of the reasons why many innovation activities failed was the attempt made to implement them through inappropriate administrative structures, created for the nineteenth century, which don't meet the needs of the modern society. The author underlines the need of establishing the necessary political, legal and economic conditions to successfully implement educational reforms. Thus, the attention would be to turn to strengthening the

administrative structure by streamlining the decision making process that helps to create a more efficient system capable of carrying out the reform.

According to Allen and Fifield (1999), the reform experience of the United Kingdom Higher Education Institutions shows that the expansion of higher education, changing student profile, pressures from industries, increased competition and IT capabilities were the driving forces to seek managerial tools for maintaining efficiency, effectiveness and economy. On top of this, improvement of administrative, research, and teaching and learning activities were seen as important. Responsible teams identified that the administrative information systems and processes were fragmented and inefficient. Business Process Reengineering was recommended as a means to make the institutions more process oriented and eliminate redundancy and non-value adding practices by using integrated information system. The authors further explained that BPR was more applicable to administrative functions than their teaching-learning processes due to the fact that the expected outcomes of the latter are more debatable. Moreover, the power of academic departments, the professional status of academics and inertia within the Higher Educational Institutions made radical change an unlikely proposition.

Education has a vital role to play in Ethiopia's development. Literate labor force becomes the first requirement in order to ensure the success of any designed development policy or strategy. To this end, the country adopted Education and Training Policy and strategy to restructure the education system and expand its accessibility in a form that is directly relevant to the present and future requirements of the economy (FDRE, 1999). According to the policy document, change in the Education Sector became important due to problems in the areas of enrollment ratio, equity, quality, efficiency, funding, and capacity for planning and management. Four major areas of reform were considered to address these problems. These are restructuring the education system, expanding equitable access, increasing relevance through improved curriculum and improving the quality. Simplifying the decision making process and cutting the administrative burdens were considered as crucially important to successfully implement the development programs.

With respect to administration and management of the education sector, the evolution of a decentralized, efficient and professionally coordinated participatory system is indicated (TGE, 1994). In relation to the introduction of such a system, Jeilu (2001) describes that the decentralization of education was a recent phenomenon which replaced a deep rooted centralized system. The federal structure was in place as the result of this power shift. Jeilu (2001) further states that the 1994's Education and Training Policy envisaged decentralization of education management to enhance the expansion, enrichment, and improvement in the relevance, quality, accessibility and equity of education and training. The presence of a trained manpower, an appropriate administrative structure and communication machinery were among the key elements for the effectiveness of a decentralized education system.

In general, it becomes necessary to set up an efficient and effective civil service and administrative machinery that can face the challenges of the 21st century in order to successfully implement such changes. On top of this, the Ethiopian Government initiated the Service Delivery Improvement Policy in 2001, one of whose implementation tools is BPR.

The success of BPR efforts depends on different conditions that need to be examined before the change, while the change is on progress and after the change has taken place in the institutions running the project. The institutions need to have clear intent and mandate to plan, to manage, to implement and to sustain the effort. It is necessary to show the pain of the status-quo so that people will be encouraged to move. The performance gap should be communicated vividly to make future gains visible and to keep the effort moving ahead. People shall know what has to be done every step of the way. There should be effective and visionary leaders who can turn their vision into that of the employees' in the organization, who can allocate the necessary resources, who can communicate effectively and gain commitment.

Business Process Reengineering is about creating new attitudes and ways of thinking. It is about designing new process and transforming the organization into a new one by challenging traditional doctrines. People feel threatened, uncomfortable or uncertain because of the changes. They want security and stability-not change. Hence, their

reaction is likely to be negative unless they are made clear with the benefits of the change. Taking all these conditions into consideration, a study that examines the preparation of the institutions and their readiness for change; the strategies they set; and the employees' reaction to change versus the leaders' management becomes indispensable.

Irrespective of challenging the existing assumption, work life, organizational structure and all traditional approaches of the service providing machinery (Hammer and Champy, 1993), BPR was providing an attractive solution. According to Linden (1994), 72 percent of the organizations using BPR began seeing results within the first six months. The author further states that BPR offers what the public institutions desperately need-it is a model to transform them to the future. On the other hand, different authors state that most BPR efforts were not successful. For instance, Hammer and Champy (1993) pointed out that 70 percent of the attempts failed for various reasons.

Business Process Reengineering requires special attention due to different reasons. Its advocacy of fundamental examination and redesign of work processes to bring radical changes; and its high rate of failure are the most important ones. Coming to the Ethiopian context, there are a number of reasons that make BPR projects a point of discussion. The work tradition, the organizational readiness for change, the employees' attitude towards this change effort, the context of change implementation, scarcity of different resources, and many more factors matter in our public institutions. Thus, the study was conducted with intention of finding solution to the following basic questions.

1.3 Basic Research Questions

1. How adequately prepared and ready were the organizations to carry out BPR?
2. What strategies were in place to accomplish BPR in the institutions?
3. To what extent did the organizations apply the appropriate techniques to:
 - establish the BPR governance structure?
 - identify, prioritize and understand the existing process?
 - redesign and implement the new process?
4. What was the attitude and reaction of employees' towards BPR and how did their leaders' manage the reaction?

5. What were the major strengths and weaknesses of the organizations in the change process through BPR?

1.4 Objectives of the Study

1.4.1 General Objective

The study was designed to assess the organizations' practices towards planning and readiness; the methods employed to map, analyze, and design processes; and issues related to implementing the newly designed processes as well as employees' attitudes.

1.4.2 Specific Objectives

The specific objectives of the study were to:

1. assess if the necessary preparations were made to overcome inertia and dismantle the existing mind set (unfreezing stage), to implement and sustain (refreeze) the change;
2. assess the organizational capability in terms of leadership, organizational readiness and implementation;
3. identify the methodologies employed and the strategies set to run the BPR project;
4. examine if people in the institutions under study were selected and organized with the necessary qualities to run the reengineering activity;
5. explore if the appropriate techniques were used to identify, understand and prioritize the existing processes, and redesign the new one;
6. examine employees' reaction to BPR and the ways institutional leaders were managing the reaction; and
7. explore the availability of success factors, challenges, major strengths and weaknesses observed in the effort

1.5 Significance of the Study

Business Process Reengineering as a tool of the Civil Service Reform Program is believed to help overcome organizational barriers and cultural bias. As a new practice, there could be different shortcomings from both the management's and the employees'

sides of any organization that can hinder smooth running of the effort. Therefore, the researcher strongly believes that the findings of this study:

1. may provide valuable information to the institutions themselves about how they are practicing BPR and enable them take corrective actions if necessary;
2. could create awareness for the leadership/management and the employees about different techniques applied, strategies in place, and give them an insight about the new world of work;
3. may give policy makers and higher officials clear insight into the reality of BPR practices in the Ethiopian context for future planning;
4. may serve as a lesson for other educational institutions who are practicing or want to practice in the future; and
5. can serve as a spring board for those people who want to conduct further study in the area

1.6 Delimitations of the Study

The study is delimited to two federal ministries and two bureaus of the Amhara National Regional State. These are the Ministry of Education, the Ministry of Capacity Building, the Amhara Region Education Bureau and the Amhara Region Capacity Building Bureau. The Ministry of Capacity Building and the Bureau of Capacity Building were considered due to their responsibility to coordinate the capacity building activities and reform practices, such as BPR, at their respective levels. The Ministry of Education and the Bureau of Education were selected due to their overall responsibility on the education sector at their respective levels. The Amhara region was selected because of its relatively better performance of BPR projects than the other regions according to the information obtained from the public relations section of the Ministry of Capacity Building.

Based on the status of BPR in the organizations, the study was delimited to different phases. In the MoCB and the ARCBB planning; mapping and analyzing the current process; designing the new process; attitude of employees towards BPR; and implementation were assessed. However, designing the new process and

implementation were not included in the cases of the MoE and AREB as these organizations didn't reach the phases.

1.7. Limitations of the Study

This study has a number of its own limitations. Due to the fact that BPR is a newly introduced tool to the civil service of the country and the minimal effort made to adopt the tool to the education sector, people's knowledge of its principles and even the related activities taking place in their organizations was limited. This condition- lack of awareness- affects the accuracy and dependability of the information gathered from the respondents to some extent. The shortage of adequate reference materials and previously done studies; poor cooperation from concerned people in some organizations; unwillingness to fill and return questionnaires on time; and of course financial constraints were the major limitations of this study. As the result of these limitations, the outcome of the study was not as complete as it was initially anticipated.

1.8. Definition of Key Terms

AS-IS phase- understanding and mapping the current process

Benchmarking- is the comparison of both the performance of the organization's processes and the way these processes are conducted with those relevant world class organizations to obtain ideas for improvement

Core processes- are processes that meet the important needs of the organization's external customers (Linden, 1994)

Dramatic improvement - achieving quantum leaps in performance rather than incremental improvements (Hammer and Champy, 1993)

Fundamental rethinking- ignoring what is already at hand and concentrating on what should be (Hammer and Champy, 1993)

Process- a collection of activities that take one or more kinds of inputs and create an output that is of value to the customer (Hammer and Champy, 1993)

Public Service- refers to those activities of government institutions aimed at satisfying the needs and ensuring the well being of society as well as enforcing laws, regulations and directives of the Government (FDRE, 2001)

Reengineering- is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance such as cost, quality, service, and speed" (Hammer and Champy, 1993:32)

Support processes- processes that meet important needs of internal customers (Linden, 1994)

TO-BE phase- redesigning a new process that can serve the purposes of radical changes

Value adding activity- an activity the end-user is willing to pay for, one which brings a service closer, faster, and provides accurate real-time information (Linden, 1994)

1.9. Organization of the Study

The study consists of five chapters. Chapter one deals with introducing the problem, whereby, back ground and statement of the problem; objectives, basic questions and significance; delimitations and limitations of the study; definition of key terms; and organization of the study are included. Chapter two is committed to the review of the related literature so as to lay the theoretical foundations of the study. Chapter three is concerned with the research design and methodology under which the method, data sources, sampling techniques and the type of instruments used are discussed in detail. Chapter four treats the analysis and interpretation of the data gathered. Chapter five presents the summary of major findings, conclusions drawn upon the findings, and possible recommendations. Finally are attached lists of reference materials used in the study, questionnaires and interview guides.

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their environment and the level of interdependence among sub-systems within them. On the other hand, the contingency perspective suggests that there is no uniform theory that can be applied to all organizations. Accordingly, what is appropriate to one situation can't be generalized to all, as it depends on the specific elements in that situation (Griffin, 2000).

The development of different models and management practices such as Adam Smith's division of labor, Max Weber's organizational hierarchy, and others enabled improved efficiency and effectiveness; continued economic expansion and standardization of products; increasing incomes; simplification of work into smallest elements; strict chain of managerial control; and vertical integration of an organization.

To make use of the above benefits, most organizations use the hierarchical plan and departmentalize themselves by function for the sake of efficiency, by product for the sake of effectiveness or by customer for the sake of responsiveness. However, different authors mentioned the problems associated with these merits of the hierarchical plan. For example, Bennis and Mische(1995) state that, the hierarchical structure was followed by many organizational layers, involvement of more responsible people and departments as well as unique methods and ways of measuring performance. Hammer and Champy (1993) described division of labor and simplification principles as brilliant discoveries that belong to an earlier, glorious, but no longer relevant age. They further underline that the division of labor around which companies have been organized since Adam Smith first articulated the principle simply don't work. Adam Smith's world and its way of doing business are yesterday's paradigms

2.2. The Evolution of Business Process Reengineering

There are different reasons why organizations are comfortable with the standard pyramidal structure. According to Hammer and Champy (1993), the ability of the structure to accommodate changes in a high growth environment by adding more layers of management; its appropriateness for consistent and accurate work performance through control and planning; and its requirement of short and specialized training for specific tasks rather than generalizations are some qualities.

However, fragmenting the works into simple and repetitive steps and organizing the institutions hierarchically forced the organizations to pay enormous cost like additional overhead and increasing the distance that separates the senior managers from the service users of the organizations.

The situation makes no significant difference whether the organization under question is of a business or of a public service institution. According to Linden (1994), government agencies were influenced by new management thinking as their country and government grew. As emphasized by this author, there were enormous fragmentation; overlap and duplication of work despite the fact that division of labor and specialization of jobs enabled organizations manage complex problems. As the result of this organizational structure, individual generalists were replaced by large impersonal hierarchies; work was reduced into smallest elements; and workers who were in personal relationships were separated from their customers and from each other. This reduced the quality and effectiveness of government programs.

More hierarchies and more layers of management were designed to better control, check and balance in order to minimize or avoid fraud and corruption. Nevertheless, the effort was followed by poor service delivery to customers which manifested itself by delay, reduced quality, runarounds and lack of accountability.

Different organizational leaders considered such problems of the longer hierarchy as weakness to respond to customers; poor communication and cooperation; more time to make decisions; and the dissatisfaction of their customers very seriously. Because of their strong intention to deliver highest quality product or service with the lowest possible cost, they started to question the traditional approach or the hierarchical bureaucracy. As noted by Bennis and Mische (1995), by the 1980s, many business organizations found themselves faced with massive environmental changes which necessitated massive internal changes in response. It was a time that required them of developing a means of not only success but also of survival.

The challenges they faced forced these organizations to operate in a different way by introducing major design principles. According to Linden (1994), some of the principles

were integrating up-stream process, simplifying using cycles, substituting parallel for sequential processes, creating and empowering cross-functional teams to be responsible for the entire product and process development cycle from start to finish, on going learning, using just-in-time service delivery methods, and treating information as the key variable. The application of these major design principles enabled the organizations meet their customers' needs and respond to their environment quickly.

The prominent authors in the area, M. Hammer and J. Champy could observe different companies who dramatically improved their performance by radically changing the ways in which they work in the 1980s. According to their observation, it was the process, not the business, of the organizations altered, that is, either significantly improved or entirely replaced. In their closer examination, the authors were able to understand that the companies used different techniques to change the processes. They were able to identify those different techniques the companies employed. Some of these techniques could and some others could not succeed to bring the radical changes they were planning. The authors explain the situation as follows:

"Little by little, by examining the experiences of many companies, we were able to discern the patterns of actions that led to success and those that didn't, and gradually we could see a set of procedures for effecting radical change take shape. Eventually, we gave this set of procedures a name. We called it business (process) reengineering" (Hammer and Champy, 1993: 3).

2.3. Principles of Business Process Reengineering

Business process reengineering transforms an organization in ways that can directly affect performance, through business processes improvement, by substantially revising the organization's structure and dramatically changing the ways in which the processes are managed and implemented. In order to achieve dramatic rather than marginal improvements, the work has to be examined in terms of outcomes, not tasks or scattered functions. Michael Hammer and James Champy (1993) suggested some principles of reengineering that would streamline work processes, and thereby achieve significant levels of improvement in quality, time management, and cost. These are: organizing around outcomes not tasks; identifying all the processes in an organization and prioritizing them in order of redesign urgency; integrating information processing

customers. This causes dissatisfactions of customers in the services the organizations provide.

The major causes of customer dissatisfaction or the challenges organizations are suffering from include delay to deliver results and poor quality of work. In most organizations, people perform tasks which need not be done at all for the sake of administrative requirements. It usually takes time, or there could be misinterpretation of information as work passes from one person to another. Most importantly, organizations don't have a particular individual that actually is responsible for the end-to-end work from conception to realization (Hammer, 2002). Different people focus on different tasks that are scattered across different departments or work units with no one focusing on all the tasks or steps together as a unit. According to Linden (1994), the consequence of such a fragmented orientation is a very narrow understanding of the employees about their roles and how they can add value to their agencies and customers.

In order to meet the needs of their customers, organizations need to change their perspective from isolated task to the entire collection. This requires them to focus on processes. According to different authors, process centering makes flexible, permeable and dynamic organizational boundaries. On a team working for the same process all members have a common goal, their lines of responsibility are not restrictively defined, there is a huge increase in communication, specialists become generalists that learn from each other, and become self-directed professionals performing value-adding jobs that require thinking and decision making (Hammer, 1996; Linden, 1994). Through process centering organizations respond to their customers or to their environment quickly and adjust themselves to the present situation abandoning their yesterday's success.

As process plays the central role in an organization by influencing its structure and systems, by shaping the way people think and the attitudes they have, process centering becomes the appropriate strategy towards efficiency and effectiveness. To go to process centering organizations aren't expected to create the processes. The processes are already there in an invisible, fragmented, unnamed and unmanaged

state. Processes are currently invisible and unnamed because people think about the individual departments more often than the process with which all of them are involved.

According to Hammer (1996), organizations should recognize and name the processes; make every one in the organization aware of these processes and their importance to the organization; measure the processes based on importance for customers and for the organization itself; and manage them, that is, making them consistent and improving them continuously in order to lead them to process centering.

In general, organizations have to be much concerned with processes rather than specific tasks, functions or different departments in order to create values and satisfy the needs of their customers. As emphasized by Hammer (1996), it is only the whole process- all the tasks put together- that creates value for the customers. It is through processes that the abstract goal of putting customers first and meeting their needs can be realized.

A business process is a set of activities performed to achieve a meaningful output for the end users. Organizations usually focus on functions, people, or structures which are not the concerns of their customers. This being the cause of customer dissatisfaction, the new trend to fill the gap is business process reengineering that involves different phases.

2.5 Different Phases of BPR Projects

BPR projects need to follow certain phases for the sake of effectiveness. The most common phases many organizations are following are: preparation, mapping and analyzing the AS-IS process, designing the TO-BE process, and implementation of the new process (Linden, 1998).

2.5.1 Planning and Preparation Phase

The first step of a BPR project is the "planning and preparation" phase under which the organization ensures the existence of the necessary personnel and information to execute the project. Planning and preparation are vital factors for any activity or event to be successful and reengineering is no exception. Since such a radical change in an

organization challenges the already existing deep rooted beliefs and questions what has traditionally been recognized as correct, leaders shall make sure that the necessary preconditions are satisfied before embarking on reengineering. This marks the beginning of the preparation activity. As Obolensky (1996) noted, the pain of the status-quo, the potential gain of reengineering, the perceived or felt need for change and the potential impact across the organization are worth stressing points with this regard.

2.5.1.1 Preconditions for Change: the necessary change preconditions include assessing the performance gap; articulating and communicating the change; setting strategy for change; and active involvement of senior leadership.

2.5.1.1.1 Assessing the Performance Gap

People in an organization should sense a major gap between how things are being done and how they must be done in the future. As to Linden (1994, 1998) they don't like to make difficult choice to change unless the gap of performance, that is, the pain of the status-quo is clearly stated to create tension. To this end, Hammer and Champy (1993) underlined the importance of formulating and articulating two key messages: 'this is where we are and this is why we can't stay here'; and 'this is what we need to become' in order to show the performance gap.

For the two messages to clearly show the gap of performance in the organization, the first has to be compelling enough and must show that reengineering is the only means to survive. It should be an argument supported by evidence, briefly presented, admitting the existing problems frankly, and moreover showing the consequences of reengineering.

Hammer and Champy (1993) presented the case of an organization whose senior managers tried to convince their employees that the organization's research and development program has to be radically altered. The "why" to reengineer the program was based on the arguments that their leading competitors were establishing much shorter development cycle; their company took too long time to develop and register new products; the competitive trend went against their approach to research and development; their company was losing its competitive edge to companies with

globally integrated research and development organizations; and they stood to lose one million Dollars in annual profit, per product, for every week's delay in development and registration. As one can see from the leader's arguments above, they are presented in a manner that can show a considerable pain of the existing situation. Moreover, the last argument eliminates any doubt about the need for reengineering.

The second message "*this is what we need to become*" shows the vision of the organization. The vision is what an organization believes it wants to achieve when it is done, and a well-defined vision will sustain the organization's determination through the stress of the reengineering process. It can act as the flag around which to rally the troops when the morale begins to sag and it provides the yard-stick for measuring the organization's progress. According to Hammer and Champy (1993), to get people move from where they are now to where they are supposed to be, the pain of status-quo serves as a tool to detach them and the vision as a magnet to attract them to another point. The pain pushes and the vision pulls.

Taking the special nature of BPR into consideration, Bennis and Missche (1995) discussed what the features of the vision of an organization that is planning to reengineer its processes look like. According to them, the vision must stress quantum rather than incremental results; create a sense of energy, passion and commitment rather than anxiety, panic, and threats; be realistic and achievable; and serve as a guide for all organizational activities.

Leaders of an organization should not only define the vision but also communicate it to all stakeholders who will be affected by the change in order to have their consensus and full support; to enable them harmonize organizational activities and direction; and achieve excellent effects on performance.

To sum up, organizations that have the most success in selling change to their employees are those that have developed the clearest message for reengineering, the case for action:- where we are? Why we can't stay here? What we as an organization need to become? Why the organization must reengineer? The case for action must be

so persuasive that no one in the organization will think that there is any alternative to reengineering (Hammer and Champy, 1993).

2.5.1.1.2. Articulating and Communicating the Change

Change of any magnitude cannot be made without any inconvenience. In order to make the best out of the intended change by creating conducive environment, leaders have the primary responsibility to articulate and communicate the change to all people that will be affected. To strengthen this point, Bennis and Mische(1995)emphasized that managers must approach communication as an interpersonal activity; they must give employees sound reasons of the change taking place; explain the new design; set a forum for voicing concerns, and give feedback to show that those concerns are being heard.

If communication is such important activity during reengineering, the next question is going to be its content. With regard to the points of communication, Hammer and Stanton (1995) have identified four elements that should form the core of the reengineering message: *Purpose*–the why; *process*-the how; *progress*-keeping people up-to-date on the work; and finally *problems*- dealing with challenges faced and admitting mistakes. Addressing these elements thoroughly enables reengineers convey their messages properly; and create consensus and support.

The way leaders communicate the change matters a lot to its success. In order to achieve what they are planning, reengineers shall be creative enough to use different methods so that people can understand and embrace reengineering. Linden (1998) recommends that reengineers should communicate the change in a way that doesn't blame the staff for the problems; talk frankly and openly; show that the current situation is leading to crisis; and motivate people to seek a solution for the sake of effectiveness

2.5.1.1.3. Change strategy

The first two preconditions, assessing the performance gap and communicating the change, enable the leaders show the "why" of the BPR effort and the consequences of not reengineering. Once the employees in the organization understand these issues, their responses will likely be positive. The leaders shall then pay attention to the change

strategy, which according to Linden (1994) is the overall plan that describes how the change is going to accomplish the intended goal. It is an action plan to realize the vision of the organization and decide which area it should focus on based on analysis of its current status.

Michael Porter in Armstrong and Baron (2002) states that strategy is about choice -not just about joining a race, but about choosing the right race to win. Armstrong and Baron further state that the aim of strategy is to achieve, maintain and expand best practices by employing the most up-to-date equipments, inputs, information technology and management techniques; eliminating waste, defects and delays and stimulating continuous organizational improvement. If the appropriate change strategy is in place, then the organization's chance of implementing the change increases to a significant proportion.

According to Bennis and Mische (1995), the best change strategy is the one that can successfully integrate the organization's vision with strategic thinking. Obolensky (1996) strengthening this idea shows how vision, strategy and values in an organization are linked to each other. If the strategy set is not consistent with the values, then a problem will arise. If the strategy is not being implemented, one needs to see where it conflicts with the values of the organization and work to change those values so as to remove the conflict.

Setting the best strategy by itself does not guarantee success. It should be communicated to employees and consensus reached among people in the organization about the strategy to enable better performance during implementation. According to Linden (1994), leaders should describe the basic strategies that will help the organization create the desired future to all the people that will be involved in the change. Frank discussions of the strategy with the employees enable them see where the change is headed, how it may affect them, and how they can contribute to the overall change effort. By doing so, leaders can get the full support and commitment of their employees.

2.5.1.1.4. Senior Leaderships' Active Involvement

The success of BPR efforts entirely depends on the involvement of leaders at all levels in general and those at the top in particular. Leaders in organizations where BPR is taking place shall give top priority to the effort. To capitalize the importance of leaders' commitment beyond verbal support, Linden (1998:19) states that, "they have to invest their own time and energy, and actively and continuously involve at each step to convince their employees that the change is for real." More over, they have to show their concern by allocating the necessary material resources, assigning the best people, and making available whatever the effort requires. It should be noted that the leaders' role goes beyond material support. Business Process Reengineering starts from a scratch, it changes the ways people shall think and behave in terms of their jobs and their attitudes. There is always a great threat. People feel uncomfortable because they are to adopt new roles and new ways of working lives. Certainly, they don't welcome it. Hall, Rosenthal and Wade in Linden (1994) underline the importance of strong leadership from top management to address the concerns of people. According to them, the psychological and political disruptions that accompany such radical changes, as BPR, can incapacitate the project unless there is strong leadership.

Finally, after making sure that there is a felt need for BPR; the employees are clear with the pain of the status-quo and the change strategy; and there is the necessary leadership involvement, then comes the time to think about the right people to lead and be involved in the change process throughout.

2.5.1.2. Establishment of BPR Governance Structure

There are five major roles identified by different authors while reengineering an organization. These are; leader, czar, steering team, design team and process owner (Hammer and Champy, 1993; Linden, 1994). According to Hammer and Champy (1993), the different roles and the people playing them are examined as follows: *Leader* is a senior executive who authorizes and motivates the overall reengineering effort. He/she makes reengineering happen. *Reengineering czar* is an individual responsible for developing reengineering techniques and tools within the organization and for achieving synergy across separate reengineering projects. *Process owner* is a manager

responsible for a specific process and the reengineering effort focused on it. *Design (Reengineering) team* is a group of individuals dedicated to the reengineering of a particular process, who diagnose the existing process and oversee its redesign and implementation. *Steering Committee (team)* is a policy-making body of senior managers who develop the organization's overall reengineering strategy and monitors its progress. This is an optional body in BPR. The features and qualities of people for each role are discussed as follows.

2.5.1.2.1. Leader

The leader of BPR is some one in a position of the organization to compel the fulfillment of all parties involved in reengineering. The person who can best play the leader's role can be selected among different candidates in the organization based on two criteria: his/her position and personal characteristics. According to Hammer and Stanton (1995), in terms of position, the leader shall have enough authority over the entire end-to-end process(es) that is (are) to be reengineered; the stakeholders in the process(es) that will undergo reengineering; and the resources-human, material, financial or others, involved in performing the process.

The personal characteristics of the leader are also worth dealing besides his/her position. According to Hammer and Champy (1993), the leader has to be ambitious, restless, intellectually curious and not a care-taker of the status-quo. He/she shall articulate a vision and influence people to willingly and devotedly accept the change, and set personal examples. Lopez and Theisohn (2003) elaborate what is expected of leaders. Accordingly, a leader must possess certain skills, personal commitment and the ability to carry out concrete actions. The personal characteristics of the leader that help to discharge responsibilities according to Hammer and Stanton (1995) are mentioned as passion-absolute commitment, an ability to inspire trust and confidence; restlessness-inability to accept the status-quo, an urgency- to get things done quickly; relentlessness-not to lose heart despite obstacles and set backs; and finally be able to lead a revolution against him/herself and the very system that created him/her. A leader who does not possess either the right position or the necessary personal characteristics can't lead the change effectively.

In order to discharge the responsibilities to making the decision to reengineer, make the change effort succeed and create conducive atmosphere, the leader uses three key instruments: *signals*-explicit communications-what he/she shares with the organization about BPR; *symbols*-personal behavior-what one shows by doing; and *system-measurements and rewards*- the scales by which people are measured and rewarded in the organization (Hammer and Champy, 1993; Hammer and Stanton, 1995). Through signals, symbols and systems of measurements and rewards leaders can show their commitment and get the full support of their people.

If the leader's position is so essential to the success of BPR, then by the same token, breakdown in leadership can lead to failures. According to Hammer (1996), weak leadership can be manifested by the following situations: skimping on resources, burying BPR in the middle of the organization's agenda, quitting too early- either before getting any pay-offs or giving up as soon as some positive result has been achieved, even if it is less than the initial goal. If such situations are observed in the organization, then people lose trust in their leaders and consider the change effort simply as futile. Generally speaking, the leader can make the change happen or not by paying or not the necessary attention.

2.5.1.2.2 Process Owner

A process owner is an individual assigned by the leader to guide the BPR effort of a specific process from designing to implementation. According to Hammer (1996), the process owner is an enabler, not a boss. The position requires acquiring new skills and attitudes, and abandoning old ways of managing. There are some qualities authors agreed upon that the process owner needs to have: a thorough understanding of the new process-how it works, what the expected outcomes are, how it interrelates with other processes in the organizations; good relationship with others involved in the process; ability to inspire those in the new process since there will be some glitches, some resistance, and perhaps aggression from other departments who view themselves as losers in the transaction; a great deal of energy; and finally she/he must be comfortable with change, tolerant of ambiguity, and persistence in difficulty (Hammer and Champy, 1993; Linden, 1994). Though the process owner is ultimately responsible for

a particular process and is closely involved in it, there should necessarily be a formally established team that performs the day-to-day activities of the reengineering effort.

2.5.1.2.3 Reengineering (Design) Team

This is a group of people who does the real BPR work-responsible to analyze the present and create the new process. Different authors have identified different numbers of members, ranging from five to ten, the team may consist of. They come from inside the current process and outside it. The insiders can show how the process works and why it works that way, and can trace its problems. On the other hand, the outsiders can challenge assumptions or vested interests of the insiders, ask new questions and help to think out of the box. The insiders alone may recreate the original process with a certain improvement—remain within its frame without breaking it through. The outsiders can initiate change with a paradigm shift and feel more comfortable taking risks (Hammer and Champy, 1993; Linden, 1994).

According to Hammer and Stanton (1995), the kind of people required for this very purpose is the reflection of the nature of the reengineering work itself—its *content*—understanding the current process, designing new ones; its *context*—uncertainty, experimentation and pressure; and its *style*—which is exploratory and discovery.

Based on the content, the context and the style of the reengineering work, the team would be fruitful if its members have the following profile: process oriented and holistic cognitive style—understanding how tasks fit together to form a process; design skills— to envision a new way and make it implemental; enthusiasm and optimism – internal strength and firmness; persistence and tact—keeping on pushing forward despite the fact that others push backward; and interpersonal, team work, and communication skills. All members of the team may not have all the profiles at the same time. However, the weakness of some members in some areas can be compensated by the strength of others so that the net effect becomes valuable. With regards to this situation, a case organization considered by Hammer and Stanton (1995) defined three characteristics of its design team: *Caring*— creating an environment that allows an open and honest communication; *Daring*— encouraging every one in the team to be innovative, adventurous and ask the hard questions; and *Sharing*— having common objectives.

organization. This role is filled by the reengineering czar who directly reports to the leader. According to Hammer and Champy (1993), the czar has two major functions: enabling and supporting each process owner and design team; and coordinating all on going reengineering activities. The authors further state that, the czar watches the process owners out to keep them in track, helps different process owners to coordinate their efforts whenever they want, and is concerned with developing the infrastructure necessary for reengineering

The establishment of the BPR governance structure is a necessary precondition for change. The involvement of committed people in the process is an indicator that the organization has paid the necessary attention to the effort. Such people can set personal examples and show that the change is for real. In general, successful accomplishment of such activities helps the organization to embark on reengineering- to redesign its process and implement it. Redesigning the Work process involves four steps: mapping the current process (AS-IS), establishing desired outcomes, setting stretch objectives, and designing the new process (TO-BE) from a clean sheet.

2.5.2. Mapping and Analyzing the Current Process/ The AS-IS Phase

Organizations may consist of a confusing web of interconnected core and sub processes, many of which cut across several functional departments. It becomes important to define what the components of each process are, as well as the process' boundaries, dependencies, and interconnections with other processes. In order to develop a common understanding of the processes they use to produce their products and provide services before they can set about to improve them, they create the map of the existing process that gives a picture of how work flows through the organization. According to Bennis and Mische (1995), the specific elements a process map depicts are what activities are being performed; how they are being performed and sequenced; how the work flows; how much time is consumed during and between various activities; and what areas of the organization are responsible for the various activities. Before the reengineering team can proceed to design the new process, members should understand the existing process. Although the famous BPR proponents Hammer and Champy (1993) argue against analyzing the current process, saying that it

inhibits the creative power, an attempt to design a new process while totally ignoring the analysis of the existing process leads to a failure to identify disconnections- anything that prevents the process from achieving desired results and in particular information transfer between organizations or people. Thus, organizations need to map the existing processes first, and then analyze and improve on it to design the new process.

The outcomes of mapping the current process are a graphical representation of the current process in a way that can be understood and accessed by all; an awareness of a need for change and increased desire to change; and a consensus about the desired outcomes of the process.

To map the current process, the reengineering team shall identify people performing the process and interview them about the steps and sub steps in the process, the average processing time required to complete each step, waiting time, cycle time, and level of staff frustration in performing the process; prepare visual map of the current process- the activity and time required to complete the step, and validate the map with the performers; and identify assumptions on which the current process is based so as to challenge them and come up with a different and better way of doing (Linden,1998).

By preparing such a model work flows can be clarified, every body can understand tasks, improvement points can be revealed, and the new model can be compared against others, that is, the mapping helps to understand the current process and define the target processes to reform.

2.5.2.1 Establishing Desired Outcomes

The steering committee or its equivalent identifies the desired goals of the organization and the design team articulates more specific outcomes related to the particular process to be improved. This helps the organization to organize its services around outcomes. By doing so, the team establishes clearly stated outcomes to achieve; identifies key stakeholders' needs and expectations of the process; and ensures their strong feeling of involvement in the redesigning effort.

To establish the desired outcomes, the team needs to identify key stakeholders - individuals or groups that can influence the organization's direction: choose a way to learn about their needs and expectations; communicate them to establish their desired outcomes; and compare and analyze the data to determine which needs are most important to meet, and communicate the results to key stakeholders in order to ensure effective implementation. According to Mische (1996), there are different sources useful in establishing outcomes including best practices, bench marks, and internally established goals.

2.5.2.2. Setting Stretch Objectives

Stretch objectives are those objectives which reach far beyond what a process currently produces. Setting such objectives force people to think out-of-the box and give every one involved in the process a common challenge. According to Mische (1996), all the targets must be consistent with the overall BPR vision and the process-specific vision established earlier, must represent quantum results, and must be measurable. Having these features of the objectives, what one can logically ask next will be their source. Different authors have identified these sources. Accordingly, the stretch objectives can come from benchmarking the same process performed by leading organizations; stakeholders' requests and preferences; and organization's best performance of the process (Linden, 1994, 1998; Mische, 1996). The authors have also mentioned the steps involved in creating stretch objectives. These are review of stakeholders' needs and expectations; identification of those needs and expectations that form the foundations of stretch objectives; and brainstorming possible stretch objectives.

Having identified the features, the sources and the steps involved in setting the stretch objectives, Linden (1994, 1998) has finally mentioned the outcomes of doing so. These are giving concrete target to shoot for in redesigning the current process and stimulating to come up with creative ideas of new designs for the process. Once the team has mapped the current process, established desired outcomes and set stretch objectives, the new process can be designed.

2.5.3. Designing the Work Process (TO-BE phase)

Process design is a process by which a new way of doing work in an organization is invented. It is the responsibility of the design team which requires each member to abandon the previous beliefs, values, procedures and rules through which he/she was grown up. According to Hammer and Champy (1993), it is the most nakedly creative part of the entire reengineering process that demands imagination, inductive thinking and a touch of craziness.

Hammer (2002) describes that process design prescribes how all the individual units of work must come together to achieve the over-all goal, and specifies exactly what work is to be done, in what order, in what location and by whom. Without it, the newly designed process is likely to be performed differently each time. This important activity has to be done based on a set of basic principles and techniques as well as facilities for creating well fashioned structures, and for recognizing the advantages and flows of alternative schemes (Hammer, 1996)

Linden (1994) has identified 7 designing principles that organizations conducting BPR should follow. The principles are:

1. *Organize around outcomes, not functions.* Any fragmented system doesn't make sense for customers whose preference is speed, variety, quality and convenience. Thus, organizations should organize themselves around customers, products, and processes in order to meet their customers' expectations.
2. *Substitute Parallel for Sequential processes.* Sequential processes involve more steps with greater likelihood of errors, delays, and information falling through the cracks. On the other hand, a parallel process speeds up the outcome and allows errors to be caught much sooner.
3. *Bring down-stream information up-stream.* Information shall be accessed by customers who need the service of the organization any time and any place.
4. *Capture information once, at the source.* Every time information is passed through another person, it runs the risk of being distorted. Helping customers get the necessary information from the source gives them more satisfaction and minimizes the errors to be committed.

5. *Provide a single point of contact for customers whenever possible.* Customers should, in as much as possible, deal with one person representing the entire process for their convenience.
6. *Ensure a continuous flow of the main sequence.* Focus on those activities that directly add value to the end users.
7. *First reengineer and then automate-* the role of modern technology should be limited to supporting the reengineered process.

Business Process Reengineering requires fundamental changes in how tasks should be managed. To this end processes should be redesigned based on the above principles. The purpose of designing from a clean sheet is to come up with ideas that lead to a dramatically improved process. As the result of this step a new process reviewed by key stakeholders will be produced. Reengineering focuses on redesigning the process as a whole in order to achieve the greatest possible benefits to the organization and its customers. This target, realizing dramatic improvements by fundamentally rethinking how the organization's work should be done, distinguishes reengineering from process improvement efforts that focus on functional or incremental improvements (Linden, 1998).

It is difficult for an organization to reengineer all its processes simultaneously because of different reasons like availability of resources. Hence, as a first step, the organization should decide which process performance gaps must be narrowed or closed, either because of current performance problems or gaps anticipated for the future. Organizations should use formal selection criteria to decide which processes have the highest priority for action. Different authors have suggested different criteria. Dysfunction - deepest trouble, importance-greatest impact on the organization's performance, and feasibility-most susceptible to successful redesign (Hammer and Champy, 1993); impact on customers, impact on the over all performance of the organization, and feasibility (Linden, 1994).

According to the BPR Assessment Guide of the United States General Accounting Office (1997), the selection criteria might emphasize on processes with the strongest link to organizational mandate and mission, and the highest impact on customers; with the

biggest potential return on the resources invested in improving them (for example, processes that cut across several functional units where opportunities to reduce hand-offs, reviews, cycle time, and costs may be greatest); where change management issues can be more easily resolved because there is strong consensus among the organization, stakeholders, and customers on the need for change; that can be redesigned with currently available resources and infrastructure; and that are less complex where improvement goals can be achieved within a short period of time and experience can be gained in reengineering.

An attempt to reengineer all processes at the same time may result in different challenges. Organizations may have no the necessary material or human resource required to do so. More over, there is the risk of failure in BPR projects. If, by chance, the organization is not able to succeed, then the overall effort becomes meaningless. Another reason to prioritize the processes is that if the most important people in the organization are busy on the BPR project, the other activities are going to be neglected. This in turn causes more dissatisfaction on the customers' side.

In general, an organization that is in the midst of designing a new process should have previously laid a solid foundation for change by clarifying its mission, identifying customer and stakeholder needs, assessing performance problems, setting new performance goals, and determining that reengineering is an appropriate approach to take. The general objective of BPR is too broad that it becomes necessary to define attainable specific targets which are shared with in the organization so as to start action. Even implementation issues need to be considered in the early stages of the project, so that executives can begin preparing the organization for changes in goals, values, and responsibilities.

2.5.4. Implementing BPR

Implementation refers to realizing the TO-BE processes and transforming the organization into a leaner, highly adaptive, innovative and process driven nature. It is the phase at which ideas are turned into action and concepts into reality. The implementation stage is where reengineering efforts meet the most resistance and hence it is by far the most

difficult one. If people expect that the environment would be conducive to the reengineering effort they are sadly mistaken. BPR can't be implemented painlessly.

Successful implementation requires gaining commitment from all people affected by the reform. To capitalize the goal and the necessity of the reform to the organization and build better consensus among the employees help to gain organization wide commitment, avoid confusion after the reform, fulfill the change target quickly, and maximize the effect. However, shifting people's thoughts is the most difficult task during changes. According to Mische (1996), to ensure the implementation of the new process and the transformation of the organization, people in charge of the task have to examine if prerequisites with respect to technology, training and personnel have been met; a list of potential problems that may be encountered have been developed; final walk-through of new processes have been performed with employees; and proper mechanisms are in place to track the progress of implementation.

Implementing a new design requires dealing with the people; the plan and the politics of the organization (Linden, 1998). People such as senior leaders, the implementation team, and the employees, play their own important roles during implementation. Hammer (2001) underlines for the need of giving first class attention and investment to people issues. Training, education, communication and change management are important areas to be addressed with regards to people while implementing BPR. The plan requires great attention to detail and to the relationship between the various phases and steps involved. It shall include such tasks as communication, pilot testing, implementing short-term and long-term changes, and measuring the performance of the new process. Politics is concerned with power relations in the organization which will ultimately be affected by the new design. Change in power relations due to the new design is obviously followed by resistance. Unless the fall out of power changes and resistance are dealt with properly, the chance of success in realizing the desired change will be in doubt (Linden 1998).

Mische (1996) has identified four important factors that can profoundly influence implementation in a given organization: leadership, infrastructure, transformation capacity, and operational processes. Leadership is viewed with respect to vision,

personal style, point of view, presence and visible commitment. Infrastructure includes alignments, structures, technology, schedule, facilities, communication, reporting relationships and an environment for optimum performance. According to Linden (1994), there should be an infrastructure that supports "any time, any place" seamless service.

The transformational capacity of the organization deals with developing new positions and staff levels, creating new job descriptions; establishing new performance measures, and creating new organizational maps and charts depicting the results of reengineering. Operational processes include flow of work, velocity of work, knowledge and the empowerment to use that knowledge, and enabling technology. With these components at their optimal access, the implementation of the desired change can move smoothly (Mische, 1996).

Another author Obolensky (1996) categorized the necessary techniques that assist smooth implementation of a reengineered process into two-*technical and cultural*. The technical aspect deals with establishing a project team who drives the change, the use of a transition team, and the formation of a project coordination center to synchronize the activities and monitor the results. The cultural aspect includes activities to address issues regarding power and politics; activities to overcome resistance to change; and activities to ensure that control is maintained during a transitional period of uncertainty.

The other point worth mentioning while discussing about implementation is the importance of proceeding in stages as radical changes don't take place at once. According to Linden (1994), the whole project has to proceed in two stages by introducing the overall plan at the start. In the first stage, some activities such as eliminating non-value adding steps in the process, training staff for required skills, making procedural changes, using pilot projects to test and learn from certain parts of the model, and forming multi-functional teams, that can be taken within the existing culture and budget are going to be implemented. In the second stage those steps and far reaching changes such as moving from functional to a process orientation and structure; and doing ongoing measurements of the new process in terms of cost, time,

quality and customer satisfaction that require additional resources and that begin to change organizational culture are going to be addressed..

The above idea is supported by Hammer (2001) who advises that implementation must proceed in a series of smaller manageable steps, each of which represents a progress towards the ultimate destination, rather than a massive organization-paralyzing one. He further recommends that each of these steps must be done relatively quickly and must deliver some concrete pay-offs.

While implementing a reengineered process, leaders have to be active enough to show the success as early as possible. Linden (1998) emphasizes that generating a frequent and visible success during implementation and showing that the change is already happening helps people become hopeful, generates enthusiasm, helps convince those who have some doubts, and makes it easier for senior officials to support the change. Hammer (2001) who shares the some idea states that, customers' pressure and organizational anxiety demand early payback as well as rapid feedback so that every body knows the changes are moving on the right track.

In order to implement the designed change successfully, Hammer (2001) summarized the important issues as follows. Focusing the efforts of change under a single theme instead of multi-pronged approach since organizations have limited capacity for change initiatives; concentrating on people's issues since they determine the success or failure of the change; recognizing that different people will react differently and so need to be managed differently; displaying committed executive leadership; learning to communicate effectively so that people will understand, believe and care; and structuring implementation in a manner that can deliver early paybacks so that people will have the trust.

Implementing a BPR project is far from a straightforward activity. According to Hammer and Champy (1993), 50-70% of BPR efforts fail irrespective of an intense customer focus superior process design, and a strong and motivated leadership that are vital elements to the guiding principles for the success of any organization's change effort. The primary reason for BPR failure is resistance from the organization against the serious effect on the

existing job and structure caused by the redesign of the business process. During such a change period it is important to clarify potential resistance and necessary support; and develop measures before BPR.

2.6. Change and Resistance

2.6.1. Organizational Change

According to Stewart (1983), no organization can stay the same forever. Changes occur inside and outside, which can force the organization to alter the way its affairs are managed. Organizations undergo change for a variety of reasons. Change may take place due to external forces driven from the organization's general environment and by internal forces like the decision of management to alter a certain aspect of the organization or a shift in socio-cultural values.

There are different models of change. The Kurt Lewin's model suggests that three steps are involved in change: unfreezing, change implementation and refreezing. The first stage is concerned with helping people involved in the change recognize the need for the intended change to overcome inertia, the second phase is when the change occurs –a period of confusion between the old ways and the new ones, and the third step is the time when a new mind set will be crystallized so that the change becomes part of the system (Griffin, 2000),

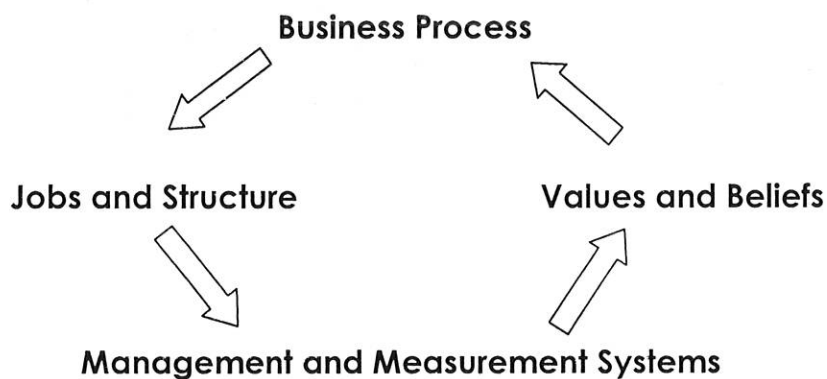
Change in organizations always involves human beings. Ideas of change come from and develop in the minds of people. On the other hand, people regard change as an enemy and try to avoid or they resist it. Different authors agree on the fact that resistance to change is natural and inevitable even though the change has significant merits (Hammer, 1996; Obolensky, 1996; Patching and Waitley, 1999). It, therefore, becomes necessary to understand resistance for the sake of effective management of change. Unless resistance is properly addressed, it can hamper successful implementation of the designed change.

2.6.2. Understanding and Managing Resistance

Different authorities have identified different reasons why people resist change. For instance, uncertainty, threatened self-interest, different perceptions, and feeling of loss (Griffin, 2000); rational reasons like additional work load, risk of criticism, uncertainty and interference with existing plans; and irrational reasons which have no obvious basis so that difficult to identify (Morris and Brandon, 1993); a gap between the expectations of people and their perceptions of the effects that the proposed change may have on them (Patching and Waitley, 1999). Paradigm changes cause such unconscious resistance like rejecting new ideas without careful consideration or unwillingness to recognize the influence of the change.

Some times people form pictures in their minds about the change. They have their own perceptions and expectations. Upon the comparison drawn between expectations and perceptions, the employee develops a positive or negative attitude towards the proposed change. If the perception formed on how the change will affect favors the expectations out of the change, the individual develops a positive attitude. On the other hand, if the perception is not favorable with expectations, the attitude to be developed will be negative.

Business Process Reengineering causes changes in every aspect of the organization. This nature of the change has been better explained by Hammer and Champy (1993) in the form of the "Business System Diamond".



© Hammer and Champy (1993:80)

As it can be clearly seen form the relationship that can be affected by the change, the processes, the jobs, the organizational structure, the management, the measurement

systems as well as values and beliefs are all going to be affected. As the result of this all rounded change, it becomes logical enough to expect resistance from different sources in an organization. Taking this fact into consideration, Linden (1994) and Hammer and Stanton (1995), identified three major sources where resistance comes from. These are:

1. *Senior executives*: whose authority and independence would be eroded; who are uncomfortable with power sharing and the pushing of decision making down into the ranks; emotionally attached to the old process; and in general who fear losing their turf, power, and even their jobs. They often attempt to manipulate the BPR effort and the work plan.

2. *Technical specialists*: who are well-trained in one technical specialty; whose promotion is entirely related to their technical contributions; whose roles are mostly non-value adding; who are there to check, control, plan, audit, etc; who are expected to become generalists and hence change their role from control to consulting; and whose roles are the prime targets to cut.

3. *Front line workers*: who refuse to shoulder the responsibility BPR will bring; who usually claim that they don't have the adequate training or information to perform as the new process requires and consistently seek direction from others.

Those people who have the more to lose, the greater their investment in the current structure and the greater their risk of not finding an equivalent position in the new order will always stand against the change. Downsizing and mass lay-offs are what people are always afraid of. Stewart (1983) explains how threatened security leads to resistance. When change is equated in peoples' minds with loss of jobs, or loss of earnings, it will be much more difficult for them to accept. She further states that the most difficult changes to negotiate are probably those where some people's jobs have to be sacrificed in order to save the rest.

Although resistance to change is a natural occurrence, an attempt has to be made in order to overcome it. Different techniques that have the potential to overcome resistance have been identified by different authors. Participation, education and communication, facilitation and force field analysis (Griffin, 2000); bringing fears and concerns of individuals to the surface and addressing them positively; showing the level

of dissatisfaction with the status-quo by comparing the organization with the most successful ones, and demonstrating customer's dissatisfaction; generating new training for new skills; providing employees a chance for participation in planning and implementation; and rewarding needed behaviors and results (Obolensky ,1996); to expect, to find, to understand, to confront and to manage it (Hammer and Stanton, 1995).

In general, radically improved business processes may satisfy customer requirements better than before and achieve drastic improvements to the operational results of an organization. However, the dramatic improvements do not come without risks, but with a high rate of failure. Widely shared organizational perceptions that are based on assumptions deeply rooted in the organization's culture can be translated into a belief that reengineering is unnecessary, unworkable, or unfair. To successfully implement the planned change eliminating such an obstacle, enhancing peoples' understanding of the process and showing why the change is necessary from individual as well as organizational point of view becomes very important.

2.7. Global Experience

2.7.1 The Case of Decentralization and Reengineering of Faculty Hiring Process at the National – Level Higher Education in Iran

This is the case that elaborates the major changes the Science, Research and Technology Ministry of Iran took to redefine its overall mission and organizational structure. It was considered at this level because of its direct relevance to the Education Sector. According to UNESCO (2004), the structure was highly hierarchical, and filled with loopholes and wasteful procedures. As evidence, it presented the problem of hiring an academic staff which used to take months going through multiple committees and across several organizations with serial and manual procedures. Major problems observed include enormous amount of delays and waste where a faculty candidate in high demand has to wait months to be officially hired, lack of proper need assessment, and manpower planning. A team of researchers from Sharif University examined the existing process, and chose a pilot to verify the approach and to create a model.

The team proposed a reengineered process and implemented at Sharif University as a pilot case. The new hiring process was straight forward and painless. Several performance indicators quantitatively showed that the new system out-performed the previous one in terms of flexibility, quality, speed and cost.

The Overall Approach- The team followed the following phases: preparation, organization and project planning; identification of overall mission and strategy; selection of process for pilot study; evaluation of the process; gross and detailed design of the selected process; designing the organization's human resource and procedures; and education and implementation.

Process modeling- The entire process identification and breaking down of the elements into detailed processes followed a top-down approach. Main and support processes were summarized. The Human Resource management for faculty was chosen as a pilot due to its strategic importance and availability. It was broken down into sub-processes which were fully mapped, examined and reengineered.

Process Measurement Indicators- The approach was to concentrate on three factors: cost, time and quality. For contract-hiring sub-process, under the HRM process, three main categories of indicators were identified: time required, number of steps, and number of internal and external interactions.

The analysis shows that presenting an application used to take 62 days in average and pass through 15 steps; delay was the most time-consuming part of the process; setting up a committee is the major source of delays; and there is a large queue of applications waiting for their approval.

The overall strategy to reengineer the sub-process was developing an overall mission and strategy based on customer requirements and the organization's vision; and following two approaches: a clean-sheet approach that ignores the existing process and the current situations, and revising the current state which examines the existing system and questions it to find areas of improvement and reengineering were used. Finally, the results of the two approaches were combined. Benchmarking of related cases was used to design a new model or to test the designed one, and the proposed solution was checked for consistency, efficiency and effectiveness.

In general, depending on the observed problems of the system-too many separate sub-processes done by different organizations in a serial way, longer time and error-prone nature- the designed solutions included deleting, combining several steps and doing the tasks in parallel.

Objective - The general objective was defined in terms of shortening the total time, reducing the total number of steps and improving the quality of work. Sub-objectives were defined with their corresponding measurement criteria: total time and quality. Under total time- processing time, review time and contract time; and under quality- the number of satisfied applicants, number of mistakes and complaints were included as indicators.

Result -As the result of BPR, the process had been reduced from 15 to 5 steps that accounts to a 200% improvement.

2.7.2. Reengineering Teaching and Research- the Case of Brandies University

According to Hammer and Stanton (1995), most reengineering efforts at universities are directed towards their administrative processes. But Professor Marc Brettler of Brandies University had applied reengineering to the instructional process for his graduate course "The Book of Exodus: A study in method". The professor was attracted by the ongoing spirit of reinvention and said that "I found a concept from the business world that could be beneficial to the university. I speak here not to administrators but to professors, who can constructively use reengineering in teaching courses." (Hammer and Stanton, 1995:278)

The professor had applied reengineering paying strict adherence to its principles. The following points can illustrate this: he was aimed at making his course better- not fixing the broken but committed to break-through results; he was willing to start with clean sheet of paper – starting afresh rather than incrementally improving the course; he started by asking a fundamental question 'what is my true objective and what is my real end product?'; he focused on outcomes rather than tasks; he conceived his course as a process not as a disconnected set of individual elements like class preparation, class session, reading and writing assignments; he started working backwards from his

objectives and decided that the students should try their hands at writing so that they can learn the course at the deepest level; he refashioned in such a way that his three previous independent writing assignments were to be prepared as a module of a larger paper and presented at the end of the semester; he periodically dispensed formal classes within favor of informal learning sessions held in the library, where he demonstrated research techniques and tools giving students the chance to ask for help and, to avoid the conflict many students experience when they have to be prepared for classes and to complete assignments simultaneously (customer oriented approach); he used a round-table discussion (team work) in which students helped each other and on going feed back reports that enabled students evaluate themselves (Hammer and Stanton,1995).

In terms of evaluating the effectiveness of the objective, Brettler felt that the course was his most successful ever. He said that, "the papers were superior to the usual graduate student efforts- polished, original, and much less confused or simply wrong" (Hammer and Stanton,1995:).The authors further state that, the students themselves were extremely positive about their experience both in their formal and informal evaluations, which shows that there is customers' satisfaction.

2.8. Civil Service Reform in Ethiopia

Public (Civil) service refers to those activities of government institutions aimed at satisfying the needs and ensuring the well being of society as well as enforcing law, regulations and directives of the Government (MoCB, 2002).

2.8.1. Brief History of the Ethiopian Civil Service

Ethiopia is a country with a long history of governmental administration. However, it laid the foundation of a "modern" civil service in 1907 when Menelik II initiated the formation of a few ministries (FCSA, 2007). There were various attempts made by different Governments of the country to change the content and structure of the civil service. According to Tilaye (2007), His Emperor Haile Selassie I attempted to bring about an **effective and efficient civil service** governed by specified rules and procedures of a uniform nature. As the result of this, the establishment of the council of ministers in 1943;

the establishment of the Public Administration Institute responsible to studying the restructuring of the civil service; issuance of the Public Service order No. 23/1961 that created the then Central Personnel Agency; the 1962 public service regulation that prescribed rules and procedures for different personnel activities; the 1972's Public Service Position Classification and Salary Scale are among the remarkable achievements. However, the system suffered from different problems like failure to adhere to established rules and regulations. During the period of the Dergue there were attempts to radically redesign the bureaucracy in line with the socialist ideology. As the result of this, there was a tremendous expansion of the public sector-an increase by 133.7% between 1974 and 1989 (MoCB, 2001). The system was characterized by duplication and fragmentation of public functions, and centralization of administration.

Following the downfall of the Dergue Regime, the Transitional Government, led by EPRDF introduced Structural Adjustment Program in 1991. Tilaye (2007) classified the reform agenda of the Government in to three phases: Phase I, 1991-1995, which includes different political measures, like the new constitution, the federal arrangement of the state, the decentralization of administration to the lowest levels of government, and introduction of multi-party system; and economic measures like the shift to market-oriented economy and privatization. The second phase, 1996-2003, was launched based on a comprehensive assessment of the Civil Service system by a task force responsible to identify major problems. The problems identified include the orientation, attitude and work practices of the civil servants. The third phase began by May 2003 and is being under way. According to Getachew in Tilaye (2007), this phase is aimed at building the capacity of the civil service; providing efficient and fair service; enhancing accountability and transparency; standing for gender and ethnic equity and rights; and forming corruption free civil service.

2.8.2. Service Delivery Improvement in the Civil Service Reform Program

According to a comprehensive nation wide study conducted by a task force established for assessing the practices of the civil service, the major problems and draw backs which led to inefficient and ineffective service delivery were identified. These include, hierarchical organizational structures which led to long and time consuming

responsibility to organize, coordinate, and lead different educational and training activities at their respective levels. BPR Leaders, czars, process owners and design team members were also selected by purposive sampling method since they can give adequate and necessary information due to their roles in the process. Employee respondents from the Amhara National Regional State Capacity Building Bureau were selected by availability sampling technique. Other employees from the remaining three institutions were selected by random sampling method since it gives each employee an equal chance of being included in the study and more over each chance is independent of any other choice (Best and Kahn, 2003).

Accordingly, 4 BPR leaders for the interview, 35 employees for group discussion and 205 (50 team members and 155 other employees) out of 407 for questionnaires- a total of 244 respondents were considered for the study purpose.

3.4. Data Gathering Instruments and Procedures

The necessary data for the study were gathered through checklists, interviews, group discussion and a questionnaire, developed by the researcher, which included both open and close ended items. The checklists were particularly important to assess if the necessary tasks have been accomplished to help successful implementation of BPR. The interviews were held with BPR leaders or their representatives to get the overall image of the practice and group discussions were conducted with those employees of the organizations that were not able to fill the questionnaire properly due to their limited knowledge of the principles and understanding of the different phases of BPR. Questionnaires were preferred since they are economical in time and expense, enable reach large number of respondents at a time, and help explain the purpose of the study briefly.

The instruments prepared were pilot tested in two different institutions, The Ethiopian Civil Service College and the Amhara Management Institute. Questionnaires were first distributed to different experts in ECSC working on BPR related areas to examine the contents and check the validity. Accordingly, some question items were modified. Long questions were broken down into simple and clear ones. The questionnaires were

prepared both in English and in Amharic for the sake of convenience. The already prepared questionnaires were distributed to different employees of the Amhara Management Institute to test reliability. Most of the questionnaires prepared in Amharic were distributed to those people considered as general workers. Unfortunately, they couldn't respond properly to the items presented. Hence, discussion topics were prepared specially for such people in their respective organizations.

The field work was administered after making the necessary corrections and refinements on the questionnaires based on comments from the pilot study. Consequently, questionnaires were distributed to the respondents, interviews were conducted to leaders or their representatives, discussions were held with some employees, and checklists were filled by the researcher in collaboration with the concerned individuals.

3.5. Data Analysis

The raw data obtained from the field work through questionnaires were organized by computer software called Statistical Procedures for Social Sciences (SPSS). It made the computation precise, dependable and not time consuming. Depending on the nature of the variables, quantitative as well as qualitative data analysis methods were employed.

Respondents were categorized under different groups in terms of the organizations where they are working in and the roles they have in BPR. Different characteristics of respondents and items that either check the performance or prioritize given items (activities) were analyzed using frequency counts and percentages. Mean was calculated for those items prepared in Likert type scale for more advanced statistical operations and decision making. One of the non-parametric tests, the Chi-square, was used to check whether there is a significant difference in the distribution of preferences among or between groups of respondents in terms of given items. It was preferred to the study due to the fact that some of the sampling techniques used, such as purposive sampling and availability sampling, make numerous or stringent assumptions about the nature of the population distribution (Koul, 2006).

Table2. Respondents' Role in BPR and Duration of Relevant Trainings Attended

	N O	Characteristics	Respondents'								Total	
			MoE		MoCB		AREB		ARCBB			
			No	%	No	%	No	%	No	%	No	%
Role	1	Team	19	25.7	10	25.6	11	27.5	5	27.8	45	26.3
	2	No Role	55	74.3	29	74.4	29	72.5	13	72.2	126	73.7
Relevant training to BPR	1	No Training	18	24.3	1	2.6	17	42.5	-	-	36	21.1
	2	Less than a week	32	43.2	11	28.2	10	25	13	72.2	66	38.6
	3	1-2 weeks	14	18.9	20	51.3	12	30	5	27.8	51	29.8
	4	3-4 weeks	5	6.8	5	12.8	1	2.5	-	-	11	6.4
	5	1-3 months	3	4.1	1	2.6	-	-	-	-	4	2.3

According to Table2, two groups of respondents, people assigned to different BPR governance structures (26.3%) on one hand and other employees (73.7%) having no such roles on the other hand, were included in the study. Having the two groups of respondents in each organization makes the study more dependable.

The same table also reveals that most of the respondents, 67.5% in each case of the MoE and AREB, have attended trainings for a period of less than one week, or have no relevant training at all. As a radical change that requires new attitude, the organizations effort towards introducing the change was weak. According to the discussion held with some employees in each organization, the training given was a kind of orientation conducted for a few hours. This can cause a serious problem while carrying out the reengineering process from planning to implementation. As compared to these organizations, the other two, that is, the MoCB and ARCBB seem to have better performance although it can't be considered as required as enough. Almost all of their employees have attended relevant trainings. This is due to the fact that the institutes are change agents responsible for coordinating different reform activities including the organization of relevant trainings. The more people are trained in different aspects of BPR, the smoother the process of change will be.

4.2 Analysis of the Main Features of BPR

Under this part the main features of BPR, planning and readiness; analysis and re-design of processes; change and resistance; and implementation issues will be presented and analyzed.

4.2.1. Readiness and Preparation

4.2.1.1 The purpose of BPR

The effectiveness of the intended change depends on the extent to which people understand and recognize its purpose. The following table shows the informants' response on items related to the purpose of BPR.

Table 3 Ratings on the Purposes of BPR

No	Items	Rate	Respondents								Total (N=171)		χ^2 TEST Value (df= 6)
			MoE (N=74)		MoCB (N=39)		AREB (N=40)		ARCB (N=18)		N	%	
			N	%	N	%	N	%	N	%			
1	Customers' needs and expectations of better service	High	33	44.6	21	53.8	21	52.5	7	38.9	82	48	2.579
		Med	31	41.9	13	33.3	13	32.5	9	50	66	38.4	
		Low	10	13.5	5	12.8	6	15	2	11.1	23	13.5	
2	External stakeholders' needs and pressure	High	16	21.6	17	43.6	8	20	4	22.2	45	26.3	11.693
		Med	26	35.1	13	33.3	17	42.5	10	55.6	66	38.6	
		Low	32	43.2	9	23.1	15	37.5	4	22.2	60	35.1	
3	Wide spread pressure for governmental reform	High	22	29.7	17	43.6	12	30	5	27.8	56	32.7	5.372
		Med	41	55.4	15	38.5	24	60	9	50	89	52	
		Low	11	14.9	7	17.9	4	10	4	22.2	26	15.2	
4	Budget and personnel reduction	High	35	47.3	17	43.6	18	45	9	50	79	46.2	2.953
		Med	13	17.6	11	28.2	8	20	2	11.1	34	19.9	
		Low	26	35.1	11	28.2	14	35	7	38.9	58	33.9	
5	Consolidating fragmented functions	High	29	39.2	19	48.7	20	50	6	33.3	74	43.3	5.320
		Med	32	43.2	13	33.3	11	27.5	6	33.3	62	36.3	
		Low	13	17.6	7	17.9	9	22.5	6	33.3	35	20.5	
6	Eliminating unnecessary work levels	High	35	47.3	16	41	22	55	7	38.9	80	46.8	6.150
		Med	31	41.9	19	48.7	11	27.5	10	55.6	71	41.5	
		Low	8	10.8	4	10.3	7	17.5	1	5	20	11.7	
7	Dramatic improvement in type, cost, quality, and timeliness of its services	High	30	40.5	21	53.8	23	57.5	7	38.9	81	47.4	5.607
		Med	18	24.3	6	15.4	8	20	3	16.7	35	20.5	
		Low	26	35.1	12	30.8	9	22.5	8	44.4	55	32.2	

N = Number of respondents; %= percentage (Other tables follow the same explanation)

As illustrated in table 3, respondents were requested to rate listed purposes of BPR as high, medium or low in terms of priority. Customers' needs and expectation of better service was given a relatively high priority in the MoE, MoCB and AREB (44.6, 53.8, and 52.5%, respectively) by more respondents than those who considered it as medium or low; and a medium priority by half of the respondents in the ARCBB. Most of the people in the first three organizations seem to have recognized that customers need better services. External stakeholders' needs and pressure; and government's wide spread pressure for reform were not given high priority by most of the respondents of the study except those people from the MoE. This shows that most of the respondents considered the change as being initiated by the organizations themselves to meet the needs of their customers. The other item, personnel and budget reduction was given high priority by more respondents as compared to the ones who considered it as medium or low. This might have resulted from lack of proper awareness of the why to reengineer and an inadequate effort or poor orientation to minimize suspects of downsizing that follow BPR. Such a view can lead to mistrust, uncertainty or anxiety which can negatively affect the reengineering process of the organizations.

Consolidating fragmented functions was given high priority by most respondents (48.7% and 50%, respectively) in the MoCB and AREB; eliminating unnecessary work levels by most respondents of the MoE and AREB (47.3% and 55%, respectively) where deep rooted traditional hierarchical structures are found. This shows the disappointment of the employees themselves by the longer chain that hampers smooth flow of tasks. As the other two organizations are established in the near past with the responsibility of coordinating capacity building and reform activities, the extent to which they experienced the problem could be somewhat minimized. The last item, dramatic improvement in type, cost, quality and timeliness of services was given high priority by 40.5% respondents in MoE, 53.8% in MoCB, 57.5% in AREB, and 38.9% of the respondents from ARCBB. Although there are more respondents in the first three organizations that gave high priority to this purpose as compared to the ones who considered it as medium or low, it still shows that people in the organizations considered for the study didn't fully realized the actual purpose of the designed change. This could possibly be the result of deprived awareness effort or poor communication of the intended change.

employees rated the efforts of their respective organizations in terms of performing the activities mentioned.

Table 4 Responses on Organizational Readiness

No	Items		Respondents				Total
			MoE (N=74)	MoCB (N=39)	AREB (N=40)	ARCBB (N=18)	
1	Peoples' recognition of the need and understanding of the nature of BPR in the organization.	mean	2.57	2.92	2.68	2.67	2.68
2	People's awareness of the multidimensional changes in terms of process, jobs, organizational structure, responsibilities, etc that will take place because of BPR	mean	2.66	2.97	2.70	2.78	2.75
3	The organization's status in placing high value of serving customers	mean	3.14	3.08	3.15	3.11	3.12
4	The organization's level of understanding customer's current and anticipated needs, expectations, concerns and priorities	Mean	3.09	3.15	3.28	2.61	3.10
5	The organization's effort to minimize mistrust and doubt that often follow a program of downsizing or restructuring.	Mean	2.96	2.97	2.83	2.94	2.92
6	The organization's analysis of performance gap- the gap between what is being done and what has to be done in the future.	Mean	3.16	2.59	3.35	2.94	3.05
Aggregate Mean			2.93	2.95	2.99	2.84	2.94

According to Table 4, issues related to people's recognition of the need for BPR, their level of understanding its nature and the multi dimensional changes that follow reengineering, as well as the organization's effort to minimize mistrust about downsizing were rated as being performed somewhat poor (with mean values less than 3.0 in each case). The situation clearly indicates that the effort exerted to prepare people for the change process wasn't adequate. This might possibly be as a result of poor communication or not paying the necessary attention to people's issues. An attempt made to carryout radical changes involving people with poor recognition of the change and awareness of its consequences can't be as effective as it should be.

The organization's level of understanding customers' current and anticipated needs, expectations, concerns and priorities was rated as fair(mean value exceeding 3.0) except in the case of the ARCBB. Similarly, performance gap analysis was rated as fair in

the education sector and somewhat poor with mean values less than 3.0 in the capacity building institutes. This is related to the fact that customers' needs and expectations of better services and the performance gaps of the organizations are more visible in the education sector than the capacity building institutes as the first two organizations are relatively older than the other two. According to some people who attended group discussions, the capacity building institutes were established as change agents to coordinate different reform activities. Thus, they consider themselves as better serving their purposes than other public institutes. However, this is a failure to recognize the need for change. Finally, the organizations' status in placing high value to serving customers was rated as fair in all the organizations (mean values exceeding 3.0). This can be considered as a fertile ground for the intended change.

According to different authorities such as Hammer and Stanton (1995), the effectiveness of reengineering efforts depends on different factors which show the degree to which the organizations are ready to embark on the change. As the data reveal the organizations' efforts to address people's issues wasn't satisfactory. What makes the situation worse is that the attempt made to minimize, if not eliminated entirely, the threats of downsizing was poor. People need more clarification of the change process and they want to secure their futures. This fact clearly aware each organization to focus on communicating the change meticulously and show the benefits of reengineering from both the individual's as well as the organization's perspectives.

The following table shows whether there is a significant difference in the preference distributions while rating the readiness factors between the education sector on one hand and the capacity building institutes on the other hand. For the sake of convenience and applicability of the Chi-square test, the ratings were recoded as follows: very poor and poor as poor; fair remained fair; and good and very good considered as good.

Table 5 Comparison of the distribution of preferences of Organizational Readiness

No	Items	RATE	Sector		χ^2 - test	
			Education	Capacity Building	value	p
1	Peoples' recognition of the need and understanding of the nature of BPR in the organization.	Good	28(31.3)	19(15.7)	1.885	0.390
		Fair	18(18.7)	10(9.3)		
		Poor	68(64)	28(32)		
2	People's awareness of the multidimensional changes in terms of process, jobs, organizational structure, responsibilities, etc that will take place because of BPR	Good	33(32.7)	16(16.3)	14.309	0.001
		Fair	21(30.7)	25(15.3)		
		Poor	60(50.7)	19(25.3)		
3	The organization's status in placing high value of serving customers	Good	46(45.3)	22(22.7)	0.210	0.900
		Fair	38(39.3)	21(19.7)		
		Poor	30(29.3)	14(14.7)		
4	The organization's level of understanding customer's current and anticipated needs, expectations, concerns and priorities	Good	45(42.7)	19(21.7)	0.614	0.736
		Fair	33(34.0)	18(17.0)		
		Poor	36(37.3)	20(18.7)		
5	The organization's effort to minimize mistrust and doubt that often follow a program of downsizing or restructuring.	Good	32(30.0)	13(15)	4.000	0.135
		Fair	48(54)	33(27)		
		Poor	34(30.0)	11(15.0)		
6	The organization's analysis of performance gap- the gap between what is being done and what has to be done in the future	Good	54(45.3)	14(22.7)	8.641	0.013
		Fair	23(28.0)	19(14.0)		
		Poor	37(40.7)	24(20.30)		

The expressions in the brackets represent expected frequencies while those out of the brackets represent observed frequencies. Other tables follow similar explanation

According to Table 5, significant differences were observed in the proportion of preferences between the respondents of the two sectors for the second and the sixth issues that deal with the awareness of people about the nature of the multi-dimensional changes which follow BPR and the organizations' performance gap analysis. As the data reveal, there is better awareness of people about the change in the capacity building institutes than the education sector. This is due to the fact that people have more exposure to different relevant information as the organizations are established to coordinate various capacity building activities including reforms. On the other hand, there is better performance gap analysis in the education sector than the capacity building institutes. This might be the result of the visibility of the gap in this sector. As the capacity building institutes are relatively new, employees considered as if there is no clearly manifested gap. Although the respondents consider these organizations as

functioning well, the leaders have already admitted that they aren't serving the public properly.

4.2.1.3 Methodology and Strategies

Even though reengineering efforts can't be planned precisely once for all and be organized as a prescription to be applied universally under all situations, some methodologies and strategies which depend on the specific contingencies are necessary to guide the activities of the BPR effort of a given organization.

Accordingly, the leaders of the institutions under study were interviewed about the methodologies they followed and the strategies in placed. They all agreed that there is no uniform methodology or strategy to be followed as a rule. However, the methodologies the organizations were following are almost the same and share common elements. The methodology: planning and preparation for BPR that includes building teams, identifying customer driven objectives, and developing strategic goals from which process specific goals will be developed; analyzing and mapping the current processes and sub-processes that deals with analyzing, documenting and mapping the existing process; designing the new processes that includes developing alternatives that meet the strategic goals, benchmarking, and identifying improvement opportunities; and implementing the new process which involves setting plans of action, identifying potential problems, communicating with people who will be affected by the change, and training employees for the new positions.

This methodology shows the different phases BPR projects follow. The design team members have also agreed that their organizations are following this methodology although some of the institutions are currently about to come to the third phase.

With regards to the strategies in placed, leaders mentioned that they were using different approaches based on the principles of BPR. Some of the strategies they mentioned include: gaining organization wide commitment, arranging frequent training programs, assigning best people in BPR teams, using participatory approach (involving more people in different activities), giving orientation at each level, assessing

customers' needs and expectations, benchmarking best practices, and facilitating access to sufficient resources.

4.2.2 Planning Related Activities

The success of any project depends on its planning related activities. Before embarking on reengineering the necessary preconditions like defining a vision that guides all activities, analyzing the performance gap, ensuring the existence of the necessary personnel, communicating the change and establishing performance targets should be fulfilled.

4.2.2.1. Vision, Goals and Objectives

Organizational leaders should be able to show what their organizations want to be in the future, and develop the appropriate goals and objectives that help the organizations realize the vision. The following table shows how informants rated items related to the vision, goals and objectives of their organizations.

Table6. Rating on vision and goals

No	Items	Respondents				MEAN Total
		MoE	MoCB	AREB	ARCBB	
1.	The vision:					
	is realistic and achievable	3.35*	3.49	3.60	3.11	3.42
	creates value to stakeholders and customers	3.32	3.46	3.65	3.28	3.43
	creates a sense of collective ownership	3.01	3.38	3.58	3.00	3.47
	is a passionate view of the future	3.41	3.38	3.65	3.50	3.47
	Mean	3.27	3.43	3.62	3.22	3.45
2.	People in the organization: (answered by employees only)					
	know and understand the vision	2.51	2.79	2.62	2.54	2.60
	see the BPR effort as a way to turn the vision into reality	2.58	2.86	2.59	2.54	2.64
	have demonstrated their commitment to the vision	2.51	3.00	2.72	2.62	2.68
	Mean	2.53	2.88	2.64	2.57	2.64
3.	The vision and the BPR effort have the full support of the senior management	3.31	3.67	3.25	3.17	3.36
4.	The goals:					
	are developed based on facts and careful analysis of organization's performance	2.85	2.92	3.50	3.17	2.85
	are linked to the vision	3.07	3.10	3.55	3.44	3.23
	focus on outcomes important to customers and stakeholders	3.24	3.18	3.55	3.17	3.29
	Mean	3.05	3.07	3.53	3.26	3.12
5.	The objectives are realistically achievable and stated in measurable terms such as cost, quality, and time	3.14	3.05	3.50	3.28	3.22
	AGGREGATE MEAN	3.01	3.19	3.31	3.07	3.15

* mean value calculate for each organization

According to Table 6, respondents rated all items related to the vision of their organizations as fair with mean values ranging between 3.0 and 3.65. This shows that they considered the vision of their respective organizations as some what satisfying the necessary qualities. Concerning the goals and the objectives of these organizations, the respondents have an agreement on the fact that the goals are linked to the vision and they focus on outcomes important to customers. They have also demonstrated that the objectives of these organizations are achievable. As long as people regarded that the vision, the goals and the objectives as having such qualities it wouldn't be very much difficult to initiate for change and attract them to another point. Hence, the leaders should have considered this as an opportunity.

As the same table reveals, issues related to people's knowledge and understanding of the vision, their recognition of the reengineering effort as a means to realize the vision, and their commitment to the vision were rated as some what poor (with an aggregate mean value 2.64) by the respondents. Comparing the replies given about the different qualities of the vision and people's understanding of it, there seems that the conditions are paradoxical. Thus it is possible to see that people simply support the vision without deeper understanding or blindly. This is clearly the result of poor communication efforts made by people leading the change.

4.2.2.2. Performance Gap

Another precondition to initiate the change is showing the existence of performance gap in the organization. Once people are able to realize the dissatisfaction of customers by what their organizations are performing they will have the commitment to alter the status-quo. The following table shows the response given by the employees concerning tasks of their respective organizations.

Table 7 Rating on Tasks of the Organizations

No	Items	Respondents				MEAN Total
		MoE	MoCB	AREB	ARCBB	
		(N=74)	(N=39)	(N=40)	(N=18)	
1.	Tasks in the organization:					
	are scattered among various departments	3.41	3.44	3.58	3.28	3.44
	can be performed faster and more smoothly with fewer resources if consolidated	3.66	3.64	3.50	3.78	3.63
	mean	3.54	3.54	3.54	3.53	3.54
2.	There is repetition of work and duplication of data. Some works are being done unnecessarily for the sake of administrative requirements.	3.43	3.46	3.42	3.50	3.78
3.	There is a performance gap that can be expressed in terms of quality, cost, time etc. between customers' needs and current performance of selected processes	3.16	3.49	3.33	3.44	3.30
	Aggregate mean	3.42	3.51	3.46	3.5	3.54

According to Table 7, respondents from each organization admitted that tasks of the organizations are scattered among different departments, some works are being done unnecessarily and in general there is a performance gap in the organizations. This is a situation that can force people to make changes even under difficult conditions. The existence of the performance gap has also been recognized by both the leaders in each organization. Hence, the two most important preconditions, realistic vision (Table 6 on page 58) and clear performance gap, which can lead to radical changes, have already been satisfied. What was expected of the leaders is to use different ways to show that reengineering is the only means to go out of the crisis. They should have communicated the vision well to get the support and commitment of their employees.

4.2.2.3. Leadership

Another important ingredient to change is leadership. Without proper leadership the effectiveness of the change is unthinkable. Committed leaders can bring people closer to them, allocate the necessary resources to the change effort and stay visible there. The following table shows the response given by different employees on items related to leadership.

Table 8 Rating on Leadership

No	Items	Respondents				Mean Total
		MoE	MoCB	AREB	ARCBB	
		(N=74)	(N=39)	(N=40)	(N=18)	
1.	The Leader:					
	is strongly committed to BPR	3.20	3.49	3.45	3.33	3.34
	possesses the title and authority necessary to run the BPR project	3.46	3.41	3.02	3.44	3.35
	is prepared to commit both the organizational resources and personal attention	3.09	3.41	3.27	2.89	3.19
	demonstrates his concern by personal involvement and support at all stages	3.09	3.31	3.00	3.06	3.12
	Continually communicates the purpose and goal of BPR to customers, stakeholders and staff	2.72	2.97	2.78	2.78	2.80
	mean	3.11	3.32	3.1	3.1	3.2
2	The leader and top executives truly understand:					
	the nature and principles of BPR	3.07	3.49	3.18	3.06	3.19
	the need for their personal attentions and involvement	2.97	3.23	3.25	3.17	3.12
	mean	3.02	3.36	3.22	3.12	3.16
3.	Senior managers:					
	share the leaders enthusiasm for BPR	2.78	3.23	3.03	2.61	2.92
	reinforce their commitment of the vision and the change effort by maintaining high visibility	2.89	3.21	2.93	2.83	2.96
	mean	2.84	3.22	2.98	2.77	2.94
	AGGREGATE MEAN ON LEADERSHIP	3.02	3.27	3.1	3.03	3.13

According to Table 8, leadership problems were observed in terms of leaders' change communication efforts as well as the visibility and passion of senior managers to realize BPR. Leaders' failure to continuously communicate the purpose and goals of BPR might possibly be the result of not paying the necessary attention to the agenda and the problem with senior managers could be associated with the threat of power loss.

4.2.2.4. Design Team

Besides leaders and senior managers the design team members and process owners have also key roles to play in reengineering. These people should have the necessary qualities so that they can come up with new process designs which can dramatically improve the performances of their respective organizations. The following table shows how informants from the four organizations rated items related to such required qualities of their design team members and process owners.

Table 9 Ratings on Items Related To Design Team Members and Process Owners

No	Items	Respondents				MEAN Total
		MoE	MoCB	AREB	ARCBB	
1.	The design teams are organized by members : (to be answered by employees only)					
	of diversified background and experience	2.60	2.97	2.90	2.77	2.77
	who possess appropriate skills and attitudes	2.62	3.00	2.93	2.69	2.79
	that are committed to the effort	2.35	2.76	2.90	2.92	2.63
	who can openly and honestly challenge long standing assumptions and management doctrines	2.56	3.00	2.79	2.62	2.72
	who can adopt easily to changing circumstances	2.45	2.86	2.72	2.54	2.62
	who can work in synergy under pressure and stress	2.42	2.72	2.59	2.31	2.52
	having the passion to do things differently	2.29	2.79	2.38	2.31	2.43
	who are empowered and have the mandate for change	2.64	3.00	2.59	2.69	2.71
	mean	2.49	2.89	2.85	2.61	2.65
2	The process owners have :					
	a thorough understanding of the processes	2.92	3.51	3.30	2.94	3.15
	a good relationship with people involved in the process	3.19	3.67	3.40	3.22	3.35
	mean	3.06	3.59	3.35	3.08	3.25
AGGREGATE MEAN ON TEAM MEMBERS		2.6	3.03	2.95	2.7	2.77

According to Table 9, respondents have demonstrated that the team members didn't possess the necessary qualities that can help them redesign new processes and transform their organizations to the intended target. In the case of the MoCB, the team members' ability to challenge long standing assumptions and their empowerment were rated as fair with mean values 3.0. However, from the demanding nature of BPR and the organization's role in the reform program this can't be considered as some thing encouraging. Concerning the process owners, their relationship with other people was rated as fair in all cases. Yet, respondents from the MoE and the ARCBB didn't recognize their ability to thoroughly understand the processes they are responsible for. The major reason behind rating the design team members this way could be people's lack of the necessary information about what the members were doing. If people in the organizations don't have the necessary information; then they can't appreciate what the members of different teams are doing.

4.2.2.5. Communication

From the cases discussed above one can see the importance of communication during reengineering. If there is no proper way through which people can get the necessary information, then they remain detached from the overall change effort and lose a sense of ownership. Hence, leaders should pay the necessary attention to

communication issues. The following table shows how respondents rated the way leaders attempted to communicate the change.

Table10. Rating on communicating the Change

No	Items	Respondents				MEAN Total
		MoE	MoCB	AREB	ARCBB	
		(N=74)	(N=39)	(N=40)	(N=18)	
1	In communicating the change, the leaders have:					
	given sound reason for the change	2.96	3.03	3.05	2.89	2.99
	set forum for voicing employees' concerns	2.45	2.95	2.75	2.67	2.65
	used simple (clear) way of presentation that enables people understand	2.47	2.32	3.03	2.50	2.88
	presented the problem frankly and openly	2.55	2.74	2.93	2.78	2.71
	Aggregate mean	2.61	2.76	2.94	2.71	2.81

According to Table10, the leaders' effort to deal with the concerns of people and the way they used to present the problems were rated as poor in all cases. Producing sound reasons for the change were somewhat good in the MoCB and the AREB but somewhat poor in the remaining two organizations. The situation implies that there was no adequate groundwork made to prepare people for the change. This problem could possibly come due to lack of previous experience or inadequate knowledge in change management. The overall effect of such a poor communication was a diminished commitment of the people towards the reengineering effort.

4.2.2.6. Performance Targets

Organizations have to establish performance targets after realizing where they are in terms of performance through base lining and benchmarking. The performance targets to be established should satisfy certain conditions. The following table presents the data gathered with respect to these items.

Table11. Rating on Performance Target Establishment

No	Items	Respondents				Mean Total
		MoE	MoCB	AREB	ARCBB	
		(N=74)	(N=39)	(N=40)	(N=18)	
1	The base lining clearly shows where the organization is in terms of performance (work volume, cycle time, reporting relationships...)	2.61	2.85	3.03	2.56	2.75
2	The best practices benchmarked are appropriate and tailored to the organization.	2.55	3.00	2.75	2.67	2.71
	Performance targets established are:					
3	consistent with the BPR vision and strategies	2.69	3.05	3.00	2.39	2.81
	measurable and represent quantum results	2.72	3.13	3.00	2.83	2.89
	mean	2.71	3.09	3.00	2.66	2.85
	AGGRREGATED MEAN ON PERFORMANCE TARGETS	2.64	3.01	2.95	2.61	2.79

According to Table 11, neither the baselining nor the benchmarking was recognized by the majority of the respondents as having satisfied the requirements. The features of the new performance targets established were rated as somewhat fair in the MoCB and the AREB but somewhat poor in the remaining two organizations. The situation can be the result of poor awareness efforts in the organizations where it was found to be unsatisfactory.

As far as reengineering is concerned, organizations with people having no clear image of the BPR vision; leaders who don't consider communication as their day to day activity; design team members who don't challenge long standing assumptions and management doctrines are less likely to come up with radical changes or paradigm shifts. Besides this, senior managers that are not committed to the radical change become especially reluctant to approve any changes that may weaken their power and authority in the organization. The foremost problems observed could possibly be due to lack of commitment, failure to communicate the change in a manner that can show the pain of the status-quo, poor training or not keeping BPR as a top agenda in the organizations. From the literature point of view, the selection criteria of the leaders to assign people with the qualities BPR requires of them are not met.

According to some respondents who gave comments while attending discussions about the planning and readiness activities of their organization, the BPR project was launched without adequate preparation. Some of the points they raised include: people are not well aware of the importance of BPR, the change is for the sake of political consumption, and it had been tried a number of times before but was not successful; people were assigned to serve as a member of different teams without having the necessary training. Some of these problems such as peoples' awareness and inadequate training have also been reflected by those respondents who filled the questionnaires. However, those people who filled the questionnaires believe that the change wasn't designed because of external stakeholders' pressure. As the existence of performance gap has already been recognized by the majority of respondents, the need for change should be realized by them.

4.2.3. Process Description, Mapping and Redesigning

After going through the planning phase, organizations proceed with mapping and analyzing the current processes and redesign the new ones. This helps to identify the areas of problems and help to see improvement opportunities.

4.2.3.1. Understanding and Mapping the Current Process

The following table shows the responses given by the informants on items related to description and mapping of the current processes (AS-IS Phase).

Table 12 Rating on the AS-IS Phase

No.	Items	Respondents				
		MoE (N= 55)	MoCB (N=29)	AREB (N=29)	ARCBB (N=13)	Total (N=126)
1.	The design teams' deeper understanding of					
	the current processes	3.02	3.34	3.38	2.92	3.17
	problem areas that need to be improved	2.80	3.14	3.24	2.62	2.96
	mean	2.91	3.24	3.31	2.77	3.07
2.	The clarity of the map of the current process to show					
	problem areas and non-value adding activities	2.69	3.07	2.90	2.77	2.83
	the components, boundaries, connections and interrelationships between core processes	2.82	3.10	3.07	2.85	2.94
	complete chain of related activities in the organization	3.00	3.21	2.93	3.00	3.03
	baselines from which to measure improvements	2.85	3.14	2.93	2.62	2.91
	what will be changed and who will be affected by the change	2.95	3.21	2.83	2.92	2.87
	mean	2.86	3.15	2.93	2.83	2.92
AGGREGATED MEAN ON THE AS-IS PHASE		2.87	3.18	3.04	2.81	2.96

According to Table 12, team members' deeper understanding of the ongoing processes was rated as fair except in the case of the ARCBB; the members' identification of the problem areas which need improvement was fair in the MoCB and the AREB. The clarity of the map of the existing processes to give the necessary information was rated as poor in the three organizations, MoE, AREB and ARCBB. The problems associated with the clarity of the map of the current processes to show the necessary features could have arisen from lack of appropriate mapping skills of the team or the failure of employees themselves to understand the map. What so ever is the case, BPR leaders or other people responsible for the task should have made it clear to all stake holders. Without a clear map of the existing process, it becomes very difficult to see the flow of work, the time consumed, and disconnections in the tasks of the

organizations which can help leaders gain support and commitment. The difference in understanding and mapping the current processes between the teams of the MoCB and those of the other three organizations might be due to the fact that people in the MoCB have more exposure to trainings and better access to relevant information or experience as they are supposed to coordinate such reform activities. Provided that understanding and mapping of the current processes are points where improvement opportunities can be identified, poor performance at this level may lead to unsuccessful attempts.

4.2.3.2. Selecting and Prioritizing Candidate Processes

After understanding and mapping the current processes, the problem areas as well as improvement opportunities become visible. What has to logically follow is selecting and prioritizing the processes to be reengineered based up on certain criteria. The following table shows how respondents rated their respective organization's attempts to apply the selection and prioritization criteria.

Table13. Rating on selection and prioritization of candidate processes

No.	Items	Respondents				
		MoE (N= 55)	MoCB (N=29)	AREB (N=29)	ARCB (N=13)	Total (N=126)
1.	The processes to be reengineered are selected and prioritized					
	based on customers' and stakeholders' needs	2.65	2.79	2.69	2.46	2.67
	in a way to use available resources efficiently	2.76	3.03	2.86	2.69	2.84
	to yield results quickly	2.64	3.10	3.03	2.92	2.87
	AGGREGATE MEAN	2.68	2.97	2.86	2.69	2.79

According to Table 13, all organizations under study failed to take their customers and stakeholders needs in to account while selecting and prioritizing the processes. The efforts made by the MoE, the AREB and the ARCB to select and prioritize the processes in a way that enables exploit the available resources efficiently was rated as some what poor; yielding quick results as a criterion was supported by the respondents of the MoCB and the AREB. According to the check list used to verify whether the necessary activities had been performed or not, the MoEd had selected the processes but didn't prioritize them. The remaining three organizations had selected and also prioritized their candidate processes for reengineering. Prioritizing processes for reengineering has tremendous benefits for the organization. As stated by Hammer (2001) massive changes

As Table 17 shows respondents from the MoCB demonstrated their agreements to opinions stated positively while those from the other organizations rated the items with mean values less than 3.0. This clearly shows that people from the MoCB have better perceptions and expectations about the change. This is due to their more exposure to different relevant information about the reform program and the tools like BPR. It is also possible to deduce that the more people are exposed to such information the better they recognize the change. However, the same group of respondents considered BPR as a hidden agenda of downsizing which shows a kind of inconsistency in attitude. As this organization has already introduced the newly designed processes, the inconsistency in such an opinion may probably come from problems observed during implementation, that is, when something wrong is going against the principles and purposes of BPR.

The responses from the AREB informants show that they agreed neither to the positive nor to the negative opinions. According to some employees who attended discussions, the civil service reform effort started some years ago with the same name BPR. They demonstrated that the effort was not successful in bringing the desired reform and there will be nothing new this time too. Although there are possibilities of downsizing, the respondents involved in the discussions weren't very much bothering about it. The reason they gave was based on their past experience. There were such rumors about downsizing and mass lay-offs during the previous reform attempts. However, new employees were being hired despite the uncertainty of lay-offs. The major problem in this organization at this stage of the introduction of BPR as a new initiative is the failure of leaders to show the difference between the previous and the new one- to show the reasons why the earlier attempts could not succeed and what points make this one afresh.

Generally, there is organizational consensus on the fact that the current performances of the organizations were not able to meet the needs of their customers. This view of the respondents could be considered as a golden opportunity to show the benefits and importance of BPR in these organizations. However, most employees especially in the cases of the MoE, the AREB and the ARCBB reacted to attitude related questions in a way that doesn't support BPR.

A Chi-square test was employed to spot whether there are significant differences in the preference of choices between respondents based up on their roles, team members and others (no role) on the opinions stated above. For the sake of convenience and applicability of the Chi-square test, the ratings were recoded: strongly agree and some what agree as agree; strongly disagree and some what disagree as disagree. The following table shows this comparison in the distribution of responses of the two groups.

Table 18 Comparison of the Distribution of Responses of BPR teams and Other Employees

No	Items	Respondents						χ^2 test	
		No role (N = 126)			Team (N = 45)			value	p
		Agr*	Undt**	Disa**	Agr	Undt	Disagr		
1	Customers and stakeholders are satisfied with the current performance of the organization. No need to fix the unbroken	48 (43.5)	29 (27.3)	49 (55.3)	11 (15.5)	8 (9.7)	26 (19.7)	4.909	0.086
2	I don't have the competence BPR requires since it creates high work load and burden.	18 (18.4)	39 (33.2)	69 (74.4)	7 (6.6)	6 (11.8)	32 (26.6)	5.449	0.066
3	BPR is a hidden agenda of downsizing. I am threatened and uncertain because of layoffs.	81 (65.5)	24 (19.9)	21 (40.5)	8 (23.4)	3 (7.1)	34 (14.5)	52.75	0.000
4	Such a radical change is dangerous and inhuman. It has more harm than good.	68 (60.4)	33 (26.5)	25 (39.1)	14 (21.6)	3 (9.5)	28 (13.9)	28.83	0.000
5	BPR is unnecessary and unworkable in our context	60 (50.8)	37 (29.5)	29 (45.7)	9 (18.2)	3 (10.5)	33 (16.3)	36.7	0.00
6	BPR is unfair. Because it doesn't take our work experience and contributions to the organization and to our country in to consideration.	62 (48.6)	33 (28.7)	31 (48.6)	4 (17.4)	6 (10.3)	35 (17.4)	40.659	0.000
7	Despite minor achievements, the effort is not moving as intended. It will not succeed	55 (46.4)	64 (60.4)	7 (19.2)	8 (16.6)	18 (21.6)	19 (6.8)	36.15	0.000
8	BPR enables effective and efficient service. It is the only solution to our problems.	26 (37.6)	70 (59.7)	30 (28.7)	25 (13.4)	11 (21.3)	9 (10.3)	20.544	0.000
9	BPR has a remarkable benefit to me personally and to my organization as a whole.	22 (36.1)	68 (59.7)	36 (30.2)	27 (12.9)	13 (21.3)	5 (10.8)	29.55	0.000
10	BPR is initiated at the appropriate time in our organization	26 (40.5)	29 (26.5)	71 (58.9)	29 (14.5)	7 (9.5)	9 (21.1)	30.02	0.000
11	The BPR effort is on its right track despite some challenges. It will succeed.	25 (35.4)	27 (29.5)	74 (61.2)	23 (12.6)	13 (10.5)	9 (21.8)	22.58	0.000

$\chi^2(df=2, \alpha=0.05) = 9.4877$

agr*= agree, undt**= undetermined, disa***=disagree

Table 18 shows the distribution of opinion preferences between team members on one hand and those employees that were not involved in the BPR governance structure on the other hand. As the table shows, the distribution of preferences is significantly different between the two groups for all items except for No. 1 and 2, which are concerned with the dissatisfaction of customers by the current performance of the organizations and the respondents' possession of the necessary competence for BPR. The first group of respondents favors those attitudes stated positively, while the second group favors those stated negatively. As the result of this, there is consistent and predictable relationship between attitude and role. This gap in attitude might possibly be due to the degree to which people are exposed to information and details about the purposes; the benefits and the nature of BPR itself; and the involvement of the first group of respondents directly in the tasks of reengineering.

Generally, the way most employees reacted to attitude related questions showed that their attitude towards BPR is negative. This is the reflection of the picture they have in mind about the change. According to Patching and Waitley (1999), the way people perceived this change doesn't favor their expectations. However, the leaders interviewed if there were resistances with regards of the change in their organizations proudly answered that there was no clearly manifested resistance. What these leaders should keep in mind is that resistance doesn't always show its faces (Hammer and Stanton, 1995). They should have to facilitate different mechanisms to deal with their problems, to help them bring their concerns to the front, and to show the benefits of the change from the organization's as well as the individual's perspectives.

4.2.5. Action Stage/Implementation

After redesigning the new processes organizations embark on actions. However, implementation of such radical changes should be managed properly with some conditions satisfied before the beginning of the action and while it is on progress.

4.2.5.1 Implementation Related Activities

Here below is presented the response gathered about some issues that are important to ensure the success of the anticipated change. They are about activities to take place before embarking on the change and while the action is on progress.

Table 19 Rating Implementation Related Activities

No	Items	Respondents		Mean Total
		MoCB	ARCBB	
1.	Full discussion of employees questions and concerns	3.31*	2.72	3.12
2.	Evaluation of the impact of the new process on customers, employees and other stakeholders	3.28	2.89	3.16
3.	Expressing the benefits of the designed process in terms of quality, cost, speed, accuracy, etc.	3.33	2.89	3.16
4.	Availability of the necessary infrastructure, procedures, systems, structures for the new process	3.56	2.78	3.32
5.	Presence of the necessary leadership for implementation.	3.69	2.72	3.39
6.	The organizations effort to provide training to its staff, managers and executives to prepare them for the new roles and responsibilities	3.38	2.83	3.21
7.	Identification and prioritization of potential implementation barriers, organizational and cultural issues	3.13	2.67	2.98
8.	Devising ways of overcoming the potential problems identified	3.03	2.61	2.89
9.	The leaders' attempt to:			
	Directly address common objections to change	3.31	2.83	3.16
	Explain why change is necessary, workable and beneficial	3.62	2.89	3.39
	Provide opportunities for employees to voice their feedbacks	3.21	2.61	3.02
	Make commitment to assist employees in the transition	3.15	2.72	3.02
	MEAN	3.32	2.76	3.15
10.	Establishment of measurement systems and performance goals to check the progress of BPR	3.03	2.56	2.88
11.	Identification of the new tasks, roles, responsibilities and reporting relationships	3.21	2.72	3.05
12.	The implementation plan's level of identifying all tasks, time frames, needed resources.	3.26	2.67	3.07
13.	The availability of the necessary resources and competence to implement the new processes.	3.21	3.11	3.18
AGGREGATE MEAN FOR IMPLEMENTATION		3.3	2.76	3.13

* calculated mean values

Table 19 above shows the responses given by informants from the MoCB and the ARCBB where implementation has already been started. Respondents from the MoCB rated the items presented as being performed fairly with mean values ranging between 3.03 and 3.69. On the other hand, respondents from the ARCBB rated the same set of items as being performed poorly in their organization with mean values less than 3.0 except the last one. This shows that the ARCBB had not been exerting its utmost effort to pave the way for successful implementation. As implementation is the most difficult (rule-

breaking) phase of BPR that meets resistance, it requires special attention which this organization didn't pay adequately. Such a problem might possibly arisen form not considering the issue as serious as its importance, and hence not paying what BPR requires of the leaders; not having the necessary knowledge and skill; or failure to recognize that the transition from the old to the new process is a painful experience which requires dealing with the reactions of people.

4.2.5.2 Major Problems during Implementation

Implementation is the most difficult stage during reengineering. There are different problems organizations usually face at this stage. The following table shows how respondents rated some of the ideal challenges while they implement the redesigned processes.

Table 20 Rating on Implementation Problems

No	Problem	Rate	MoCB(N=39)		ARCBB(N=18)		Total(N=57)		χ^2 value
			N	%	N	%	N	%	
1	Lack of Resources	High	4	10.3	6	33.3	10	17.5	5.701
		Med	23	59	10	55.6	33	57.9	
		Low	12	30.8	2	11.1	14	24.6	
2	Lack of competence	High	9	23.1	-	-	9	15.8	5.061
		Med	22	56.4	14	77.8	36	63.2	
		Low	8	20.5	4	22.2	12	21.1	
3	Lack of training	High	8	20.5	2	11.1	10	17.5	0.778
		Med	22	56.4	11	61.1	33	57.9	
		Low	9	23.1	5	27.8	14	24.6	
4	Poor planning	High	5	12.8	3	16.7	8	14	0.755
		Med	21	53.8	11	61.1	32	56.1	
		Low	13	33.3	4	22.2	17	29.8	
5	Poor leadership	High	3	7.7	3	16.7	6	10.5	1.135
		Med	20	51.3	9	50	29	50.9	
		Low	16	41	6	33.3	22	38.6	

$$\chi^2(n = 57, df = 2, \alpha = 0.05) = 5.9915$$

According to Table 20, there is no severe problem observed as far as the items listed are considered. Most of the respondents (greater than 50% in each organization) rated the level at which the organizations faced these problems as medium. This shows that the problems still exist to some extent as it would have been better if they were being rated

as low. Although neither of the problems is severe, deficiencies in areas such as training, necessary resources, planning and leadership can hamper smooth and effective implementation.

The chi-square test employed to check whether there is a significant difference in the distribution of responses in terms of the major problems the organization faced shows no such difference in proportion. The calculated Chi-square values are all less than 5.9915, which is the table value of Chi-square with degree of freedom 2 and α - level 0.05. Hence, the organizations experienced the problems to some extent with the same degree.

4.2.6 Success factors and Challenges

Any intended change involves some factors that contribute positively to its success and some other factors which react the other way round. In BPR, there are different factors such as communication, involvement of leaders, change management, and others which are critically important throughout the journey. On the other hand, some challenges such as resistance to change; lack of previous experience, training and necessary resources can hinder smooth running of the effort.

4.2.6.1 Availability of Success Factors and Strengths of the Organizations

The following table presents the response gathered from all the organizations under study concerning the availability of success factors that can help reengineer their processes in a way that can meet the needs and expectations of their customers.

Table 21 Rating on Success Factors

N o	Factor/Item	Rate	Respondents								Total (N=171)		χ ² test	
			MoE (N=74)		MoCB (N=39)		AREB (N=40)		ARCBB (N=18)		N	%	Value	p
			N	%	N	%	N	%	N	%				
1	Continuous involvement of senior managers	High	24	32.4	15	38.5	10	25	7	38.9	56	32.7	4.926	0.553
		Med	27	36.5	16	41	13	32.5	6	33.3	62	36.3		
		Low	23	31.1	8	20.5	17	42.5	5	27.8	53	31.0		
2	Strength and commitment of people leading the change	High	17	23	12	30.8	8	20	5	27.8	53	31.0	10.15	0.119
		Med	30	40.5	23	59	17	42.5	7	38.9	77	45		
		Low	27	36.5	4	10.3	15	37.5	6	33.3	52	30.4		
3	Clear vision and consensus about the change	High	10	13.5	8	20.5	7	17.5	4	22.2	29	17	3.569	0.735
		Med	33	44.6	21	53.8	18	45	8	44.4	80	46.8		
		Low	31	41.9	10	25.6	15	37.5	6	33.3	62	36.3		
4	Involvement of key stakeholders at each level	High	5	6.8	3	7.7	7	17.5	-	-	15	8.8	6.643	0.335
		Med	40	54.1	23	59	18	45	11	61.1	92	53.8		
		Low	29	39.2	13	33.3	15	37.5	7	38.9	64	37.4		
5	Proven methodology BPR	High	12	16.2	3	7.7	6	15	2	11.1	23	13.5	4.627	0.592
		Med	37	50	26	66.7	20	50	12	66.7	95	55.6		
		Low	25	33.8	10	25.6	14	35	5	27.8	52	30.4		
6	Effective change management	High	7	9.5	6	15.4	8	20	2	11.1	23	13.5	4.884	0.559
		Med	47	63.5	20	51.3	18	45	11	61.1	96	56.1		
		Low	20	27	13	33.3	14	35	5	27.8	52	30.4		
7	Effective communication at each level	High	9	12.2	5	12.8	9	22.5	1	5.6	24	14	5.332	0.502
		Med	26	35.1	17	43.6	16	40	7	38.9	66	38.6		
		Low	39	52.7	17	43.6	15	37.5	10	55.6	81	47.4		
8	Good composition and commitment of BPR team	High	13	17.6	4	10.3	10	25	2	11.1	29	17	12.88	0.048
		Med	31	41.9	28	71.8	18	45	8	44.4	85	49.7		
		Low	30	40.5	7	17.9	12	30	8	44.4	57	33.3		

χ² (n= 171, DF=6, α=0.05) =12.592

According to Table21, none of the organizations has any of the success factors as high as required. The availability of these success factors was rated as medium by most of the respondents in each organization.

In most of the cases, greater number of respondents rated the availability of the success factors "low" as compared to the number of respondents who said that the factors are highly available. Among these items, the variations are observed in case of communication, key stakeholders' involvement; clear vision and consensus among people about the change; and good commitment and composition of the design

team. This warns the concerned people to examine what they have been doing so far in these areas. Other wise, the chance of success of the change, that is, the possibility of the institutions to come up with a system that dramatically improves the type, quality, and timelines of their services can't be realized. The major problem that requires the attention of people concerned with the BPR projects in the organizations is effective communication at each level. As communication is the blood circulation of the system, the likelihood of success seems unthinkable without its proper functioning.

A chi-square test had been employed to compare the frequency distribution of these success factors in the organizations under study. As table 21 shows, there is a significant difference in priority preferences among the organizations only for the last item in the case of which the "composition and commitment of the design team members" of the MoE and the ARCB was rated as low by a significant proportion of respondents, 40.5% and 44.4%, respectively.

An interview was held with the organizations' BPR leaders about the strengths of their organizations in terms of running this project. What they commonly raised as strength is the political commitment from the Government's side to deliver quality service. Following this commitment, the leaders considered themselves as committed to the effort at their organization level. They thought that they had committed the organizations' resources, material, financial or human to this effort. They had also demonstrated that they were personally concerned and committed while reacting to the question. The responses from employees through questionnaires and group discussions also support what the leaders said to some extent. The leaders' commitment to BPR, their authority and necessary title to allocate the required resources, and their personal involvement were rated as fair. However, their effort to continually communicate the purposes and benefits of BPR from both the organization's and the individual's perspectives was considered poor. With this problem of communication their commitment can't be complete.

4.2.6.2. Challenges and weaknesses of the Organizations

After investigating the availability of the success factors and exploring the strengths of these organizations, it becomes necessary to examine the overall challenges and

weaknesses in order to draw lessons from them. The following table summarizes what respondents reacted to items concerned with potential challenges.

Table 22 Rating on Challenges

No	Challenge	Rate	Respondents								Total		χ ² -test	
			MoE (N=74)		MoCB (N=39)		AREB (N=40)		ARCBB (N=18)				Value	P
			N	%	N	%	N	%	N	%	N	%		
1	Lack of previous experience and adequate understanding of BPR principles	High	45	60.8	18	46.2	15	37.5	11	61.1	89	52	10.126	0.119
		Med	25	33.8	15	38.5	20	50	7	38.9	67	39.2		
		Low	4	5.4	6	15.4	9	12.5	-	-	15	8.8		
2	Resistance to change	High	36	48.6	17	43.6	19	47.5	8	44.4	80	46.8	9.282	0.158
		Med	37	50	16	41	16	40	9	50	78	45.6		
		Low	1	1.4	6	15.4	5	12.5	1	5.6	13	7.6		
3	Lack of benchmark partners and world class best practices	High	35	47.3	16	41	16	40	9	50	78	45.6	8.468	0.206
		Med	37	50	20	51.3	17	42.5	5	27.8	79	46.2		
		Low	2	2.7	3	7.7	4	10	-	-	9	5.3		
4	Lack of necessary resources	High	20	27	8	20.5	12	30	5	27.8	45	26.3	18.852	0.004
		Med	51	68.9	19	48.7	25	62.5	11	61.1	106	62		
		Low	3	4.1	12	30.8	3	7.5	2	11.1	20	11.7		
5	Lack of the necessary skills and competence	High	36	48.6	15	38.5	14	35	6	33.3	71	41.5	6.422	0.378
		Med	30	40.5	16	41	21	52.5	11	61.1	78	45.6		
		Low	8	10.8	8	20.5	5	12.5	1	5.6	22	12.9		
6	Organizational and cultural issues	High	20	27	12	30.8	15	37.5	5	27.8	52	30.4	2.348	0.885
		Med	43	68.1	22	56.4	19	47.5	9	50	93	54.4		
		Low	11	14.9	5	12.8	6	15	4	22.2	26	15.2		
7	Lack of conducive work environment	High	19	25.7	5	12.8	14	35	4	11.1	42	24.6	8.938	0.177
		Med	47	63.5	24	61.5	21	52.5	12	66.7	104	60.8		
		Low	8	10.8	10	25.6	5	12.5	2	22.2	25	14.6		
8	Fear of failure	High	21	28.4	12	30.8	16	40	6	33.3	55	32.2	7.251	0.298
		Med	30	40.5	17	43.6	20	50	6	33.3	73	42.7		
		Low	23	31.1	10	25.6	4	10	6	33.3	43	25.1		

According to Table 22, lack of previous experience and adequate understanding of BPR principles; resistance to change; and lack of benchmark partners and world class best practices were considered as high challenges by more than 40% of the respondents. On the other hand, the level to which lack of necessary resources; lack of required skills and competence; organizational and cultural issues; lack of conducive work environment; and fear of failure were considered as challenges was medium by a majority of respondents across the organizations.

A comparison among the preferences or distribution of priority of these challenges in the organizations using a chi-square test showed that there is a significant difference only for item No. 4 where 30.8% of the respondents from the MoCB rated lack of resources as low or a minor problem while only less than 10% from each of the remaining institutions viewed the challenge as minor or low. The calculated χ^2 value 18.852 exceeds the table value 9.4877 with degree of freedom 4 and a - level 0.05. This shows that there are fewer resources available in the three institutions as compared to the MoCB.

As BPR requires fundamental changes in different aspects, it always faces different problems. Leaders were asked to identify the major problems they encountered in the process. Among the problems they mentioned are: it took more time than expected, there were problems of producing whacko ideas, and some team members left their organizations in the middle of the course. These problems are manifestations of the crisis of assigning best people that are committed to the effort and who can think out of the box. Besides the problems the leaders mentioned, some common problems were observed through the study in the case organizations. The major ones include: poor art of selling the change; lack of sustained management commitment and leadership; overlooking people issue; lack of adequate training before launching the project to both the team members and other employees; inadequate attention to stakeholders; and poor attempt to minimize threats of down sizing.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter deals with the summary of major findings of the study, the conclusion drawn upon the major findings and recommendations that are based on the conclusions arrived at.

5.1. Summary

This study was conducted aiming at assessing the status and practices of BPR in the selected four public institutions. To do so, the following specific objectives were set:

1. Checking if the necessary preparations were made to show the reasons of change and communicate the performance gap;
2. Assessing the organizational capability in terms of planning and readiness;
3. Identifying strategies in place and methodologies employed;
4. Examining if people in BPR governance structures were acquainted with the necessary qualities;
5. Exploring if appropriate techniques were used to identify, prioritize and redesign the new process;
6. Examining employees' reactions to BPR vis-à-vis their leaders' management; and
7. Exploring the availability of success factors, challenges, strengths and weaknesses.

The following basic questions were the corner stones to obtain the necessary information.

1. How adequately prepared and ready are the organization to carryout the BPR project?
2. What strategies were in place and methodologies employed?
3. To what extent did the organizations applied the appropriate criteria to establish the BPR governance structure?
4. What is the attitude and reaction of employees towards BPR and how do their leaders manage the reaction?

5. To what extent do success factors and challenges exist in the organizations?
6. What were the major strengths and weaknesses of the organizations while running the BPR project?

Taking the fact that introducing BPR in any organization is difficult and full of risks, examining the practice of some institutions can significantly help the organizations themselves and/or other concerned bodies to compare what should be done in principle and what actually is happening in the field.

In an attempt to answer the above basic research questions, a descriptive survey method was preferred to serve the purpose. Data were gathered using questionnaires developed based on the review of the related literature. Interviews that were held with BPR leaders or their representatives, focus group discussions conducted with some employees in each organization and checklists filled with the aim of verifying the performance of some activities were also instruments used to gather data. Out of 205 questionnaire papers distributed 171(83.4%) were filled out and returned. The data gathered were analyzed using frequency counts, percentages, mean value comparisons, and the Chi-square Test to verify whether there are significant differences in the distribution of responses between or among the respondents of the organizations under study. The major findings of the study are summarized as follows:

Characteristics of Respondents

As to the findings of the study, there are only a few numbers of women in the middle and top management levels of the organizations under study. The majority of the respondents in each organization belong to the age group 30-39. Concerning the work experience of employees, more than 50% have been serving in different institutions for more than 15 years. The organizations' efforts to attract young people were found poor. Education wise, most of them (70.1%) have at least first degree.

In terms of roles, 26.3% of the respondents serve as members of different teams. More than one-fifth of the respondents didn't attend any training relevant to BPR, 38.6% attended trainings for a few days as short as less than a week.

Findings on the Main Features of BPR

Concerning the Purposes of BPR

- a. Neither of the purposes listed was given high priority by more than 50% of the respondents. However, 43.3-50% of them across the organizations have given high priority to satisfying customers' needs and expectations; budget and personnel reduction; consolidating fragmented functions; eliminating unnecessary work levels; and dramatic improvement in type, cost quality and timeliness of services.
- b. There is no significant difference observed in perception of the purposes of BPR among respondents of the four organizations as evidenced by the Chi-square test.

Concerning Organizational Readiness

- a. Peoples' recognition of the need for BPR; their understanding of its nature and principles; their awareness of the multi-dimensional changes that often follow BPR; and the organizations' effort to minimize mistrust of downsizing were rated as poor with mean values ranging between 2.57 and 2.97.
- b. The organizations' status of placing high values to serving customers; their level of understanding the needs, expectations and concerns of their customers were rated as fair with mean values ranging between 3.08 and 3.28.
- c. A significant difference was observed in the distribution of preferences in terms of employees' awareness of the multi-dimensional changes which follow BPR and the organizations' performance gap analysis between the educational institutions and the capacity building institutions. A non parametric Chi-square test showed that there was better awareness of the change in the capacity building institutions and better performance gap analysis in the educational institutions.

Concerning BPR Methodology and Strategy

- a. The organizations under study followed the same methodology: planning and preparation for BPR; analyzing and mapping the current processes; redesigning new processes; and implementing the redesigned processes.
- b. the strategies these organizations followed include gaining organization wide commitment, arranging frequent training programs, assigning best people in BPR teams, using participatory approach (involving more people in different activities), giving orientation at each level, assessing customers' needs and expectations,

benchmarking best practices, and facilitating access to sufficient resources. However, the study showed that most of these strategies weren't employed effectively.

Concerning Preparation Activities

- a. people considered the vision of their respective organizations as some what satisfying the necessary qualities; the goals and the objectives set were linked to the vision and focus on outcomes important to customers. They have also demonstrated that the objectives of these organizations are achievable.
- b. people's knowledge and understanding of the vision; their recognition of the reengineering effort as a means to realize the vision; and their commitment to the vision were rated as some what poor with mean values ranging between 2.51 & 3.0.
- c. the study revealed the existence of performance gap in each organization with mean values ranging between 3.16 and 3.78.
- d. leadership problems were observed in terms of leaders' change communication efforts as well as the visibility and passion of senior managers to realize BPR with mean values less than 3.0 in most of the cases.
- e. respondents have demonstrated that the team members lack such qualities as diversified background, commitment, adopting easily to changing circumstances, working in synergy under pressure and stress, a passion to do things differently. However, the team members' ability to challenge long standing assumptions and their empowerment were rated as fair with mean values 3.0 in the MoCB.
- f. the leaders' effort to deal with the concerns of people and the way they used to present the problems were rated as poor in all cases with mean values less than 3.0. Producing sound reasons for the change was some what good in the MoCB and the AREB but some what poor in the remaining two organizations.

On Process Description, Mapping and Redesigning

- a. The design teams' deeper understanding of the current processes was rated as fair with mean values between 3.02 and 3.38 in three organizations, but some what poor (mean= 2.92) in BoCB. How ever, the teams' ability to understand the problem areas that need improvement was rated as fair (mean > 3.0) in MoCB and AREB and some what poor in the remaining two organizations.

- b. The clarity of the map of the current process to show the problems that need improvement; the components and chains of activities; and the expected changes was rated as fair in the case of MoCB with mean values ranging between 3.07 and 3.21. But it was rated as some what poor to have such qualities in the other institutions with mean values less than 3.0 in most cases.
- c. Recognition of customers' and stakeholders' needs to select and prioritize the candidate processes for reengineering was rated poor (mean value < 3.0) in all the organizations; efficient use of resources in three organizations and yielding quick results in two organizations. Thus, the organizations didn't strictly follow the criteria of selecting and prioritizing candidate processes for BPR.
- d. the possibility of realizing the organization's vision, satisfying customers' needs and providing high quality service through the newly designed processes was rated as fair with mean values ranging between 3.28 and 3.48 in the MoCB but some what poor in the ARCBB.
- e. With regards to the necessary changes for the new process, job description, skill requirements and facilities were rated as fair (mean values > 3.0) in both organizations; organization structure and management system fair in MoCB and poor in BoCB; and the effort exerted towards compensation and reward system was not supported in both cases.

Concerning Attitude

- a. Most respondents agreed with opinions stated negatively and equivalently demonstrated their disagreement with opinions stated positively about BPR. BPR is a hidden agenda of down sizing; and is dangerous and inhuman (MoE, MoCB, ARCBB), unnecessary and unworkable; unfair; not moving as intended (MoE, ARCBB), enables effective and efficient service; initiated at the appropriate time; on the right track of progress (MoCB). Hence, it seems that people in the MoCB better support BPR.
- b. Respondents in the AREB rated all items with mean values less than 3.0. They favored neither the positive nor the negative attitudes. It seems that their past experience with reform activities made them pessimists.

- c. There is a strong relationship between attitude and role (involvement in BPR governance structure). People involved in different roles of the BPR governance structure favored while others disfavored BPR as evidenced by the Chi-square test with calculated values ranging between 20.544 and 52.75 which exceed the table value 5.991 with degree of freedom 2 and 0.05 significant level.

Concerning Implementation

- a. Only two institutions, MoCB and ARCBB had implemented the change. The others haven't yet reached this phase.
- b. Respondents from the MoCB rated the implementation related activities of their organizations as fair with mean values ranging between 3.03 and 3.69. On the other hand, respondents from the ARCBB rated the items listed as being performed poor with mean values less than 3.0, except the availability of resources. This shows that there is a problem in implementing the new processes in this organization.
- c. There were no severe problems in resources, competence, training, planning or leadership. The level of the problems was rated as medium by more than 50% of the respondents in each case.
- d. There was no significant difference observed in the proportion of rating the problems between the respondents of the two organizations.

Concerning Success Factors and Challenges

- a. None of the success factors listed was found as high as required. The majority of respondents rated the availability of these factors as medium.
- b. Effective communication as an important success factor was rated low by more than 50% of the respondents in three organizations (except the MoCB)
- c. The comparison of priority preferences among the respondents of the four organizations showed no significant difference except for the case of composition and commitment of design teams. It was rated low by a significant proportion of respondents, 40.5% and 44.4% in the MoEd and the ARCBB, respectively.
- d. Lack of previous experience, adequate understanding of BPR principles, benchmark partners and world class practice, as well as the necessary skill and competence on

one hand and resistance of change on the other hand were considered as challenges by more than 40% of the respondents across the organizations.

- e. In rating the challenges there was a significant difference regarding resources. 30.8% of the respondents considered the challenge as low or minor in the MoCB, while 4.1-11.1% from the other organizations.

On Strengths and Weaknesses of the Organizations

The political commitment for providing customer oriented service is the major strength of the organizations. On the other hand, the BPR's consumption of time beyond expectation; producing Whacko ideas; communicating the change before the introduction of BPR and while it is on progress; lack of sustained management commitment and effective leadership; an attempt to reengineer all processes simultaneously (in the case of MoEd) were the weaknesses observed.

5.2. Conclusion

In light of the above findings of the study, the following conclusion can be stated. Business Process Reengineering involves comprehensive changes not only to core and sub processes, but also to management and support structures; to people, to technology and infrastructure; and even to policies and regulations. Thus, this process of change should be managed properly and carefully. The study had finally come up with the following conclusions:

- a. People in the organizations were not clear with the purposes; not aware of the principles, multi dimensional changes, as well as the benefits of BPR. The effort exerted to conduct trainings to introduce the change or to show the features of the new world of work was not satisfactory. Organizational consensus, one of the most important success factors, was not sufficiently build. Although, strong and indomitable leadership of the top management is the first, and by far, the most critical readiness factor, in the organizations under study the visibility and personal involvement of the senior executives was not as high as required. With these points mentioned, it can be concluded that BPR was initiated in the organizations with out thorough planning of the activities and adequate readiness of people.

- b. People assigned to run the projects were viewed by employees in their organizations as not having the necessary qualities like mapping and designing skills, commitment, persistence, and challenging deep rooted assumptions. People didn't appreciate the mappings of the current processes in terms of clarity to show relationships between/among jobs and areas of improvement; the adequacy of the attention given to stake holders; and the ability of the redesigned processes to give quick yields. Thus, the organizations effort to use the necessary criteria to form the BPR governance structure; to analyze and map the previous processes; and to prioritize and redesign the new ones didn't meet the requirements.
- c. Successful change in organizations requires developing positive attitudes in advance towards it. However, it was found out that the attempt made to address the concerns and problems of people or to change their mindsets were not enough as far as BPR is concerned. This neglected people's side led to developing negative attitude towards BPR. Employees did not recognize BPR as a way to bridge the performance gap in their organizations and as the only means to efficient and effective service. They rather considered it as a hidden agenda of downsizing. Thus, it can be said that there was poor art of selling the change especially in the MoE, AREB and ARCBB.

5.3 Recommendations

Based up on the above conclusion of the study, the following recommendations were made to enhance the organizations' ability to more effectively uphold their efforts.

1. **Organizing visionary workshops and trainings-** Business Process Reengineering requires a fundamental change in organizational structures, work cultures and mindsets of people to admit change it self. Without this, it becomes difficult to change processes to the desired qualities. Hence a series of visionary workshops should be organized to clearly show the necessity of the change and its targets. Senior managers in each organization should provide a constant flow of information throughout the organization regarding the expectations, the

successes, the progress, and employees' issues. Trainings could be organized at three levels:

- Level one- General Orientation: designed for all members of the organization, including senior officials. The contents of the training should cover the rationale, vision, objectives, expected benefits, over view of the processes and explanations on how the quality and the progress of the work will be measured.
 - Level two- specially designed training for team members which is directed to people assigned to different teams responsible for performing the related tasks of BPR. It should cover topics dealing with analyzing, mapping and designing processes; on how to manage changes and use work plans.
 - Level three- trainings aimed at end-users of processes. Such trainings require better considerations and should be highly specialized as they are intended to those employees on how to use the new process while implementing them. How to apply the new process, why it functions that way, what cultural changes are expected, how the reward and measurement systems of the new world of work are managed should be the focus points of the training. Such trainings can help sufficiently build organizational consensus and minimize mistrust in the organization.
2. **Prepare a formal team charter-** In order to lead the change effectively and use the resources, including human, efficiently, there should be a formal BPR team charter prepared by BPR leaders in collaboration with the team members. The document should clearly show the mission and the objectives of the team, and the estimated time to complete the project in each of the organizations.
3. **Establish resource and help centers-** the MoCB should establish a national level resource center that can serve as a point of dissemination of BPR best practices, facilitating expert advisory services, and a repository of publications and related case studies of successful BPR implementations. Besides this, the other organizations under study should establish help centers equipped with the necessary materials, information and appropriate people, where matters of BPR could be openly discussed. People need their problems heard and their

concerns addressed. They need to know why they are engaged in the change, they want to have better understanding of the degree of the change needed, the best approach to adopt, etc. Employees can raise questions about the processes, about their futures or any other related issues. Thus, group discussions, face-to-face (individual) discussions or debates that promote the importance of BPR could be organized in the centers to enable them show their concerns and reflect their opinions.

4. **Work jointly with higher education and management institutions**-Business Process Reengineering is a newly introduced tool to the Ethiopian public institutions. The institutions lack the necessary skill and competence to lead and manage the change. The demanding nature of reengineering requires them of working jointly with different management institutes and universities in the areas of trainings, researches and change management techniques. Thus the MoCB and the ARCBB should facilitate conditions under which the organizations at their respective levels can work jointly with such educational institutes and invite people carry out further research undertakings.

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- _____ (1984)።የአገልግሎት አሰጣጥ ማሻሻያ ንዑስ ፕሮግራም ጥራዝ 1 የሥራ አፈጻጸም የቀጣይ ተግባራት ሪፖርት። አዲስ አበባ።
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ANNEX A
ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES

DEPARTMENT OF EDUCATIONAL PLANNING AND MANAGEMENT

Questionnaires to be filled by Steering Committee, Design Team members, Czars, and Employees

Business Process Reengineering, as a tool of the Civil Service Reform Program is being under way in different Federal and Regional Public Service Institutions. This questionnaire is designed to gather information on the status and practices of organizations undertaking BPR. The information gathered from the field and document review will have a paramount importance to draw lessons from the exercise.

The purpose of the study is purely academic that will have no any negative effect on you as an individual or on your organization. The effectiveness of the study depends on your genuine and frank response which will be kept confidential, therefore, request you to fill the questionnaire honestly and responsibly.

N.B.

- No need to write your name
- Please mark your response with " X" mark
- For those questions requiring your opinion, use the space provided

Thank you in advance for your cooperation!

Section 1: Personal Information

1.1. Name of your organization _____

Your post in the organization _____

Your role in BPR Steering Committee ___ Design Team ___ Czar ___

Process Owner ___ No role _____

1.2. Sex Male _____ Female _____

Age category: Below 20 _____ 20-29 _____ 30-39 _____

40-49 _____ 50-59 _____ 60 and above _____

1.3. Educational level:

Grade 12 or below _____ certificate holder ___ 10+I ___ 10+II _____

12+2 ___ 12+3 _____ Diploma ___ B.A./B.Sc. ___ M.A./MSC _____

Ph.D. ___ Other _____

1.4. Work Experience in years:

In this organization _____ In other organizations _____ Total _____ years

1.5. Training attended Relevant to BPR for

Less than one week ___ 1-2 weeks _____ 3-4 weeks ___ 1-3 months ___

More than 3 months ___ No training attended _____

Section II. About Readiness and Planning

2.1. Which of the following, in your opinion, are the purposes why BPR is initiated in your organization? Please rate them in terms of priority: 1 -for low, 2 -for medium, and 3 -for high priority.

No	Purpose	Rating Scale		
		3	2	1
1.	Customers' needs and expectations of better service			
2.	External stakeholders (the government, funding agencies etc) need and pressure			
3.	Wide spread pressure for governmental reform			
4.	Budget and personnel reduction			
5.	Consolidating fragmented functions			
6.	Eliminating unnecessary work levels			
7.	Dramatic improvement of the type, cost, quality, and timeliness of its services			

2.2. The following are some factors organizations need to examine in order to assess their readiness for change. Please rate them as follows concerning the efforts of your organization:

5. Very Good 4. Good 3. Fair 2. Poor 1. Very poor

No	Items	Rating scale				
		5	4	3	2	1
1.	Peoples' recognition of the need and understanding of the nature of BPR in the organization.					
2.	People's awareness of the multidimensional changes in terms of process, jobs, organizational structure, responsibilities, etc that will take place because of BPR					
3.	The organization's status in placing high value of serving customers					
4.	The organization's level of understanding customer's current and anticipated needs, expectations, concerns and priorities					
5.	The organization's effort to minimize mistrust and doubt that often follow a program of downsizing or restructuring.					
6.	The organization's analysis of performance gap- the gap between what is being done and what has to be done in the future.					

2.3 The following is a widely accepted methodology for BPR projects. Has your organization employed this methodology? (Only for team members)

No	Activity	Yes	No	I don't know
1.	Planning and preparation for BPR (building teams, identifying customer driven objectives, developing strategic goals)			
2.	Mapping and analyzing AS-IS process (understanding the current process, creating and documenting activities, identifying the amount of time each activity takes and its cost)			
3.	Designing TO-BE process (developing alternatives satisfying the strategic goals, benchmarking with best practices, identifying potential improvement opportunities)			
4.	Implementing the reengineered process (existence of a comprehensive implementation plan, identification of potential barriers, communication)			

2.4. Here below are listed some activities regarding creating vision and goals, identifying change opportunities, staffing the BPR project and communicating the vision which play important role for the success of the effort. Please rate the following as follows with regards to your organization:

5. I strongly agree 4. I some what agree
 3. Not Determined 2. I some what disagree 1. I strongly disagree

No	Issues	Rating Scale				
		5	4	3	2	1
1.	The vision					
	is realistic and achievable					
	creates value to stakeholders and customers					
	creates a sense of collective ownership					
2.	People in the organization (ONLY FOR EMPLOYEES NOT WORKING IN BPR TEAMS)					
	know and understand the vision					
	see the BPR effort as a way to turn the vision into reality					
	have demonstrated their commitment to the vision					
3.	The vision and the BPR effort have the full support of the senior management					
4.	The goals					
	are developed based on facts and careful analysis of organization's performance					
	are linked to the vision					
5.	focus on outcomes important to customers and stakeholders					
	The objectives are realistically achievable and stated in measurable terms as cost, quality, and time					
6.	Tasks in the organization					
	are scattered among various departments					
	can be performed faster and more smoothly with fewer resources if consolidated					
7.	There is repetition of work and duplication of data. Some works are being done unnecessarily for the sake of administrative requirements.					

8.	There is a performance gap that can be expressed in terms of quality, cost, time etc. between customers' needs and current performance of selected processes							
9.	The Leader							
	is strongly committed to BPR							
	possesses the title and authority necessary to run the BPR project							
	is prepared to commit both the organizational resources and personal attention							
	demonstrates his concern by personal involvement and support at all stages							
10	The leader and top executives truly understand							
	the nature and principles of BPR the need for their personal attentions and involvement							
11.	Senior managers							
	share the leaders enthusiasm for BPR							
	reinforce their commitment of the vision and the change effort by maintaining high visibility							
12.	The design teams are organized by members (only for employees not working in BPR teams)							
	of diversified background and experience							
	who possess appropriate skills and attitudes							
	that are committed to the effort							
	who can openly and honestly challenge long standing assumptions and management doctrines							
	who can adopt easily to changing circumstances							
	who can work in synergy under pressure and stress							
	having the passion to do things differently who are empowered and have the mandate for change							
13	The process owners have							
	a thorough understanding of the processes a good relationship with people involved in the process							
14.	In communicating the change, the leaders have							
	given sound reason for the change							
	set forum for voicing employees' concerns used simple (clear) way of presentation that enables people understand presented the problem frankly and openly							
15	The base lining clearly shows where the organization is in terms of performance (work volume, cycle time, sporting relationships...)							
16	The best practices benchmarked are appropriate and tailored to the organization.							
17.	Performance targets established are							
	consistent with the BPR vision and strategies							
	measurable and represent quantum results							

Do you have some thing to say about the readiness and planning of your organization for BPR?

III. Process Description, Mapping and Redesigning

(ONLY FOR EMPLOYEES THAT ARE NOT INVOLVED IN DIFFERENT TEAMS)

Organizations need to understand the current processes in order to redesign new ones. The following points are important in this regard. How do you rate them in your organization?

5. Very Good 4. Good 3. Fair 2. Poor 1. Very Poor

No.	Points to be considered	Rating Scale				
		5	4	3	2	1
1.	The design teams' deeper understanding of					
	the current processes problem areas that need to be improved					
2.	The clarity of the map of the current process to show					
	problem areas and non-value adding activities					
	the components, boundaries, connections and interrelationships between core processes					
	complete chain of related activities in the organization					
	baselines from which to measure improvements					
3.	The processes to be reengineered are selected and prioritized					
	based on customers' and stakeholders' needs in a way to use available resources effectively to yield results quickly					
	Elaboration of the difference between the old and the new designs and the potential benefits of the new design are expressed in terms of quality, cost, time, etc...					
5.	The redesigned (TO-BE) processes will					
	Enable the organization fulfill its vision and goals Satisfy customer and stakeholder needs Reduce cost and provide high quality service					
	6.	Identification of necessary changes for the new process in				
Organizational structure and management system						
Job description and skill requirements						
Compensation and reward systems						
	Facilities (technology and others)					

Have you faced some problems at this stage? Please list them _____

Do you have some additional points you want to raise concerning process description and mapping? _____

IV. Action Stage

4.1 To what level are each of the following activities performed in your organization in order to ensure successful implementation of the reengineered processes? Please rate them as follows:

5. Very Good 4. Good 3. Fair 2. poor 1. Very poor

No	Activities	Rating scale				
		5	4	3	2	1
1.	Full discussion of employees questions and concerns					
2.	Evaluation of the impact of the new process on customers, employees and other stakeholders					
3.	Expressing the benefits of the designed process in terms of quality, cost, speed, accuracy, etc.					
4.	Availability of the necessary infrastructure, procedures, systems, structures for the new process					
5.	Presence of the necessary leadership for implementation.					
6.	The organizations effort to provide training to its staff, managers and executives to prepare them for the new roles and responsibilities					
7.	Identification and prioritization of potential implementation barriers, organizational and cultural issues					
8.	Devising ways of overcoming the potential problems identified					
9.	The leaders' attempt to					
	Directly address common objections to change					
	Explain why change is necessary, workable and beneficial					
	Provide opportunities for employees to voice their feedbacks					
	Make commitment to assist employees in the transition					
10.	Establishment of measurement systems and performance goals to check the progress of BPR					
11.	Identification of the new tasks, roles, responsibilities and reporting relationships					
12.	The implementation plan's level of identifying all tasks, time frames, needed resources.					
13.	The availability of the necessary resources and competence to implement the new processes.					

4.2 What are the major problems your organization faced during implementation? Please level them

No.	Problem	Low	Medium	High
1	Lack of resources			
2.	Lack of competence			
3.	Lack of training			
4.	Poor planning			
5.	Poor leadership			

Other problem(s) if any _____

If you have some additional points about the implementation of BPR in your organization

V. About Employees' Attitude

Which of the following best describes your opinion about BPR? Please level according to:

5. I strongly agree 4. I some what agree 3. Not Determined
 2. I some what disagree 1. I strongly disagree

No	Opinion	Rating scale				
		5	4	3	2	1
1.	Customers and stakeholders are satisfied with the current performance of the organization. No need to fix the unbroken					
2.	I don't have the competence BPR requires since it creates high work load and burden.					
3.	BPR is a hidden agenda of downsizing. I am threatened and uncertain because of lay-offs.					
4.	Such a radical change is dangerous and inhuman. It has more harm than good.					
5.	BPR is unnecessary and unworkable in our context					
6.	BPR is unfair. Because it doesn't take our work experience and contributions to the organization and to our country in to consideration.					
7.	Despite minor achievements, the effort is not moving as intended. It will not succeed					
8.	BPR enables effective and efficient service. It is the only solution to our problems.					
9.	BPR has a remarkable benefit to me personally and to my organization as a whole.					
10.	BPR is initiated at the appropriate time in our organization					
11.	The BPR effort is on its right track despite some challenges. It will succeed.					

Some other opinions of your self on BPR, if any

VI. Challenges and Success Factors

There are different challenges and success factors identified in carrying out BPR efforts. Please rate the following as low, medium or high as far as your organization is concerned.

6.1. Success factors

No.	Factors	Rating		
		High	Medium	Low
1.	Continuous involvement of senior managers			
2.	Strength and commitment of people leading the change			
3.	Top management is not replaced during BPR and exercise strong leadership			
4.	Clear vision and consensus about the change			
5.	Involvement of key stakeholders at each level			
6.	Proven BPR methodology			
7.	Effective change management			
8.	Effective communication at each level			
9.	Good composition and commitment of reengineering team			

6.2. Challenges

No.	Factors	Rating		
		High	Medium	Low
1.	Lack of previous experience and adequate understanding of BPR principles			
2.	Resistance to change			
3.	Lack of benchmark partners and world class best practices			
4.	Lack of necessary resources (human, material, financial)			
5.	Lack of the necessary skills and competence			
6.	Organizational and cultural issues			
7.	Lack of conducive work environment			
8.	Fear of failure			

What final comments and recommendations do you have for the BPR effort in your organization?

ANNEX B
ADDIS ABABA UNIVERSITY
SCHOOL of GRADUATE STUDIES
DEPARTMENT of EDUCATIONAL PLANNING and MANAGEMENT

ACTIVITY CHECK LIST

	ACTIVITY TO BE PERFORMED	YES	NO	RE MA RK
1	Organization wide and process specific vision developed			
2	Tangible goals and objectives developed based upon the vision			
3	Reengineering opportunities are identified and prioritized			
4	BPR czar, design team, and process owner are assigned			
5	Design team members are trained in process analysis and reengineering techniques			
6	BPR communication program developed, message delivered, and communication effectiveness assessed			
7	BPR infrastructure established, work plan for each specific project prepared, and conducive work environment created			
8	Sound BPR methodology developed, tailored to the organization and used for managing the change			
9	Base lining, determining where the organization is in terms of performance, is performed			
10	Benchmarking the performance of core processes against internal or external best practices performed			
11	Core processes have been defined and mapped			
12	New targets for BPR that can produce quantum gains established, visualized, designed and mapped			
13	New measurement methods analyzed and selected; and performance indicators developed for the new process			
14	Short-term opportunities identified and prioritized			
15	Projects are selected for pilot testing and pilot testing conducted			
16	IT support for BPR process created			
17	Final readiness assessment for implementation conducted			
18	Employees are briefed to prepare them for implementation			
19	Potential implementation barriers are identified and ways of overcoming them designed			
20	Final implementation plan that shows events, timing, prerequisites, resources, responsibilities, etc. developed			

ANNEX C

ADDIS ABABA UNIVERSITY
SCHOOL of GRADUATE STUDIES
DEPARTMENT of EDUCATIONAL PLANNING and MANAGEMENT

Interview Guide for BPR Leaders of Organizations

BPR, as a tool of the Civil Service Reform Program, is under its way in different Federal and Regional public service institutions. This study is designed to assess the practice and status of BPR in your organization. Your genuine response contributes much to the study.

Thank you in advance for your time and cooperativeness.

1. Why BPR in your organization? its purpose and rationale
2. What strategies are in place?
3. What methodologies are being employed to run the BPR project? What success factors are there in your organization?
4. What are the strengths and weaknesses of the organization in the BPR effort?
5. Is there clearly manifested resistance in the organization towards BPR? How are you managing it, if there is?

ANNEX D

Group Discussion Guide


1. በመ/ቤታችሁ ውስጥ እየተካሄደ ያለው የመሠረታዊ ሥራ ሂደት ለውጥ ዋና ዓላማ ምንድን ነው?
2. መ/ቤታችሁ ይህንን መሠረታዊ ለውጥ ለማምጣት የሚያስችል ቅድመ ዝግጅትና አቅም አለው? ሥራውን በተለያዩ የኃላፊነት ደረጃዎች የሚመሩ ሰዎች ምን ያህል ብቁ ናቸው ብላችሁ ታምናላችሁ?
3. ለውጡ ለእናንተና ለመ/ቤታችሁ የሚኖረው ፋይዳ ምንድን ነው?
4. በአጠቃላይ ስለ መሠረታዊ የሥራ ሂደት ለውጥ ያላቸሁ አመለካከት ምን ይመስላል?

DECLARATION

I, the undersigned, declare that this thesis is my work and that all the sources of the materials used for the thesis have been fully acknowledged.

Name Matebu Yenehun Endalew

Signature



Place and Date of Submission July 22, 2008

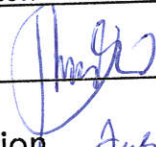
SUBMISSION APPROVAL SHEET

This thesis has been submitted for examination with my approval as a university advisor.

Name Jeilu Oumer (Ph.D)

Title Assist. Professor

Signature



Date of Submission

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