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Editor
Professor Derrick G Kourie
Department of Computer Science
University of Pretoria
Hatfield 0083
dkourie@dos-lan.cs.up.ac.za

Subeditor: Information Systems
Prof Lucas Introna
Department of Informatics
University of Pretoria
Hatfield 0083
lintrona@econ.up.ac.za

Production Editor
Dr Riel Smit
Mosaic Software (Pty) Ltd
P.O.Box 23906
Claremont 7735
gds@mosaic.co.za

World-Wide Web: http://www.mosaic.co.za/sacj/

Editorial Board
Professor Judy M Bishop
University of Pretoria, South Africa
jbishop@cs.up.ac.za

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Case Western Reserve University, USA
boland@spider.cwrv.edu

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ian@cs.sun.ac.za

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University of Natal, South Africa
crossman@bis.und.ac.za

Professor Donald D Cowan
University of Waterloo, Canada
dcowan@csg.uwaterloo.ca

Professor Jürg Gutknecht
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gutknecht@inf.ethz.ch

Professor R Nigel Horspool
University of Victoria, Canada
nigelh@cstr.csc.uvic.ca

Professor Fred H Lochovsky
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fred@cs.ust.hk

Professor Kalle Lyytinen
University of Jyväskyla, Finland
kalle@cs.jyu.fi

Doctor Jonathan Miller
University of Cape Town, South Africa
jmiller@gsb2.uct.ac.za

Professor Mary L Soffa
University of Pittsburgh, USA
soffa@cs.pitt.edu

Professor Basie H von Solms
Rand Afrikaanse University, South Africa
basie@rkw.rau.ac.za

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to be sent to:
Computer Society of South Africa
Box 1714 Halfway House 1685

Phone: +27 (11) 315-1319 Fax: +27 (11) 315-2276
Editorial Notes

For two reasons, this edition of SACJ is far later than it ought to have been. The first reason is that there have been some personnel changes in the editorial team. Lucas Introna, having continued for some time as IS editor after transferring to London, asked to be relieved of his duties. Niek du Plooy has kindly agreed to fulfill this role in a temporary capacity until a suitable replacement for Lucas can be found. Due to work pressure, Riel Smit has also withdrawn as production editor, and has been replaced by John Botha. SACJ owes the two retired members a huge debt of gratitude. During his period of tenure, Lucas did sterling work in setting and maintaining a solid standard for IS contributions. Riel put SACJ on a \LaTeX\ path, and has laboured diligently to produce an aesthetically pleasing product. Thanks are also due to Niek and John for their willingness to take over in their respective roles. Until further notice, IS contributors may forward their submissions directly to Niek at his address given on the front inside cover. I shall put successful authors in touch with John for further instructions regarding final preparation of their manuscripts.

The second reason for a delay in this edition has to do with authors who have not scrupulously followed guidelines for producing their final submissions. There have been a variety of problems ranging from missing citations and inappropriate production of figures to incompatible electronic file submissions. All of this, coupled with our new production editor (who—despite an extremely busy schedule—has valiantly climbed a steep \LaTeX\ learning curve) has resulted in an edition that should have been out to press several weeks earlier.

The editorial team will be giving attention to the general matter of format and submission procedures in future. SACJ’s citation and reference methods are somewhat archaic and will probably be revised. All the necessary information will be provided on the new SACJ web site at www.cs.up.ac.za/sacj/. The site will also contain abstracts of articles in this and future editions.

These are times of conflicting stresses on both the academic and industrial IT communities. They are being felt somewhat more acutely in Southern Africa (and presumably in other developing countries) than in the developed world. Internationally there is tendency to cut back on state financing of universities and a seemingly insatiable demand for IT graduates. Many companies snap up new graduates at attractive salaries, positively discouraging full-time postgraduate studies. International recruitment agencies scour the South African scene for qualified candidates, luring some of our most promising young professionals out of the country. Job-hopping, a drift from academia to industry and from local industry to USA or European industry seems to be the order of the day. Despite the availability of private colleges and institutes, virtual or otherwise, there is a rush of students to university and technikon IT departments, all hoping to get at the IT honey-pot. University administrations are struggling to correct the structural deficiencies of the past and to provide IT departments with sufficient resources to cope with demand. As editor of SACJ, I have no particular competence authoritatively to sum up or analyze these tendencies, but it does seem to me desirable that someone ought to do so. Bodies such as SAICSIT, the CSSA, university authorities, IT industry and state representatives ought actively to pursue joint strategies to ensure that our IT departments are properly resourced and that (non-Zuma) measures are taken to retain graduates in the country. It seems almost redundant to attempt to spell out the consequences of inactivity.

Derrick Kourie
EDITOR

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Some Typical Phases of a Business Transformation Project
The first steps towards a methodology?

Dan Remenyi *
*Visiting Professor at Henley Management College and Visiting Professor at Chalmers University of Technology, Gottenburg, Sweden

Abstract

Business Process Reengineering (BPR) or Business Transformation is very difficult to manage successfully. There is a high failure rate of BPR projects and thus the risk associated with this type of work is high. Although there are a number of methodologies available most of these are actually not of much value as BPR is more of an art than a science. BPR essentially relies on a high degree of creativity whereby an organisation is transformed from being internally or efficiency centred to being outward or client centred. Eleven phases of a generalised approach to BPR is described. It is emphasised that these phases do not represent a definitive methodology for the successful application of BPR but rather more general guidelines which need to be used with considerable care.

Keywords: Business process reengineering, Transformation, Methodology, Continuous improvement, Delayering, Core processes, Outsourcing.
Computing Review Categories: D.2.9,D.2.10,K.4.3

It is an extraordinary era in which we live. It is altogether new. The world has seen nothing like it before. I will not pretend, nobody can pretend, to discern the end. But everyone knows that the age is remarkable for scientific research .... The ancients saw nothing like it. The moderns have seen nothing like it till the present generation.

1 Introduction

This paper proposes a different way of thinking about the application of business processing reengineering. The paper suggests a framework or a proto-methodology for helping with the successfully implementation of business process reengineering (BPR) projects.

This subject is important because it is increasingly clear that the current approach to business process reengineering has not always produced satisfactory results. This is a theoretical or speculative paper in which the evidence to support the arguments presented is drawn both from the general literature on information systems management and from conceptual and empirical work done in the information systems field.

It is very difficult to manage to a successful conclusion BPR or Business Transformation project. According to [12]:

Leading a large scale change program like reengineering is one of the most difficult assignments an executive has during a business career.

According to [8, 6, 1], somewhere between 65 and 75 percent of BPR projects fail.

Thus it is not surprising that there is no single agreed view as to how an organisation should optimise its approach to a BPR project. It is however clear that the successful application of business process reengineering is more of an art than a science. By this is meant that to succeed with BPR a creative rather than a structured approach is ultimately required. In fact [10] somewhat, but not entirely overstated the case when he declared

...we don't know how to transform organisations.
Notwithstanding all the talk and money spent— it's just a hit-or-miss proposition.

Nonetheless a number of consultants have developed BPR methodologies and those wishing to undertake a BPR project have plenty of choice as to which of these routes to follow, if any [9]. However many of these methodologies are rather mechanistic and rely heavily on ideas borrowed from the computer or information systems environment. In fact some of these approaches are not much more than computer planning methodologies which have simply been rebadged with a BPR logo.

This paper takes quite a different view of a BPR methodology based on the fact that BPR represents a new philosophical reorientation of an organisation. In the words of [4], BPR is:

The fundamental rethink and radical redesign of business processes to achieve dramatic improvement in critical contemporary measures of performance such as cost, quality, service and speed.

Another way of expressing this is that BPR presents an opportunity for the socio-technical readjustment of all
organisations, both for profit and not for profit, in order to take advantage of the latest thinking in organisation design and management as well as in the use of new technologies, especially information and telecommunications technology.

From the Hammer and Champy definition above it may be seen that one of the key underpinning concepts of BPR is that it represents a new method of thinking about the organisation which moves away from being primarily concerned with internal efficiency, or self-centric, to being outward looking and client-centric. It regards BPR as having far greater implications than just the application of technology, even information technology per se, but rather a lot to do with mind sets or attitudes of those both working in and running the business. Thus the new paradigm [19, 20] which BPR represents is mostly about human values, corporate culture [5], organisational ethos and norms, senior management vision and the staff’s shared desire or aspiration to be successful. It is about the world of work and how it is rapidly changing [2]. This was well expressed by [3] who pointed out that

...there is danger in believing that technological supremacy is enough to revitalise and keep our corporations competitive. The journey to this new industrial paradigm requires more than just engineering. It will challenge us to re-think the role of every office, every laboratory and every factory workstation in the company. This technological innovation alone cannot save us ... In every case, technology will be subordinate to, not a substitute for, a complete understanding of the market and business.

[12] also strongly emphasise the human aspect of corporate transformation when they point out

More often than not, organisations in the throes of major process changes map out new, streamlined procedures but then pay scant attention to the changes in the soft areas of the behaviours, beliefs and values of the people in and managing the new processes.

Although BPR does inevitably have information technology (IT) dimensions, these are frequently very much less important in their successful implementation than the less tangible issues mentioned above. The consequence of this is that technologies often have much less to do with the success of BPR than the careful application of sound management principles.

It is most important to have a shared understanding of what constitutes success. In the context of BPR projects corporate success may be thought of as having satisfied customers/clients/members/voters to such an extent that they come back time and again to avail themselves of the organisation’s products or services and thus render the organisation financially sound or even prosperous. This means that neither ROI or Payback or any other financial measure is the primary objective of a BPR project, but rather improved client satisfaction which is believed will lead to better financial performance. Success at a BPR project however may be taken to refer to a situation in which the project achieves its stated objectives and that these new levels of performance are sustained for a minimum period, say perhaps 12 or 24 months, after the new arrangements have been put in place, i.e. officially commissioned.

BPR will, of course, use technology either as a tool in understanding the business or for planning the project. It may also employ technology as part of the new modus operandi of the transformed organisation. In fact many BPR projects have a substantial IT component. However, it is not the IT element that underpins the project, but rather the radical change to the manner in which the organisation conducts the business of satisfying its customer requirements. Thus, although BPR may be IT enabled and even IT originated, it is intrinsically a redirection of creative management effort instead of a reorganisation of the information systems. From this it may be concluded that a strict procedural methodology for the application and implementation of BPR or business transformation is not appropriate. The following are suggested phases which may be of use in some circumstances and which will undoubtedly not be useful in others.

2 Pre-Project Orientation

The first step in any successful BPR project is to prepare the organisation for the substantial changes which it will have to face. One of the most important issues to be addressed during this stage of the project is the setting of objectives. This exercise requires the establishment of the project’s costs and benefits, as well as a risk profile. The costs of the project will include investment costs such as hardware, software, commissioning, etc., as well as ongoing costs of staff, occupancy, consumables etc. It is also important to consider the costs which may be incurred by the disruption to the organisation which is inevitable with most BPR projects. Benefits include tangible improvements to performance such as lower costs, higher revenue, which will directly effect the bottom line, as well as intangible improvements such as client satisfaction. Over and above the usual risks associated with organisational projects, BPR is exposed to some extra risks, the most significant of which is the cancellation of the project before completion and the early reversion of the organisation to its former approach to business.

Ex-ante estimates of costs and benefits are essential if a final ex-post assessment of the success is to be made after the project has been commissioned [14]. A comprehensive risk profile is necessary if the risk of the project is to be estimated and subsequently managed.

The deliverables from this phase of the project are a statement of the expected costs and the benefits, and a comprehensive risk profile.
3 Reorienting the Organisation for Change

For BPR to succeed there has to be a very strong, in fact some would argue a compelling, reason to embark upon such a project. Some argue that the organisation must be close to a life ending experience before there is likely to be the political will to undertake the amount of change and the accompanying amount of trauma which BPR projects frequently require. Because BPR projects usually involve a substantial amount of change they will characteristically require individuals to undertake new responsibilities which will be regarded by some as challenging opportunities, but by others as threats. Extending employees' responsibility is frequently referred to as empowerment and this is not always welcomed by the majority of the staff. BPR projects will also often cause de-layering which may involve removing levels of middle management. For example a recent case study revealed that a leading insurance company reduced the number of management levels from 11 to 3 [15]. The new organisation structure is described in Figure 1.

As can be seen from Figure 1 the delayering of this operation relied heavily on the introduction of teams or groups. It is not a trivial matter to convert an organisation from a hierarchically based one to a team based enterprise. If teams are to work then staff have to be at least to some extent de-specialised, otherwise hands-off activities will persist. All team members must believe in the value of the team to both themselves and to the organisation. This requires the establishment of shared vision and values. It is important for teams to operate on an open democratic basis. The purpose of the team must be based on the achievement of clearly defined and measurable goals. The weak players need to be accepted and supported by the stronger members. Leadership needs to be shared with a joint responsibility or collegiate approach. Central to the success of the team approach is that those members of the team who have the skills should coach those who do not. Teams can fail for a number of reasons. These include flawed assumptions about how they should work, as well as a lack of commitment to them from top management. Middle managers sometimes see the team approach as a threat to their position and status in the organisation. The rethinking which is required for this is quite profound and thus needs to be carefully considered. According to [21]:

Managing in the new economy, requires not just change programs, but a changed mind set

This is no mean task to achieve and requires separate attention and funding from top management.

Whatever the physical manifestation of the change the underpinning concept is that the organisation will change to become a client-centric operation which will focus on delivering consistently better value packages to its customers.

Having sold the project to senior management the initiators must ensure it stays sold, and thus this phase may generate an ongoing commitment. Preparing the organisation for change is likely to require a substantial amount of the corporate energy needed for the whole project and may in some cases take several months to accomplish. If this phase is not concluded successfully there is a high chance of the project being abandoned or even failing.

The deliverable from this phase is a commitment to making a change to how the organisation delivers value to its clients. This commitment should be formed with top management announcing its intentions to the organisation and ensuring sufficient funds are made available in order to see the project through to a successful conclusion.

4 Auditing the Organisation’s Client Orientation

This involves understanding the organisation’s vision, mission, values, objectives, strategies and critical success factors. Each of these concepts are corner stones on which the organisation’s processes are based and thus need to be fully thought through if it is to be successful in the medium to long term. Having considered these fundamental issues the critical processes which deliver value need to be reviewed. From this group a sub-set referred to as candidate processes should be identified. These are the processes which will be reengineered first.

Auditing the organisation’s client orientation requires a substantial study of the major drivers of the organisation to establish if a client value-added ethos is in place. A client value added ethos is an approach to business which recognises that the purpose of the organisation is to deliver a value package to the client and that all the organisation’s systems should be designed to assist the achievement of this objective. The client value added ethos is in stark contrast to the profit maximising ethos. Maximising profit was one of the original intellectual drivers of capitalist economics which served the systems well enough for some 200 years. Profit maximisation assumes that the main if not exclusive thrust of the firm is to minimise costs and maximise revenue. It ignores the fact that there are often many other issues at stake even in organisations whose sole purpose is to make profit for their shareholders. The concept does not adequately address the notions of satisfying or value delivery. In fact profit maximisation is too simple a concept for the end of the 20th century which faces a far more sophisticated business environment than existed when Adam Smith [17] first wrote about it. This thinking ties in well with the definition of BPR supplied by [18]:

BPR is a direct attack against the principles of functional specialisation and incremental improvement that lie at the very foundation of the industrial revolution.

There are not many organisations which are exclusively or even largely focused on the delivery of added value to the client. Most organisations concentrate on ensuring that their current systems continue to function in the usual way. Of course, there is often an implicit assumption that these systems are in the best interest of the client although circumstances may well have changed rendering the procedures outmoded and quite inappropriate. This has
been referred to as the Barco effect which eludes to the fact
that organisations, like the older Barco video projectors,
continually need to be refocused.

To establish the presence or absence of this client-
centric ethos it will usually be necessary to conduct a cor-
porate culture audit. A simple statement of the corporate
mission or the objectives may not be sufficiently reveal-
ing. If a client value added ethos is not in place this must
be attended to before a BPR program can be considered.
Developing and inculcating a client value added ethos re-
quires a major corporate culture change and is thus a very
substantial piece of work in its own right.

In the context of BPR, a client needs to be under-
stood in a very broad sense. In this analysis, to exclu-
sively focus on external revenue generating customers is
inadequate. Internal clients who play key roles in the or-
ganisation’s value added chain need also to be included. In
addition, suppliers, who clearly are not clients in the tradi-
tional sense, need to be incorporated in this analysis in a
way which is not dissimilar to external customers.

The deliverables from this phase are firstly a confirma-
tion that the organisation is client-centric, and secondly a
list of candidate processes which are the first to be consid-
ered for transformation.

5 Identifying Core Processes—
Organisational Capability

To establish how the organisation delivers value it is nec-
essary to understand the core competencies.

It is not a trivial matter to define core competencies. A
traditional definition might be: a core competence is an
appropriate skill or skill set whereby knowledge is applied
to deliver value added to the production or service process
of the organisation. According to [13]:

Core competencies are the collective learning in
the organisation, especially how to co-ordinate
diverse production skills and integrate multiple
streams of technologies.

The characteristics of a core competence is frequently
that it is a technology or management capability supported
by the appropriate hardware, i.e. equipment and software,
i.e. organisations structure, systems etc. and thus play an
important role in resource allocation. Core competencies
are things which the organisation does exceptionally well
and which are in terms of the customers perception highly
valued. When the organisation is performing well its core
competencies will be primarily responsible for its profit. If
there is a deterioration in the core competencies then this
will be immediately felt in profit terms.

Another view of core competencies is advanced by
[11] who defines a core competence as

... not simply the possession of a particular tech-
nological or managerial capability. This would be
unlikely to differentiate a firm from its competi-
tors possessing a similar capability. Core com-
petence is a combination of such capabilities that
provide the firm with a leadership position in the
development of certain generic or core products.
This is what gives the business a sustainable com-
petitive advantage.

This definition introduces a link between core compe-
tence and the notion of a sustainable competitive advantage
which although is perhaps rather obvious has not always
be done. In addition it recognises the need to accommo-
date the high pace of change in the current business envi-
ronment by introducing the word capability in describing
core competence. This places the notion of core compe-
tence above the ownership of any particular set of skills or
current attributes and thus recognises the fact that in the
current age of rapid change flexibility is of paramount im-
portance. This view was supported by [7] when she said,

Today our ability to compete is based on the ca-
pability, the ability to produce new things, to pro-
duce improvements and to be responsive. That's
our chief competitive advantage.

Thus according to these definitions core competence
appears to be the engine which drives the organisation’s a
sustainable competitive advantage.

A knowledge of what the organisation’s core competen-
cies is clearly vital to the success of the enterprise. Ac-
cording to [11],

Every management team needs to know what
competences form the foundation of its most suc-
cessful products, so that they can develop those
competencies and nurture the people on whom
they depend.

Pearson’s view of core competencies is actually quite
specifically focused in terms of the organisation’s strategy
and he is very dismissive of activities which are not directly
related to core competencies in that he points out,
Core competencies are the basis of competitive advantage in achieving strategic intent. Acquiring and nurturing competencies that are not core is simply a waste of resources and effort and serves only to dissipate concentration. It is much better to buy in non-core competencies and focus all internal efforts on the acquisition and development of what really matters.

Core competencies may be identified by scanning finished products [13], although in organisations where there is not an obvious collection of products they may be identified by asking two questions:

- In which parts of the business are the most funds invested?
- What is the primary source of the organisation's competitive advantage?

Investment intensity and competitive advantage should demonstrate a degree of coincidence and the areas at which this coincidence is strongest will represent the core competencies. This concept is expressed diagrammatically in Figure 2.

Identifying core processes requires the re-mapping of the organisation into process areas as opposed to traditional business functions. This requires an in-depth understanding of the organisation's products and services as well as the clients and markets in which it functions. In addition, in order to identify core processes a careful study of the mechanics of the organisation should be made. It is important to achieve consensus about which processes are to be reengineered and why. It is essential to begin this work with a review of macro-processes, because focusing on too much detail will get in the way of understanding the broader view of the organisation. Once these macro-processes have been established they can then be further analysed in more detail to reveal micro-processes.

As mentioned above it is important not to waste organisational resources and energy on non-core processes (Pearson 1992) which should be reviewed from the point of view of being outsourced. Such outsourcing to competent organisations can result in substantially increased performance in these business or process areas. The underpinning philosophy is that the organisation should strive to be top class at its core processes and that it should outsource its non-core activities to other organisations for which these activities are core and which can offer top class performance in these areas.

The deliverable from this phase is the confirmation that the candidate processes are core. In addition this phase will allow the candidate processes to be prioritised.

6 Process and Sub-Process Redesign

Each process and sub-process activity has to be examined to see if it can be made more client oriented. This means that each activity has to be reviewed in terms of whether it contributes to clients ease of doing business with the organisation. The first step in achieving this is normally the modelling of the existing processes so that the organisation can fully understand how they work. Process modelling may be undertaken manually using paper and pencil. However, there are numerous process modelling tools available on the market which can speed up this work. These are now frequently available on personal computers.

These modelled activities and processes have to be examined to see if they are needed at all. This approach was well described by [4] when they wrote They weren't asking, How can we do what we do faster? or How can we do what we do better?, or How can we do what we do at a lower cost? Instead they were asking Why do we do what we do at all?

Activities and process that add value and are thus still required have to be examined to see if they can be made less complicated. Activities and processes have to be reviewed to see if more one stop servicing can be accomplished. The primary aim of this redesign activity is to create a more holistic approach to client value delivery. This primarily involves minimising the number of hands-off opportunities there are when dealing with a client, as well as speeding up the product/service delivery efforts. Other inefficiencies and ineffectiveness will also become apparent during this phase of the project and in some instances it will become apparent that certain functions, activities or even established processes are no longer required.

When process and sub-process have been redesigned it is necessary to undertake a corporate modelling exercise to establish if the new suggested processes are all internally consistent and that the proposed changes do not impact unfavourably on any other aspect of the organisation. This is sometimes referred to as alignment modelling and it should result in a clear understanding of how different processes interact with each other.

Wherever possible multi-disciplinary teams should be used during the process and sub-process redesign phase of the project. Such teams can help minimise misunderstandings and allow greater insight into the possible knock-on effects of new proposals.

The deliverable from this phase is a set of redesigned processes.

7 Produce an Implementation Plan

Before actual work on the BPR project can commence it is necessary to have developed a detailed implementation plan. As well as the work described above it is essential for the organisation to evaluate the skills and attitudes of the people who will be affected by the BPR project. Some of this work may have already been done during the phase described as reorienting the organisation for change, but it is likely that it will need extra effort during implementation.

The success or failure of the project will almost entirely depend upon how individuals perceive it and how they co-operate or resist the proposed transformation. Hand in hand with the people evaluation is the reassessment of the organisation's structure. The traditional command and control hierarchical structures were designed to maintain the status quo and in the world of transformation.
they are seldom appropriate. Therefore structure needs to be closely examined and modifications carefully planned. Generally a preferred structure in an organisation which has had its business processes reengineered is one in which a number of levels in the management hierarchy have been removed as has been described in Figure 1.

Information technology (IT) capacity as well as core technology employed by the organisation needs to be considered. Organisations which are relatively immature in their use of IT should be careful of over ambitious projects. Organisations which are rapidly changing core technologies need to take this situation into account when developing their plans.

It is essential for the plan to clearly state what is to be achieved, how it is to be undertaken and who will be responsible for the project. The required resources in terms of people, assets and funds have to be detailed. A timetable must be drawn up. Finally the plan must include a statement as to how the success of the project will be assessed.

The deliverable from this phase is a detailed BPR blueprint which embraces all the major facets of the project.

8 Preparing the Infrastructure

Although BPR is not synonymous with IT most BPR projects are in fact IT facilitated or enabled. Thus if the BPR project is IT based this phase involves the identification of the hardware and the software as well as the other technology platforms and staff which have to be in place before the project can be fully initiated. This phase may also involve moving office or even the location of the site of the business.

The deliverable from this phase is an organisation set to begin the main work of the BPR project.

9 Managing Change

This phase requires recognition that the changing of workflows, organisation structure and job definitions are intrinsic element in BPR. In fact it is frequently argued that the people-oriented aspects of BPR are the most difficult, but they are the source of most of the benefits of these interventions. A change programme may involve reducing the number of management levels in the organisation. It may require establishing teams as the basic unit of business performance. It may involve radical empowerment of teams or individuals. It may demand a redefinition of corporate governance which requires changes in responsibility and accountability in the organisation. Whatever the change requirement, it must be delicately managed if staff resistance is to be minimised.

In some organisations it is useful to have pilot change programmes to see how the organisation is likely to respond. In other cases a big bang approach is more appropriate. However, many firms feel that an evolutionary approach is better. The evolutionary approach is sometimes referred to as creeping BPR while the big bang approach is called radical BPR [16].

Generally process owners will have to be incorporated in the change management team and thus it is imperative that these individuals are fully committed before the change programme begins.

There are several quite different approaches to change management. However most approaches recognise that work has to be expended to end the current modus operandi. Then a neutral zone is entered by the individuals whose behaviour is being changed. At this stage new approaches, attitudes and behaviour are presented to the individuals involved in the project. It is essential that a compelling case is made to these people for the change and that the benefits which they will derive from it are clearly indicated.

It cannot be assumed that change will automatically stick and thus once the new behaviour has taken place the organisation needs to work at retaining the new modus operandi.

This phase of the project does not have a single result or group of deliverables, but is rather open ended and will require attention for quite some time, maybe several years.
10 Implementation

It is difficult to make generalised comments about the implementation of a BPR project as each one will be so entirely different from any other. However this phase will always involve actioning the newly redesigned processes. If IT is involved the implementation phase requires the delivery of the computer and telecommunications system. It would also require the acquisition or the development of appropriate software. It is important that software be developed quickly and so BPR projects benefit from joint application development (JAD) and rapid application development (RAD) techniques. In some instances computer aided systems engineering (CASE) tools may also be helpful.

IT systems comprising hardware and software components need to be rigorously tested and this activity has traditionally been regarded as part of the implementation process. However, the total quality management approach to systems testing suggests that the testing process which starts at systems specification or planning stage continues right throughout the entire project.

If IT is not involved then the implementation phase requires the actioning of the new manual processes required. It may also involve discontinuing functions or activities which may require staff to be relocated, or in some cases made redundant.

The deliverable from this phase is frequently a signed statement by the users to certify that the project has been commissioned and is functioning satisfactorily.

11 Assess the Success of the Project

All projects should be assessed to establish if they have been a success or a failure. This can only be done if the criteria for success has been established in advance. Criteria for success should have been established during the phase of the project referred to as preparing the organisation for change. Of course, sometimes it is not possible to foresee all the consequences of the project and thus setting in advance the criteria for success may not be easy.

Because of the complex nature of business transformation, multi-metrics which allow different perspectives to be considered, should always be used for BPR projects [22]. Typical criteria for the success of a BPR project are improvements in service and quality, time to process and reduction in cost, preferably to the client. BPR projects may also have payback, ROI or NPV as success criteria. However these financial measures are considered to be relatively blunt instruments. Whatever the criteria for success, the variables concerned should continue to operate in the new reengineered fashion for at least the duration of the payback period.

The deliverable from this phase is a statement which provides an assessment of the success of the BPR project.

12 Instigate Continuous Improvement Procedures

Once the BPR project has been concluded it is necessary to ensure that the benefits derived are maintained and this is usually best achieved through a program of continuous improvement. Without such a programme it is likely that the BPR benefits will be short lived as there appears to be a natural tendency for the organisation to revert to its original way of working.

The deliverable from this phase is the commencement of a continuous improvement project.

13 Conclusion

It is a very difficult task to successfully transform an organisation. The failure rate is very considerable and thus for those attempting transformation there is a high risk of failure. Business transformation or BPR is an art, and the precise way in which it is approached depends upon many circumstances which will vary from one situation to another. The broad guidelines which have been described in this paper should not be considered as a definitive methodology, but rather as a suggested tentative set of guidelines which should be applied with care and only where they are probably or possibly appropriate.

BPR may be understood as an attempt to revitalise business which has in a number of ways been flagging in the West in the last years of the twentieth century. In some respects BPR is a brand new concept which can be largely attributable to the work of Hammer and Champy while in other respects it is no more than just another attempt to improve performance by reducing costs and improving the organisation’s ability in satisfying customers. Thus the phases described in this paper are essentially an approach by which organisational opportunities may be explored.

The words of TS Elliot seem to be most appropriate:

We shall not cease from exploration
And the end of all our exploring
Will be to arrive at where we started
And know the place for the first time.

The suggestion that this approach to BPR is equivalent to an exploration which leads to knowing the organisation for the first time does not imply any lack of progress or achievement. On the contrary this would probably constitute a very significant step forward for many organisation.

Finally it is vital to appreciate that in an important sense a BPR project never comes to an end. Such a project is really best understood as the opening of a door into a new business paradigm in which the organisation becomes outward looking, especially towards its clients. In so far as the organisation’s clients and their needs continually change, the job of BPR, or business transformation, is simply to set up the beginning of a new approach to business which is in fact endless.
References

Notes for Contributors

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