



3rd GLOBAL CONFERENCE on BUSINESS, ECONOMICS, MANAGEMENT and TOURISM,
26-28 November 2015, Rome, Italy

The application of concepts and methods based on process approach to increase business process efficiency

Andrea Gazova^{a*}, Zuzana Papulova^a, Jan Papula^a

^aComenius University in Bratislava, Faculty of Management, Odbojarov 10, 820 05, Bratislava

Abstract

Business process management (BPM) as a systematic managerial approach enables organization's workflow to be more effective, more efficient and more capable to adapt to an ever-changing environment. BPM attempts to improve processes continuously with consideration of customer's needs and requirements. The concept of BPM is not new, however many companies are still struggling with the implementation of BPM and with application of concept and methods based on process approach. The article presents findings of our research on current state of implementation and application of BPM in enterprises operating in Slovak Republic. Our study was focused on several aspects related to BPM such as examination of the reasons why managers decide to implement BPM in their businesses, the level of process mapping, the level of usage of concept and methods of BPM as well as the detection of limitations and barriers of process management implementation and application.

© 2016 The Authors. Published by Elsevier B.V. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Organizing Committee of BEMTUR- 2015

Keywords: Business Process Management (BPM); Process Approach; Business Process Efficiency; Implementation of BPM

1. Introduction

As natural consequences of the competitiveness growth, of the impact of rising customer requirements and of the increase of the number of companies offering comparable products, companies are constantly trying to streamline the operation of the entire organization and to enhance own productivity. As many practitioners and researches pointed out, business process management in this regard helps to reduce costs, flow time and to improve quality, productivity and efficiency of processes in organization (Repa, 2012; Weske, 2012). By placing business processes

* Andrea Gazova. Tel.: +4-345-43-421

E-mail address: andrea.gazova@fm.uniba.sk

on center stage, companies can gain the capabilities they need to innovate, reenergize performance and deliver the value current markets demand (Smith, Finglar, 2006). The company investigates all the details concerning the analysis of their process attributes because every detail can mean an opportunity to improve a competitive advantage and performance of the company. The process approach is seen as a key tool for continuous improvement of business processes. The concept of BPM is not new, but still remains as one of the current trends in management and not only in Slovakia. The benefits and advantages of BPM are quite clear for many managers but on the other hand, it is necessary also to mention the barriers and risks of process management implementation that are discouraging managers from BPM implementation. The main challenge remains how to implement process principles into an organization's operation (Skrinjar, Trkman, 2013).

Therefore, the main purpose of our study is to analyze the implementation of process management and the attitudes and support of managers towards successful application of process management and its tools and methods. The aim of our research is to assess how managers approach the implementation of process management, to identify the main barriers and also to assess the usage of process tools and methods to support application of process management.

The paper is organized as follows. After introduction, in the literature review, we discuss the principles, history and various methods and tools of process management. We also point out differences between traditional functional management and process management to understand the principles of BPM. In addition we define the benefits and the barriers in connection with the application of process management and change management. In the next section we describe the main goal, data and methodology of our research. The results of research and analysis are presented and summarized in the section Results. Last section summaries and concludes our main findings.

2. Literature Review

2.1. From functional orientation to processes orientation

The phrase by Peter Drucker "do the right things the right way" perfectly describes the principle of process approach in management. Process management is not another form of automation or a fashionable new management theory (Smith, Finglar, 2006). To gain better understanding, it is useful to start with short explanation of history and of the classical approach to management based on functions. Process approach in management can be better specified through its comparison with classical, traditional approach to management.

For many years, companies focused on efficient execution of individual functions, which has led to a local optimization and perfection of functional areas (Becker, Kahn, 2003). These classical principles in management were created by Taylor and Fayol and they formed the approach called a „functional management”. Fayol, as a founder of classical theories in management, named the basic management functions as a planning, organizing, commanding, coordinating and controlling. He also divided activities of the company into business functions such as accounting, finance, production, distribution and others (Robbins, Coutler, 2013). Although in the theory and praxis of management other identification of the basic business functions and activities of company can be found, in general, there is application of the same principle that aim to break down the company into number of specialized functions. The main principles of functional management include the fact that the work is organized according the specialization and creation of functional units, and that correspond with formation of organizational structure and organization design. Although the functional management was extensively used and its traditional wisdom is deeply rooted, it was more effective in past in relatively stable environment. We can find many authors and researches who declared the limits and restriction of functional management and who pointed out the need for fundamental change (e.g. Hammer a Champy, 1993; Becker, Kahn 2003; Trunecek, 2003; Borovsky, 2005; Repa, 2012). However, the idea of a process orientation design is not new. It has been increasing attention since the end of 80's (Becker, Kahn, 2003). The process principles were firstly outlined by M. Hammer in USA (Hammer, Champy, 1993). Their approach is known as re-engineering and it began to be applied progressively in the U.S. companies from the early 80's of 20th century. Later in the 90's it began to appear in the U.S. under the name of BPM - Business Process Management. Overall historical development of Process Management and comparison between continuous improvement, re-engineering and the third wave of BPM is best expressed in Table 1, in particular with regard to its development in the USA (Lusk et al., 2005; Papulova et al., 2014.) In Slovakia, process management became

Download English Version:

<https://daneshyari.com/en/article/980508>

Download Persian Version:

<https://daneshyari.com/article/980508>

[Daneshyari.com](https://daneshyari.com)