FACULTY OF BUSINESS

Department of management

THE ASSESSMENT OF THE IMPLEMENTATIONS OF BUSINESS PROCESS REENGINEERING IN ADDIS KETMA SUB-CITY: THE CASE OF LAND ADMINISTRATION AND BUILDING LICENSE PROVISION OFFICE

BY

ALEMAYEHU NEGASH MOGES

JANUARY, 2012

ADDIS ABABA
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A SENIOR ESSAY SUBMITTED TO
THE DEPARTMENT OF MANAGEMENT BUSINESS FACULTY
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__________________________  __________________________
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Advisor                      Signature

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 Examiner, External          Signature

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 Examiner, Internal          Signature
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TABLE OF CONTENTS

ACKNOWLEDGEMENTS .................................................................................................................. i
TABLE OF CONTENTS ...................................................................................................................... ii
LIST OF TABLES .............................................................................................................................. iv
LIST OF FIGURES ........................................................................................................................... iv

CHAPTER ONE ................................................................................................................................. 1
INTRODUCTION ............................................................................................................................... 1
  1.1. Background of the Organization ......................................................................................... 1
  1.2. Background of the Study ..................................................................................................... 1
  1.3. Statement of the Problem .................................................................................................... 2
  1.4. Research Questions ............................................................................................................ 3
  1.5. Objectives of the Study ....................................................................................................... 4
  1.6. Significance of the Study .................................................................................................... 4
  1.7. Delimitation of the study ..................................................................................................... 4
  1.8. Definitions of terms ............................................................................................................ 5
  1.9. Research Design and Methodology ..................................................................................... 5
    1.9.1. Research Design ........................................................................................................... 5
    1.9.2. Population and Sampling Technique ............................................................................ 5
    1.9.3. Types of Data Used ...................................................................................................... 6
    1.9.4. Methods of Data Collection ......................................................................................... 6
    1.9.5. Methods of Data Analysis ............................................................................................ 7
  1.10. Limitation of the Study ...................................................................................................... 7
  1.11. Organization of the Study .................................................................................................. 7

CHAPTER TWO .................................................................................................................................... 8
REVIEW OF RELATED LITERATURE ................................................................................................. 8
INTRODUCTION ................................................................................................................................... 8
  2.1. Definition of B.P.R. ............................................................................................................. 8
    2.1.1. Re-engineering and Information Technology ................................................................. 9
    2.1.2. The Role of importation Technology in BPR ................................................................. 9
    2.1.3. What BPR is Not .......................................................................................................... 10
    2.1.4. Overview of BPR ......................................................................................................... 10
  2.2 BPR Verse TQM .................................................................................................................... 12
    2.2.1. BPR and Total quality management difference .......................................................... 12
    2.2.2. BPR versus Continuous Improvement ........................................................................ 15
  2.3. Who need BPR? .................................................................................................................. 15
  2.4. Why BPR is useful? ............................................................................................................. 16
  2.5. Challenges of BPR ............................................................................................................. 16
  2.6. The Driving Forces of BPR ............................................................................................... 19
  2.7. The Principle of Business Reengineering ........................................................................ 20
  2.8. Methodology for BPR ........................................................................................................ 21
  2.9. Goals of BPR ...................................................................................................................... 22

CHAPTER THREE ............................................................................................................................... 23
DATA PRESENTATION AND ANALYSIS ........................................................................................ 23
  3.1. Characteristics of the Study of Population ......................................................................... 23
  3.2. Analysis of Major Findings of the Study .......................................................................... 25
LIST OF TABLES

Table 1.1: Sample size distribution per department .................................................. 6
Table 2.1: BPR verses TQM ................................................................. 12
Table 2.2: BPR versus continuous improvement ...................................................... 15
Table 3.1: Respondents by sex and educational status ............................................. 23
Table 3.2: Respondents distribution per their academic level and work experience .... 24
Table 3.3: Respondents distribution by Case Team ................................................ 24
Table 3.4: Pre BPR Implementation ................................................................. 25
Table 3.5: Attitudes of employee towards BPR ....................................................... 26
Table 3.6: Improvements gained by employees after implementation of BPR .......... 26
Table 3.7: Improvements gained by organization after the implementation of BPR .... 27
Table 3.8: Extent of BPR implementation on the improvement of org. task and empowerment - 28
Table 3.9: Challenges to implement BPR in the organization ................................... 28
Table 3.10: The reaction of employees after the implementation of BPR ................. 29

LIST OF FIGURES

Figure 1.1: Reengineering guidance and relationship of mission and work process IT .......... 11
CHAPTER ONE
INTRODUCTION

1.1. Background of the Organization

Addis Ketema sub-city is one of the sub-Cities in Addis Ababa. Addis Ababa has 10 Sub-Cities. Many people live in Addis Ketema Sub-City. There are many government institutions, Investors, High schools, Colleges, religious intuitions and others. People and investors want services from this organization in relation to land, houses and business areas. Addis Ketema Land Administration and Building License Provision Office must give responses for customers.

Government wants to renew old villages in this Addis Ketema Sub-City. Day to day many customers visit this organization to get service. Addis Ketema Sub-City administration office must be ready to give answer to any customer demand, since BPR started to be implemented June 1, 2009.

Currently, the organization has provided job opportunity for 105 employees. Among those 93 are permanent employees and the remaining 12 employees are temporary workers. (Office brochure)

1.2. Background of the Study

Business Process Reengineering is one of the critical tools used as a mechanism to bring radical, fundamental and dynamic transformation in a way of doing only a given undertaking. It is used as a mechanism of throwing away the old way of doing things and starting a fresh. It requires a radical and break through transformation on every possible standards including cost, speed, customer satisfaction and other things. Because of its radical nature, BPR is a very challenging task (Linden 994, Hammer and Champy, 1993: 268).

According to Michael Hammer and James Champy, “BPR is the fundamental rethinking and radical redesign of the business process to achieve dramatic improvements in contemporary measure of performance such as cost, quality, service and speed”. BPR requires challenge of fundamental assumptions on which bureaucracies are built and radically redesign these organizations around desired outcomes rather than functions or departments (Linden 1994). It is about rejecting the conventional wisdom and received assumptions of the past and re inventing new approaches in every aspects of business in the organization.
The structure and the system of the Ethiopian civil service has been operating in the traditional way for a long time. The service delivery was not functioning along with the need of customers and dynamic global and local change. As a result, the country’s civil service was not efficient, effective and customer focused.

In order to minimize these problems nowadays the Ethiopian government launched a comprehensive civil service reform program (CSRP), which focuses on five major areas; expenditure control and management, human resource management, top management system, service delivery, and ethnics.

In order to satisfy the need of their customers, private or government organization use different types of management tools, each of them have their own advantage and disadvantage in different aspects. Nowadays, the new management tool that is introduced in Ethiopia is called Business Process Reengineering (BPR). Companies or organizations often reengineer when they want to dramatically change their way of doing business or when the current way of doing activities is not efficient and effective. From practice of some international companies, BPR produces highly positive results including significant reduction in cost, time and errors, increasing customer satisfaction and better overall organization efficiency and effectiveness.

In Ethiopia, implementation capacity building lies at the heart of development strategies. That is why government institutions, now give high concern for institutional capacity building. BPR is one of the critical tools selected and being implemented in the government institutions so as to put into concrete practices what has been laid down as a basic guide lines, principles, and paradigms by the reform program. As a nation, most organizations and sectors have already entered the implementation phase of BPR.

In the same manner Addis Ababa city administration has carried out BPR studies, in a number of bureaus, agencies, and all sub cities have started implementation. For the purpose of my study, I selected Addis Ketema sub-city, Land Administration and Building License provision.

1.3. Statement of the Problem
Addis Ketema Sub-City Land Administration and Building License Provision Office have organizational members who have different educational background under similar organizational
goals and objectives. Just like other sub-City land administration it has many customers. But the customers don’t get immediate service or service from this organization.

Business process reengineering in Addis Ketema Sub-City Land Administration and Building License Provision Office has failed to meet its objectives for the prevalence of poor service delivery as well as inefficient and ineffective mutilation of resources in general. Due to the aforementioned reasons there many complaints by customers and there is a need to investigate this service.

More over, the implementation of new management tool called BPR the service delivery was not efficient and effective this is because of backward attitude of the top and middle level managers and employees towards service delivery and due to the structural arrangement with many ups and downs. The service delivery was not customer focused. The employees were giving less value for customers, low educational status of the employees, lack of transparency, responsiveness and accountability. To overcome these problems, the reengineering team has set stretched objectives and crafted a new design.

Recently conducted, observations and discussions made with some customers of the sub city revealed that, the service delivery system was not effective and efficient as expected from the BPR implementation point of view, this means the preliminary investigation, the researcher Found gab between the principles of BPR and practice in the Organization which necessitated the research, especially on Land Administration and Building License Provision Business Process.

Therefore, this study was intended to investigate the achievements and the challenges faced during the implementation of BPR in Addis Ketema Sub-City land Administration and building license provision office.

1.4. Research Questions
The research has suggested possible solutions to the institution by addressing the following basic questions.

- What are the intended changes incorporated in the design?
- What is the attitude of employees towards BPR?
- What is the attitude of Customers towards BPR?
- What is the role and commitment level of top leaders managers?
- What is the role and commitment level of the middle leaders managers?
• What is the level of service delivery improvement as compared to the intended goals?
• What are the factors contributing for the existing challenges or problems that need attention?

1.5. Objectives of the Study

General Objective

The general objective of the study was to assess the prone and cones of the implementation of BPR in Addis Ketema Sub-City Land Administration and building license provision office.

Specific Objectives

More specifically, this research has endeavored to maintain the following particular objective

• Identify the intended changes incorporate in the design
• Assess the altitude of employees and customers towards BPR
• Understand the roll and the commitment level of top leaders and middle level managers.
• Recommend the improvement direction.
• Offer the possible measures to minimize the existing problems and maximizing the success.

1.6. Significance of the Study

Since implementation of BPR has an impact on organizational objectives, this study has a prominent role in evaluating problems and challenges on the implementation of BPR to an optimum level. The researcher believes that the study would contribute a lot for stake holders at different level and the paper would have the following importance or contribution.

• Provide new insights for the problems and challenges on the implementation of BPR.
• Used as an indicator for the BPR designers and helps them to see scenario of BPR implantation
• Used as a key factor to bring solutions for BPR implementation.

1.7. Delimitation of the study

The scope of this study has been limited on Addis Ketema Sub-City with special attention on the implementation phase of business process found under the general manager offices particularly this research was limited to Land Administration and Building License Provision business process.
1.8. Definitions of terms

In the definition of BPR, four key words have been considered that help us to understand the idea of BPR. The words are:

**Fundamental Rethinking**
It is asking the most basic questions about the organizations and how they operate questions like
- How do you do?
- What do we do? The way we do Reengineering takes nothing for grant. It ignores what in and concentrates on what should be

**Radical Redesign**
- Radical redesign means getting to the root of things, not making superficial changes or fiddling with what is already in place, but through way the old.
- Reengineering is about business reinvention not business improvement, business enhancement, or business modification.

**Dramatic improvement**
- Reengineering is not about marginal or incremental improvement, but about achieving quantum leaps in performance.

**Process**
- Process is a location of activities that take one or more kind of input and create an output of value to customers. (Hammer and Champy, 1993:32–35)

1.9. Research Design and Methodology

1.9.1. Research Design

For the reason that the intention of the study was to describe the present practice of BPR implementation in Addis Ketema sub-city, the research was designed to be descriptive type.

1.9.2. Population and Sampling Technique

The total population consists of 105 employees of Addis Ketema Land Administration and Building License Provision Office. To carry out this research, the total population has been classified based on departments so that stratified sampling technique is going to be implemented on each and every employees department. This technique was implemented since it gives all population elements residing in the given departments equal chance of being selected as sample members. The sample size was decided to be 30+% and shown in Table 1.1:
Table 1.1: Sample size distribution per department.

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of employees</th>
<th>Sex</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>F</td>
<td>M</td>
</tr>
<tr>
<td>Administration</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Yebota Asetate</td>
<td>35</td>
<td>20</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Yebota Asetate</td>
<td>34</td>
<td>18</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Genbata fekade</td>
<td>34</td>
<td>26</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
<td>65</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19</td>
<td>13</td>
</tr>
</tbody>
</table>

In order to make the sample representative a probability sampling specifically simple random sampling technique was used. Therefore, out of the total population, 32 employees (30%) was considered for the study. Among the sample population elements 13 are male and the remaining 19 respondents are female. Simple random method was used because of its precision, less costly and simplicity. The other reason that the student researcher used simple random sampling technique is that it gives to all population to have equal chance of being selected as sample elements.

1.9.3. Types of Data Used

Two basic types of data were used, primary and secondary data. Primary data includes information from respondents, which were collected through questionnaire, interview, observation, and it was assumed that it would provide original information to the study. On the other side, secondary data was obtained from related literatures, which includes different kinds of published and unpublished books, journal, internets and other relevant available materials.

1.9.4. Methods of Data Collection

The primary data was collected through questionnaires and interviews. The questionnaires were distributed to the target respondents found in the administrative office and employees of land administration of Addis Ketema Sub City. The questions were both closed and open ended in type. The second tool of collecting information that was used in gathering the desired data was semi-structured interview. This might help the researcher to get a chance to dig out and raise some main questions and based on the interviewees responses and it was conducted with head of capacity building office.
1.9.5. Methods of Data Analysis

Qualitative analysis methods under the descriptive statistics were applied to analyze the collected, organized and presented data. Furthermore, the qualitative methods of data analysis were also implemented to identify the differences in perception among different respondents.

1.10. Limitation of the Study

During the time of the study the researcher faced with the following problems

- Lack of earlier study related to the topic;
- Lack of well organized information in the office;
- Lack of sufficient time to gather more information;
- Respondents understanding level BPR.

1.11. Organization of the Study

This research paper has four chapters. The first chapter is the introduction, which incorporates Background of the study, Background of the organization, Statements of the problem, Objectives of the study, Significance of the study, Research questions, Scope of the study, Research methodology and Organization of the study, Review of related literature, which deals with the theoretical background of organization, was incorporated in chapter two. The third chapter was made to have Analysis and Interpretation of the findings of the study. The last chapter, Chapter four, dealt with summary of the major findings, Conclusions, Recommendations.
CHAPTER TWO
REVIEW OF RELATED LITERATURE

INTRODUCTION

Business Reengineering is on the agenda of our government in different organization. This is one of the most effective approaches for redesigning the way work is done to better support the origination’s mission and reduce cost.

2.1. Definition of B.P.R.

Different authors have given different definitions to the term Business process Reengineering. Hammer and campy, who have perhaps done the most to popularize the concept with in the ranks of western management, defined as:

“Reengineering is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvement in critical contemporary mesa use of performance such as cost, quality, service and speed”. (Hammer and Champy, 1993: 33)

Another author gave different name of business process reengineering for example:

Kaplan and Murdoch 1991
- Core process redesign

Davenport 1992
- Business process innovation

Burke and peppard 1993
- Business process transformation

Davenport prefers the term “business process Innovation to process reengineering, since according to him “Reengineering is only part of what is necessary in the radical change of process; it refers explicitly to the design of the new-process, the term process innovation encompasses the envisioning of new work strategies, the actual process design activity, and the implementation of the change in all its complex technological, human and organizational dimensions”. (Deven Past, 993: 32)
Lowental on the other hand, defined Business process Reengineering in the broadest sense of concept as; “the fundamental rethinking and redesign of operating processes and organizations structure, focused on the organization’s core competencies to achieve dramatic changes in organizational performance measures, such as cost, quality service and speed, GAO, 1997,6) Technology is concerned with the use of computer systems and other forms of communication Technology in the business. In BPR, information technology is generally and collaborating, rather than supporting existing business functions.

The people /human resources/ dimension dears with aspects such as education, training, motivation and reward system. The concept of business process interrelated activities aiming at creating a value added out put to a customer -is the basic underlying idea of BPR.

2.1.1. Re-engineering and Information Technology

Re-engineering is one of the approaches of the administrative reform in public Administration, besides citizen charter, reinventing government, new public management, decentralization and so forth.

Where reengineering project leads to new information requirements, it maybe necessary to acquire new technology to support those requiring new information to bean in mind, however, the acquiring new information technology does not constitute reengineering. Technology is an enabler of process reengineering, not a substitute for it (GAO, 1997:9)

As Linden describes “don’t pave cow paths“ first redesign the process. Then, support it with technology. As an essential enabler in reengineering, modern information technology has an importance to the reengineering process. (LINFON, 1994: 107)

2.1.2. The Role of importation Technology in BPR

Information technology (IT) has historically played an important role in the reengineering concept. It is considered by some as a major enable for new forms of working and collaborating within an organization and across organizational borders. (Michael Hammer, 2001:223-225)

Early BPR literature identified several so called disruptive ecologies that were supposed to challenge traditional wisdom about work should performed as: (w.w.w. wikipedia.com)
- Shared databases, making information available at many places
- Expert systems, allowing generalists to perform specialist tasks
- Telecommunication networks, allowing organizations to be centralized and decentralized at the same time
- Decision-support tools, allowing decision-making to be a part of everybody’s job
- Wireless data communication and portable computers, allowing filed personnel to work office independent
- Interactive videodisk, to gent immediate contact with potential buyers
- Automatic identification and tracking, allowing things to tell where they are, instead of requiring to be found
- High performance computing, allowing on-the planning and revisiting

In the mid 1990s, especially workflow management systems were considered as a significant contributor or improved process efficiency. Also EPR (enterprise Resource planning) vendors, such as SAP JD end wards, oracle, peoples soft, positioned their solutions as vehicles of business redesign and improvement. (w.w.w. wikidapia.com)

2.1.3. What BPR is Not
- BPR is not downsizing. This means getting rid of people and to improve short-term with financial results.
- BPR is not to be confused with automation.
- BPR is also not a fad.

2.1.4. Overview of BPR
Business process reengineering (BPR) began as a private sector technique to help organizations fundamentally rethink how they do their work in order to dramatically improve customer service, cut operational costs, and become world-class competitors. A key stimulus for reengineering has been the continuing development and deployment of sophisticated information systems and networks. Leading organizations are becoming bolder in using this technology to support innovative business processes, rather than refining current ways of doing work.
Within the framework of this basic assessment of mission and goals, reengineering focuses on the organization’s business processes— the steps and procedures that govern how resources are used to create products and services that meet the needs of particular customers or markets. As a structured ordering of work steps across time and place, a business process can be decomposed. It into specific activities, measured, modeled, and improved. It can also be completely redesigned an organization’s core business processes with the aim of achieving service, and speed.

Reengineering recognized that an origination’s business processes are usually fragmented into sub processes and tasks that are carried out by several specialized functional areas within the organizations. Often, no one is responsible for the overall performance of the entire process. Reengineering maintains that optimizing the performance of sub processes can result in some benefits, but cannot yield dramatic improvements if the process itself is fundamentally inefficient and a outmoded. For that reason, reengineering focuses on redesigning the process as a whole.
This drive for realizing dramatic improvements by fundamentally rethinking from process improvement efforts that focuses on functional or incremental improvement. (w.w.w wikipedia.org, BPR)

### 2.2 BPR Verse TQM

Total quality management (TQM) is an approach that encourages supports.

<table>
<thead>
<tr>
<th>TQM</th>
<th>BPR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seek to enhance the existing</td>
<td>Seeks to replace the existing</td>
</tr>
<tr>
<td>Continuous to improvement.</td>
<td>Charge in one time</td>
</tr>
<tr>
<td>Continuous increase in value</td>
<td>Eliminate what ever is irrelevant</td>
</tr>
</tbody>
</table>

Quality management (TOM) focusing needs on the organization internal and external customers, so enable in all activities in the organization. (Hammer M., 1993)

In other hand both have the same similarities between TOM and BPR.

- Both are recognize the importance of process.
- Both are start with the needs of the costumers and work back ward and form their (hammer and Jams Chmpy, 216P)

### 2.2.1. BPR and Total quality management difference

There are three requirements for the achievement of quality: timely delivery; appropriate cost; and quality as required by the customer. Cost is important, as there is little use in designing a product of high quality if it is not competitive in the market place. TQM is concerned with redacting costs by minimizing defects, rework, scrap, backlogs, late deliveries and surplus items. It is based on the belief that defect-free work is possible most of the time. (Field & Swift 1992:211)

TQM overcomes many of the problems associated with quality circles because it involves restructuring the workforce into autonomous teams that are responsible for work methods and processes.

TQM usually encompasses employee involvement, teamwork, invocation, review of work processes and an avenue for customer feedback. Furthermore, many of the issues that were
previously dealt with by management are passed down to employees. However, while the increased responsibilities that staff experience are usually welcomed, they should be supported with an appropriate system of recognition and rewards. To enable employees to take on their new roles they will also require leadership, commitment from management education and training, access to information and resources, and unity of purpose. (w.w.w wikidipedia.com)

Organizational structure and culture are also important considerations when implementing TQM. The TQM approach view organizations as interactive networks consisting of communication and control. However, communication is more difficult in an organization characterized by a tall hierarchy. Communication between departments may also be poor or different departments may be competing with each other and pulling in different directions. In both instances employees lose sight of the big picture and inefficiencies occur. (ibid)

A change in organizational structure may be necessary to eliminate communication problems that occur because of the hierarchy. A change in culture may also be necessary to ensure that all departments are pulling in the same direction. That is, the urge to compete needs to be replaced by a tendency to share. (ibid)

TQM not only requires management commitment, it also requires employee commitment. If employees do not support the approach, success will be difficult to achieve. Management’s leadership and its ability to convey the benefits of TQM are of vital importance in getting employees excited about and committed to TQM by manager and resistance by employees can be impediments to the adoption and use of quality practices. (Goetsch& Davis, 1995:154)

In summary, TQM aims to achieve continuous improvement of products, services and processes through the involvement of people at the workplace. The TQM approach therefore, views organizations as interactive communication networks. Furthermore, the communication process includes not only members of the organization, but the organization’s customers, in such a way that the organization interacts with suppliers and consumers to ensure that quality goals are met. (w.w.w wikidipedia.com)

Business process Re-engineering (BPR) can be defined as: a radical scrutiny, questioning, redefinition and redesign of business processes with the aim of eliminating all activities central to
the process goal and automating all activities not central to the process goals and automating all activities no requiring human judgmental input, or facilitating that judgment at reduced cost. (ibid)

BPR was championed by Michael Hammer and James Champy (1994) in the book ‘Re-engineering the corporation’ in which they advocated that old systems be discarded and replaced with new, more innovative and effective processes. BPR demands lateral thinking that extends beyond the current boundaries in order to achieve a more effective organization.

BPR has been heavily criticized in the literature. One criticism is that BPR on the implementation of new technology, rather than the improvement of business processes. Information technology companies are selling solutions’ to business problems and are promoting the existence of been criticized as being associated with downsizing and cost-cutting, with little regard for quality or long-term business objectives. However, Hammer has defended BPR, stating that it was not intended as away to simply slash labour costs, but to stream line work processes, remove bureaucratic procedures and increase efficiency. (ibid)

BPR starts with a vision or idea. However, ideas only come from three sources they can be copied from other companies (benchmarking), bought (from an IT company or consultant), or They can be original ideas. Benchmarking does not allow competitive advantage and buying the idea is expensive and often results in the purchase of s ‘solution’ which is not relevant to the business to which it is sold. While original ideas seem to be the only way to develop unique and relevant solutions, they are often developed within existing and constricting frameworks to maximize the chance of them being accepted. Indeed, original ideas are criticized by Thomas who believes that the acceptance of an idea is inversely related to its radical ness, especially when associated, at it is so often, with significant downsizing. (ibid)

Perhaps it is the lack of constricting frameworks that has prompted may BPR initiatives to be conducted in Greenfield sites. Indeed large organizations have been known to set up new companies with new staff, new policies, and new methods to the parent company. This starting s again’ avoids the issue of organizatonal change and transformation with is complicated in BPR due to the frame-braking nature of the changes). However, it is possible to gain commitment and motivation during reengineering through the use of the vision. (ibid)
Although the radical ness of BPR can create many challenges, it also appears to be able to offer many advantages when it is implemented successfully. Furthermore research shows that around eighty percent of organizations that implement BPR are satisfied with the result. (ibid)

2.2.2. BPR versus Continuous Improvement

Continuous improvement mans on going effort to incrementally in prove services and new products are provided.

Table 2.2: BPR versus continuous improvement

<table>
<thead>
<tr>
<th>BPR</th>
<th>Continuous improvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radical transformation</td>
<td>Increase in value</td>
</tr>
<tr>
<td>Employ and Technological focus</td>
<td>Employ focus</td>
</tr>
<tr>
<td>High capital</td>
<td>Law capital</td>
</tr>
<tr>
<td>Re build as new</td>
<td>Improving to existing work</td>
</tr>
</tbody>
</table>

2.3. Who need BPR?

There are three organizations find to undertake reengineering.

I. Organizations that find themselves in deep trouble:
   - Costs are higher than business sale and competitions; customers are dissatisfying about the services the organization offer and openly rail against it. etc.
   - Massive public (customer) dissatisfaction about service that the organization is offering.
   - These organizations have no choice, no time.

II. Organizations that are not yet in trouble, but whose management has the fore sight to see trouble coming:
   - Even though they are in healthy financial condition attractive (good) profitability level, but management see that new competitors entering the market, changing customers characteristics, changed regulatory (policy) change in economy development, the technology advancement etc.

III. Organizations that are in peak condition:
   - They have no discernible difficulty, either now or in the horizon, but their management is ambitious and aggressive.
They need reengineering as an opportunity to further their lead over their competition, to keep the position.

2.4. Why BPR is useful?

Improvements in business performance of, say, 10 – 15 percent can be achieved in most organizations using conventional consultancy techniques. Where quantum leaps are required, for example where the old needs to be completely placed with the new then, re- engineering is a good way forward. The key to grasping the way BPR differs from other improvement studies lies in understanding the focus, breadth and duration of the reengineering process (Hammer and Champy, 1993).

The primary focus is on the customer, those people who pay the money which keeps the business going. So if a process does not help to serve a customer then why we have the process in the first instance? Although BPR requires a detailed knowledge of what the customers want it does not demand a highly detailed understanding of the tasks involved in every activity of the business. This makes BPR economical in terms of investigation time when compared with conventional methods, in which highly detailed studies are usually undertaken before any change is made. BPR requires that those conducting the study are highly experienced in business practices and systems, and are able to identify the features of the business which are crucial to its success. A high level in house team, working with experienced consultants, would be able to provide the necessary expertise.

A further aspect of the BPR approach concerned the speed with which changes are introduced. Conventional wisdom states that change is best brought about through an evolutionary approach. If it is required to introduce a radically changed organization, it can be argued that it makes good sense to carry out the necessary changes quickly. Many major BPR projects have been implemented within one year.

2.5. Challenges of BPR

According to Manganelli and Klein (1994: 225- 261) there are nine fatal mistakes that causes reengineering fail. Some of these related to the implementation phase are:

**Fatal mistake 1: Unclear Definition**

Some managers and executives think that BPR is a process and automation, reorganization, downsizing and incremental change. But from the view of BPR, it is not just automation,
reorganization, downsizing and incremental change rather BPR seeks breakthrough in important measurement of performance, pursues multifaceted improvement goals – including quality, cost, flexibility, speed, accuracy and customer satisfaction. BPR also involves a willingness to rethink how work should be done; even totally discard current practices if that should prove necessary. Moreover, BPR takes a holistic approach to business improvement, encompassing both the technical aspects of process (technology, standards, procedures, system and control) and the social aspect (organization, staffing, policies, job, career path and incentives).

**Fatal mistake2: Inadequate Resource**

As with many other project face the common dilemma that the people best suited to perform the work of the project are usually the once who can least be spread from their normal duties. It helps to understand that there is no good solution to this problem and that any accommodation will be a compromise.

Hiring consultants may be a good idea, but they can’t replace your own people on the BPR project. Employees bring the reengineering team an understanding of current processes, key individuals, and cultures that are difficult for outsider to obtain. Outsiders whether they are consultants’ employees from a different vision, all new hires play an invaluable role in BPR. They bring a fresh perspective and the creative naiveté to ask “why do we do things this way?” Consultants can play another role as well; they can bring a method for BPR and experience doing it. So the first requirement for adequately resourcing a BPR project is to provide a balanced mix of insider to outsiders on the reengineering team. The second requirement is to give the people on the reengineering team enough time to do their work. The third requirement is an adequate budget; for insiders’ salaries, for outsider’s fees. Finally and most importantly, it is often not enough to simply assign employees send them to seminars and turn them loose. They must be trained and supported.

**Fatal Mistake 3: Unrealistic Expectations**

Perhaps because of unclear definitions of what BPR is and over enthusiastic promotion of BPR’s benefits, many senior executives have unrealistic expectations of what a reengineering project can accomplish. Although there are examples of 3,000 percent improvements in performance as a result of reengineering, these are exceptions needed be readily attainable with BPR. But in another aspects, 30 percent improvement may well represent a break through, particularly if it involves a broad aggregate measure of performance such as profitability. The point is that BPR can
produce performance break through where as more traditional improvements programs produce only increment gains.

Certainly one should undertake a BPR project with willingness even a hope for order of magnitude gains. But goal should be set and expectations conditioned on the basis of realistic analysis performed during the project. In addition to unrealistic expectations about the size of the gain from BPR. Some executives are mistaken about the domain of its applicability. BPR is applicable to the operational level of a business not the strategies or even the tactical.

**Fatal Mistake 4: Lack of Sponsorship**
Meeting senior executives’ expectations for results and their tolerance of delay are certainly necessary to retain their sponsorship, as is satisfying their appetites for cost and risk but one must obtain that sponsorship in the first place. Senior management must sponsor BPR for several reasons. First, the impact of BPR is so broad that only senior management can sanction it. Second, BPR usually involves a shift in culture and it is uniquely senior management role to set the culture. Third, BPR requires leadership of the most visible sort. Maneganlli and Klein (1994:256) states that:

“In order to obtain sponsorship, an executive generally must go through four stages- awareness, curiosity, interest and belief before he or she will commit to sponsorship. To move to the interest stage an executive must have credible evidence that BPR has worked for others and recognition of the need that BPR might satisfy. To convert the interest in to belief, the executives must be convinced that BPR will help meet the need. One way of accomplishing this is by showing the executive administrated success with in the company. Another way is by showing the executive exactly how you propose to carry out the BPR project.”

**Fatal mistake 5: Techno Centrism**
Certainly technology is a key enabler of BPR but technology is not BPR. BPR changes the business process that the way the work is done. Applying technology to current process has been rightly called paving the cow path. Although some technology like desktop computers for personal productivity of mobile telephone are quick and easy to install, technologies that support and enhance a process as a whole are often more social side.
Processes-empowerment usually can be implemented faster and often provides the majority of the benefits. Many of the most successful BPR projects have been ones in which technology was delayed to later phases. This is not to say that the social changes are easy but they are faster to implement. In fact, the opposite is true – the social change is almost always harder than the technology change.

Fatal mistake 6: Lack of Effective Methodology

A BPR methodology provides the discipline and specific methods needed to break out the old narrow of thinking about the business, envision a better way, and realize that vision. A good methodology provides a road map of reengineering. That is it enables an organization to select the most appropriate destination and then find the best route to get there. There are many ways to use the methodology and each organization will have to select the approach that the best fits its needs. Some will re-sequence the task or omit some entirely. Other will adapt tasks their own style and culture. But without good BPR methodology organizations are left with the “what” but not the: how to”. Without a methodology reengineering project run the risk of deteriorating in to, on the one hand, brain storming sessions and quality circles or on the other hand more of the same old automation or operations improvement projects.

BPR projects are no more risky than other types of corporate projects with similar ambitions. Indeed, BPR may be the only way in the long run to achieve really ambitious operational goal. Failures in BPR projects have usually come from mistakes in defining, organizing or conducting the project. To avoid these mistakes, follow the nine commandments of BPR. These are Be clear, Be realistic, Be prepared, Hurry up, Focuses, Technology yes, but people first, Don’t get snowed, Follow a methodology, Have a champion. (Manganelli and Klein, 1994:262)

2.6. The Driving Forces of BPR

No one feel compelled to undertake BPR, even where radical change is needed, activities such as creative thinking, benchmarking, corporate transformation, culture change and involution can be undertaken quite independently of BPR. Many other frame works and approaches, exist and these may or may not include the use of certain change elements that have been claimed by advocates of BPR. (Thomas, 1994: 28)

Whether or not BPR is desirable will depending up on the reasons for undertaking it. The motivations or drives for considering or embracing reengineering can be extremely varied. They
could include survival, differentiation, competitive advantage or a desire for early wines and quick fixes.

Some of the drivers are negative or positive. BPR could be used as a cosmetic to demonstrate action or to avoid difficult choices. It could be used to squeeze more blood out of managers already working harder than they have ever done before. Alternatively, it could liberate them from less essential and non values added tasks in order to get more time for creative thinking. Sadly, most BPR practitioners appear to achieve the former at the expense of the latter. (Thomas, 1994:28)

Other drivers of BPR include head count and cost reduction rather than values to customers. In itself, BPR is a neutral instrument. We determine whether it turns out to be help or hindrance. Whether or not BPR is of central or marginal importance will depend on what it is applied to, how it is used and the goal that are set.

**2.7. The Principle of Business Reengineering**

The principle of business reengineering emerged during the early 1990’s and the following are some of the important principles (Thomas 1994)

- Externally focuses on the end customers and the generation greater values for customers.
- Give customers and users a single and accessible point of contact through which they can harness whatever resources and people are relevant to their needs and interests.
- Internally, focus on harnessing more of the potential of people and applying into those activities which identify and deliver value to customers. This principle tends to be overlooked.
- Encourage learning and development by building creative working environments. This principle has been almost forgotten in many organizations, the current emphasis being to squeeze make out of people and working them harder, rather than improving the quality of working life and working more cleverly.
- Think and execute as much as activity as possible horizontally, concerning on flow and process including communication through the organization.
- Give priority to the drivers of value rather than maintenance of management control. The role of the manager is being redefined and an emphasis on command and control is giving way to empowerment, and the notion of the coach and facilitator.
- Network related people and activities. Vertical Corporation is becoming common place in some business sectors.
- Encourage involvement and participation. This requires error tolerant leadership.
- Keep a number of core processes to a minimum (approximately 12). They all should be directed to external customers. Management processes such as corporate planning processes which deliver too late have any real impact can lack both internal and external customers.
- Building learning, renewal and short feedback loops into business processes.
- Ensure the continuous implement is built into implemented solutions. Experience of business reengineering can reawaken interest in TQM; both are natural complements. This is widely overlooked.

2.8. Methodology for BPR

A methodology is a systematic or clearly defined way of accomplishing an end. This definition contains further specifications that a successful methodology for BPR must:

- Begin with the development of a clear statement of corporate goal and strategies.
- Consider satisfying the customers as the driving force behind this strategies and goals.
- Address business processes, rather than functions and align process and corporate goals.
- Identifying the value-add process, along with those support processes that contribute to the value.
- Make appropriate use of proven and available management techniques and tools to ensure the quality of both information used and BPR deliverables.
- Provide analysis of current operations and identification of process that are not value add.
- Provide for the development of breakthrough visions that represent radical rather than incremental change, faster and provoke thought as the means of attaining and evaluation this visions.
- Consider solution in which employees’ empowerment and technology are the basis for implementing the changes.
- Provides for the development of a complete business case to provide convincing information and arguments to the decision makers.
- Develop an actionable implementation plan to satisfy tasks, resources and timing of events, following approval (Manganelli and Kleil, 19994:25-26)
2.9. Goals of BPR

- In Creasing productivity and service
- Increasing customers satisfaction and employee interest
- Increasing internal corporation communication team work.
- Increasing employee knowledge, skill, Attitude of the organization aim.

Many firms to develop new, coordination-intensive structures, enabling them to coordinate their activities in ways that were not possible before. Such coordination-intensive structures may raise the organization’s capabilities and responsiveness, may raise the organization’s capabilities and responsiveness, leading to potential strategic advantages.
CHAPTER THREE
DATA PRESENTATION AND ANALYSIS

This chapter deals with presentation and analysis of data, which were collected from four groups (general managers, middle managers, employees and customers) through open ended and close ended questioners and interviews. To make the research more reliable 32 questionnaires were distributed, which was 30% of the total population. Among these questionnaires 29 were returned with full response, 3 were responded incorrectly and were not in corporate in the analysis interview was also conducted with one top level manager.

3.1. Characteristics of the Study of Population
The characteristics and respondents expressed in terms of sex, age. Based on these the information obtained from respondents presented as follows in the table below.

Table 3.1: Respondents by sex and educational status

<table>
<thead>
<tr>
<th>Item</th>
<th>N². of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>21</td>
<td>72.41%</td>
</tr>
<tr>
<td>Male</td>
<td>8</td>
<td>27.59%</td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
<td>100%</td>
</tr>
<tr>
<td>Age group in years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-30</td>
<td>15</td>
<td>51.73%</td>
</tr>
<tr>
<td>31-40</td>
<td>5</td>
<td>17.24%</td>
</tr>
<tr>
<td>41-50</td>
<td>5</td>
<td>14.24%</td>
</tr>
<tr>
<td>51-60</td>
<td>4</td>
<td>13.79%</td>
</tr>
<tr>
<td>Above 61</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Compiled from the Questionnaire, 2011

As shown in the above Table 3.1, about 72.41% of the sample population is female and the remaining is male. The evidence reveals the sample population is relatively young. But some of the employees are old which could be reason for lower performance given that some tasks required physical fitness.
Table 3.2: Respondents distribution per their academic level and work experience

<table>
<thead>
<tr>
<th>Item</th>
<th>No. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Academic level /qualification/</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate</td>
<td>60</td>
<td>20.69</td>
</tr>
<tr>
<td>Diploma</td>
<td>15</td>
<td>51.73</td>
</tr>
<tr>
<td>BA or BSC</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>10.34</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2</td>
<td>100</td>
</tr>
<tr>
<td><strong>Work experience in the organization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - 4 years</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td>5 - 10 years</td>
<td>16</td>
<td>55.17</td>
</tr>
<tr>
<td>Above 10 years</td>
<td>9</td>
<td>31.04</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>29</td>
<td>100</td>
</tr>
</tbody>
</table>

**Source:** Compiled from the Questionnaire, 2011

As shown in Table 3.2 out of the total respondents 17.24% of them have got bachelor, 51.73% have got Diploma, 20.69% certificate, and the remaining 10.34% are grade 12 and below. Most of AKLAO employees are semi professional and certificate holder this indicates that the tasks are to be performed is technical and labor intensive and routine one.

In addition to educational qualifications, respondents were asked about their job experience. Accounting to the data presented in Table 3.3 almost the majority of the respondent i.e 55.17% have the experience of 5-10 years, 13.79 of respondents have 1.4 years of experience and the remaining 31.04% is above 10 years experience. This data reveals the fact that most of employees are young and with better experience gives them an opportunity to do this task better.

Table 3.3: Respondents distribution by Case Team

<table>
<thead>
<tr>
<th>Case Team</th>
<th>No. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>2%</td>
<td>6.90%</td>
</tr>
<tr>
<td>Yezota Asetat</td>
<td>15%</td>
<td>51.72%</td>
</tr>
<tr>
<td>Yebota Asetat</td>
<td>8%</td>
<td>27.59%</td>
</tr>
<tr>
<td>Genbeata fekd</td>
<td>4%</td>
<td>13.79%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>29%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Source:** Compiled from the Questionnaire, 2011
As shown in the tables 3.3 above 51.72% of the respondents were from Yezota Asetata. This group holds the largest portion form all team because the task requires all workers to go the customer house to bring data. The remaining and 6.90%, 27.59% were form administration, Yebota Asteta and Gebnta Fekad team.

3.2. Analysis of Major Findings of the Study

Table 3.4: Pre BPR Implementation

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>N°. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existence of employee participation in goal setting process before implementation of BPR</td>
<td>Agree</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>21</td>
<td>72.41</td>
</tr>
<tr>
<td></td>
<td>Indifferent</td>
<td>8</td>
<td>27.59</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>29</td>
<td>100</td>
</tr>
<tr>
<td>Have you ever been told by the organization about the implementation of BPR, which will be used to accomplish the organization’s vision?</td>
<td>Yes</td>
<td>6</td>
<td>20.69</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>23</td>
<td>79.31</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>29</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Compiled from the Questionnaire, 2011

Regarding employees participation in goal setting process before the implementation of BPR the respondents show that 72.41% disagreement, and 27.59 indifferent. And they also replied 79.31% and 20.69% yes to the question whether they have been told by the organization implementing BPR will be used as means to accomplish its vision. Here fore, employees were not participated to the goal setting process at this phase to create a common understanding and employee were not made aware of by the organization to take BPR as means to accomplish its vision. The absence of this creates un-belongingness and lack of initiation among employees to the over all effort to implement BPR and its successfulness.
Table 3.5: Attitudes of employee towards BPR

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>No. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>How did you get aware of BPR?</td>
<td>Through training provided by the organization</td>
<td>8</td>
<td>27.90</td>
</tr>
<tr>
<td></td>
<td>Through formal education</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td>Through reading materials related to BPR</td>
<td>17</td>
<td>58.62</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>29</td>
<td>100</td>
</tr>
<tr>
<td>Do you Consider BPR is a Solution for the organization to satisfy its Customers Demand and improve its efficiency?</td>
<td>Yes</td>
<td>7</td>
<td>24.14</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>22</td>
<td>75.86</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>29</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Compiled from the Questionnaire, 2011

As indicated on the above table the respondent were asked how they got aware of BPR, majority the respondents (58.625) replied that the got aware through reading materials related to BPR. In general the organization has not created enough awareness about the concept of BPR and the majority of the employees do not accept BPR as a solution to the current problem of customer’s dissatisfaction and inefficiency of the corporation.

Table 3.6: Improvements gained by employees after implementation of BPR

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>No. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>What behavioral change the implementation of BPR brought to you?</td>
<td>Timely accomplishment of tasks</td>
<td>7</td>
<td>24.14</td>
</tr>
<tr>
<td></td>
<td>Responsibility to my performance</td>
<td>7</td>
<td>24.14</td>
</tr>
<tr>
<td></td>
<td>Excellent in handling customer</td>
<td>15</td>
<td>51.72</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>29</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Compiled from the Questionnaire, 2011
According to Table 3.6 respondents were asked about the behavioral change BPR brought to them, 24.14% of responses were timely accomplishment of tasks, 24.14% of responses were responsibility to my performance, and 51.72% of responses were excellent in handling customer.

**Table 3.7**: Improvements gained by organization after the implementation of BPR

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>N°. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team work is improved and practiced in this organization after the implementation of BPR?</td>
<td>Agree</td>
<td>19</td>
<td>65.52</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>6</td>
<td>20.69</td>
</tr>
<tr>
<td></td>
<td>Indifferent</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>Communication is improved in this organization after the implementation of BPR</td>
<td>Agree</td>
<td>20</td>
<td>68.97</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td></td>
<td>Indifferent</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>Do you believe non-value adding jobs and processes are reduced after the implementation of BPR?</td>
<td>Yes</td>
<td>10</td>
<td>34.48</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>19</td>
<td>65.52</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Source**: Compiled from the Questionnaire, 2011

As it was reveled in Table 3.7 65.52%, 20.69% and 13.79% of respondents agreed, disagreed and indifferent respectively about that team work was encouraged and practiced in the organization after the implementation of BPR. The respondents were also asked whether communication is encouraged in the organization after the implementation of BPR and they replied as follows, 68.97%, 17.24% and 13.79% agreed, disagreed and indifferent respectively. With regard to non-value adding jobs and processes are reduced after the implementation of BPR respondents, Table3.7. make clear that 49.09% and 50.91 yes and No respectively. There fore the implementation of BPR has made significant contribution improving team work and communication, in the organization but contrary to the main objectives BPR Principles the non-value adding job and process is still there.
Table 3.8: Extent of BPR implementation on the improvement of org. task and empowerment

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>N°. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent the implementation of BPR Improved your task in the organization?</td>
<td>To great extent</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td>To some extent</td>
<td>8</td>
<td>29.59</td>
</tr>
<tr>
<td></td>
<td>Not at all</td>
<td>17</td>
<td>58.62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>To what extent you are empowered in making decision at your work</td>
<td>To great extent</td>
<td>5</td>
<td>17.24</td>
</tr>
<tr>
<td></td>
<td>To some extent</td>
<td>6</td>
<td>24.14</td>
</tr>
<tr>
<td></td>
<td>Not at all</td>
<td>18</td>
<td>62.07</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Source:** Compiled from the Questionnaire, 2011

Table 3.8 further shows that 58.62% of respondent replied not at all, 29.59% of respondents replied to some extent and the remaining 13.79% replied to grate extent for a request on the extent the implementation BPR improved their tasks. Concerning to what extent they are empowered in making decision at their work it was discovered that 17.24%, 24.14 % and 62.07% of respondent had gone for to great ,to some for to extent, to some extend and not at all respectively. There fore, the tasks performed by employees are not yet improved and employed and employees are not empowered to the extent should to perform their job which is one of the means give fast service delivery.

Table 3.9: Challenges to implement BPR in the organization

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>N°. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you think the management has strong Commitment to BPR implementation?</td>
<td>Yes</td>
<td>9</td>
<td>31.03</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>20</td>
<td>68.97</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>Do you believe enough financial and material Resources allocated to implement BPR?</td>
<td>Yes</td>
<td>10</td>
<td>34.48</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>19</td>
<td>65.52</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>I received the training I need to do the job Well after the implementation of BPR?</td>
<td>Agree</td>
<td>7</td>
<td>24.14</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>17</td>
<td>58.62</td>
</tr>
<tr>
<td></td>
<td>Indifferent</td>
<td>5%</td>
<td>17.245</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>In your opinion what are problem related to BPR implementation?</td>
<td>Lack of awareness</td>
<td>2%</td>
<td>6.70%</td>
</tr>
<tr>
<td></td>
<td>Lack of resources</td>
<td>5%</td>
<td>17.24%</td>
</tr>
<tr>
<td></td>
<td>Lack of Commitment</td>
<td>22</td>
<td>75.24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**Source:** Compiled from the Questionnaire, 2011
Regarding the management commitment to the implementation BPR in the organization 68.97% respondents replied No, and 31.03 of respondents replies yes. The respondents also conformed No 70%, and yes 30% on enough financial and material resources allocated for the implementation BPR. Table 3.9 also revealed that 65.52% of respondent disagree, 24.14 respondents agree and the rest 17.24% indifferent on the issue related to whether employees received training needed to do their job well after the implementation of BPR. More over respondents were also asked their opinion related to BPR implementation problem and they replied lack of commitment 75.86% Lank or resource 17.24% and lack of resource 6.70%. in general the above show that, the management of the corporation has not exerted maximum effort and commitment as well and has not allocated enough financial and material resource to successfully implement BPR. In addition the organization did not train employees to the new work process and job they are performing.

Table 3.10: The reaction of employees after the implementation of BPR

<table>
<thead>
<tr>
<th>Description</th>
<th>Possible Responses</th>
<th>No. of respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doing my job well give me a personal Satisfaction?</td>
<td>To grate extent</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td>To some extent</td>
<td>17</td>
<td>58.62</td>
</tr>
<tr>
<td></td>
<td>Not at all</td>
<td>8</td>
<td>27.59</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>I am paid fairly for the work I do after the implementation of BPR?</td>
<td>Agree</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>23</td>
<td>79.31</td>
</tr>
<tr>
<td></td>
<td>Indifferent</td>
<td>2</td>
<td>6.90</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>My salary is competitive with similar job I Might find else where after the Implementation BPR?</td>
<td>Agree</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td>Disagree</td>
<td>21</td>
<td>72.41</td>
</tr>
<tr>
<td></td>
<td>Indifferent</td>
<td>4</td>
<td>13.79</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Compiled from the Questionnaire, 2011

As indicated on Table 3, 10, 58, 62% respondent replied to some extent 27.59% the respondents not at all and the remaining 13.79% respondents replied to a great extent to a request rained on the job they do give them a personal satisfaction. The respondents were also asked whether they are paid fairly for the work they do after the implementation of BPR and they responded as
follows, 79.31% of respondents disagreed, 13.79% of respondents agreed, and the remaining 6.90% of respondents were indifferent. The Table also shows that the respondents response of 72.14% disagreement, 13.79 agreement and 13.79% indifferent on their salary competitive ness with similar job they might find else where after the implementation of BPR, Even if the employees are stratified by doing their job well, they consider themselves as a less paid for the job they perform and in relation to competitors of the organization after the implementation of BPR.

3.3. Interview Analysis

1. For the question <<what is the attitude of employees towards BPR practice in the organization in general? >> The management replied that most employees have a positive attitude and very supportive towards the implementation of BPR. This indicates that employees have been made aware of BPR and its usefulness in accomplishing the organizational goal but there are still some employees who need further understanding about BPR.

2. For the question <<what difference did you observe in customer satisfaction after implementing BPR? >> The management answered that customer satisfaction increased as the result of improvement in team work among employees. This indicates that there is some change but the corporation need to work on It and removing unnecessary processes.

3. For the question <<what reward is given for employees for good performer?>> the management explained that it is not practiced yet but planned in the future. This shows the corporation has not crated a system that recognize good performer.

4. For the question <<what are the challenges to implementing BPR?>> They replied that financial and material scarcity and lack of information technology that can be integrated to current bill system. Thus indicates that the management did little to pre-implementation stage and they have not incorporated It as enabler.
CHAPTER FOUR
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

In this chapter attempt was made to summarize the main findings on the ground work Carried out in chapter three and forward conclusions and recommendations accordingly.

4.1. Summary of Findings

Based on the data analysis and interpretation considered earlier the researcher extracted out the following major findings:

- Most of the respondents were male experienced.
- Employees were not informed and explained well enough about the concept of BPR in general and its usefulness to bring customer satisfaction and improving organizational efficiency.
- Employees don’t believe BPR as a means to accomplish organizational goal,
- Employees were not participated in goal setting process and they were not also trained about the new process.
- The implementation of BPR in the organization did not bring any behavioral change to the employees.
- The implementation of BPR has brought a change in team work and communication flow in the organization.
- Employee thanks that there still unnecessary jobs and process that need to be reduced.
- After the implementation of BPR most respondents believe that doing their job gives them a personal satisfaction but they don’t consider their salary a worth as for the work they do and similar jobs they might find elsewhere.
- The organization has not allocated enough financial and material resource and there was no enough logistic supply to implement BPR.
- The management of the organization was not committed to implement BPR.
- The respondents believe lack of resources as source of challenge to implement BPR.
- Customers were happy with qualification ad fitness of employees to the job they do and their customer handling habit only was great after the implementation of BPR, however in general they were dissatisfied with service delivery of the organization.
4.2. Conclusions

Based on the findings, the researcher reached on the following conclusions.

- Even if the most of employees were educated and experienced, the organization did not provide them awareness about BPR to accept it is a means to achieve the organization goal.
- Since the organization did not give chance for employees to participate in goal setting process and training about the new process made the incapable to accomplish their task.
- The implementation of BPR in the organization did not bring behavioral change to the employee that is against the principle of BPR.
- Since the implementation of BPR encourages communication and team work, it creates good relationship between employees and management as well as between themselves. This is an important activity to have effective and efficient performance in the organization.
- In contrary to the concept of BPR, the implemented BPR in the organization did not reduce/eliminate non-value adding job and process.
- Even though employees were satisfied by their job, their dissatisfaction by their salary they deserve relative to their work and other competitors made them inefficient.
- The organization faces a strong challenge to implement BPR due to lack of management commitment, as well as shortage of financial and material resource. These have a critical impact on the successfulness of the implemented BPR.
- Customers of the organization were satisfied by the employees handling habit and understand their capacity and performance to do their job, however it means the concept of BPR in terms of customer value process.

4.3. Recommendations

Based on the findings of the study and conclusions draw in the above section, the researcher has tried to forward the following recommendations.

- The organization should made aware employees about the concept of BPR and give them training about the process and job.
- The researcher recommend that the organization should enhance employee participation in goal setting in order to rise employees motivation and to gear their efforts to wards the achievement of the organization objective.
To accomplish BPR project successfully, management of the organization, should pass though management development program as to raise their understanding and improve their decision making skill. The researcher recommends the organization, to use net worked data base system to make the service delivery effective and efficient.

To be successful, it is best to implement BPR that should keep the interest to employees side by side out negatively affecting each other. It is also recommendable to implement BPR that should keep the interest of employees with out negatively as to eliminate unnecessary process and jobs that are still there.

The organization should revise the study as to eliminate unnecessary process and jobs that are still there. The organization should also make available all financial and material resource necessary to overall operation and implementation of BPER. The study should be revised to reduce non-value adding jobs and unnecessary process. The researcher believes that the research was not exhaustive. Therefore, future investigations are recommended in the inabilities to integrate the total managerial system like culture, believes, and behaviors of the organization.
REFERENCES


APPENDICES

A. Questionnaire for Managers [English Version]

Survey on the Assessment BPR Implementation on Land Administration and Building License Provision Office: The Case of Addis Ketema Sub City
Addis Ababa, 2011

For Employees Use only

Informed Confidentially and Consent

This questionnaire is prepared by a graduating class student of St. Mary's University College for the purpose of writing a senior thesis. The objective of the questionnaire is to assess BPR Implementation on Land Administration and Building License Provision Office that exist at Addis Ketema Sub City and to know problems associated with the practice. Your genuine response will contribute a lot for the study and also the results of the study may be used as an input by Addis Ketema Sub City and by other similar firms.

As you response is kept confidential, you don't need to write your name on the questionnaire.

Thank you for your cooperation.
Part One: Background Characteristics of Respondents

1. Sex:
   
   Female ☐  Male ☐

2. Age in completed years:
   
   15 – 19 ☐  20 - 30 ☐
   31 – 40 ☐  41 – 50 ☐
   51 – 60 ☐  Above 61 ☐

3. Educational level attained or completed:
   
   Certificate ☐
   Diploma ☐
   Degree ☐
   M.A. (M.Sc.) ☐
   PHD ☐

4. Current position obtained in the organization:

   _____________________________

5. Year of stay in the origination in completed years:  |___|___|

Part Two: Questions on Challenges and Prospects of BPR Implementation

1. How do you rate the service delivery of your Office before BPR was implemented?
   
   Good ☐  Very good ☐
   Moderate ☐  Poor ☐
   Very pool ☐

2. How do you get aware of BPR?
   
   Through training provided by the organization ☐
   Thorough formal education ☐
   Through reading materials related to BPR ☐

3. Is there any service delivery improvement in your office during the implementation of BPR?
   
   Yes ☐  No ☐

4. If your answer to Question Number “2” is “yes”, how do you describe the improvement?
   
   Reduction in cycle time ☐  Increased ☐
   Quality improvement (Customer satisfaction ☐  Dramatic ☐
   Cost Reduction ☐
   No. of customers served per day/per month ☐
5. To What extent the implementation of BPR improved your task in the organization
   - To great extent
   - To some extent
   - Not at all

6. Did you take training on BPR?
   - Yes, but it is not adequate
   - Yes, it is adequate
   - Yes, it is medium
   - No I didn’t take

7. If your answer is yes, what were the focuses of the training?
   __________________________________________________________________________
   __________________________________________________________________________

8. When employees’ are assigned due to the new structure or BPR, how do you see it with respect to the following points?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Was there a clear evaluation criteria</td>
<td></td>
</tr>
<tr>
<td>Did employees’ comment on the placement criteria?</td>
<td></td>
</tr>
<tr>
<td>Was there a placement as per criteria?</td>
<td></td>
</tr>
<tr>
<td>Was there clear complaint handling mechanism?</td>
<td></td>
</tr>
<tr>
<td>Were complaints handled properly?</td>
<td></td>
</tr>
</tbody>
</table>

9. Do you think that BPR improves employees performance?
   - Yes
   - No

10. Current customer satisfaction as compared to the past
    - Increased
    - Lowered
    - Same

11. If your answer for question above is “increased” what is /are the factor/s?
    - Fast service
    - Transparency
    - Friendly handling of customers
12. How do you see BPR implementation in your office?
   - It is succeeded
   - On the right direction depict the some minor challenges
   - Full of problem despite same minor achievements
   - It is failed

13. In Question Number “12” if your answer is yes for the first two, what factors were responsible for this?
   - Skilled man power
   - Existence of appropriate technologies
   - Good leadership
   - Enough supply of finance, material and other resources
   - If others factors, please state:
     __________________________________________________________
     __________________________________________________________

12. For Question Number “12” if your answer is the last two which of the following are the reasons?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of skilled manpower</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of appropriate technology</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poor leadership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of material, finance and other resource</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The design was not radical</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All or some of the old rules producers are still in place</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inadequate improvement capacity of existing man power</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other reasons, please, state</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

13. Are there employees’ resistant to BPR implementation?
   - Yes □       No □
14. For question NO “15”, if your answer is “yes”, why employees’ resist BPR implementation?
   - The new structure did not consider employees’ benefit
   - Fear of job loss
   - Lack of awareness about BPR
   - The approaches of managers is not good

15. Was there actual job loss after placement of employees?
   - Yes, there was a significant loss
   - Yes, but insignificant
   - No job loss

16. How do you rate the team spirit employees?
   - High
   - Low
   - Very high
   - Very low
   - Moderate

17. How much you are capable of performing and discharging your duties and tasks
   - Very capable
   - Capable
   - I need training to be capable enough
   - I am very less capable, I need a great assistance

18. How do you see employees work culture as civil servant during BPR implementation?
   - Positively improved
   - Decrease relative to the previous
   - No any change

19. Behavioral change the implementation of BPR brought to you?
   - Timely accomplishment to tasks
   - Responsibility to my performance
   - Excellent in handling customer
20. To what extent you are empowered in making decision at your work
   Greatly ☐  To some extent ☐
   Not at all ☐

21. Have you been explained by organization implementing BPR as means to accomplish its vision
   Yes ☐  No ☐

22. Do you think the organization had strong commitment to BPR implementation?
   Yes ☐  No ☐

23. Do you believe enough financial and material resources allocated to implement BPR?
   Yes ☐  No ☐

24. Do you consider BPR is a solution for the organization to satisfy its customer demand and to improve its efficiency?
   Yes ☐  No ☐
B. Interview for the top Level Managers [English Version]

Survey on the Assessment BPR Implementation on Land Administration and Building License Provision Office: The Case of Addis Ketema Sub City

Addis Ababa, 2011

For the Manager Use only

1. What is the attitude of employees towards BPR practice in the organization in general?
2. What difference did you observe in customer satisfaction after implementing BPR?
3. What reward is given for employees for good performer?
4. What are the challenges to implementing BPR?
DECLARATION

I, the undersigned, declare that this senior essay is my original work, prepared under the guidance of Ato Daniel Meread. All sources of materials used for the manuscript have been duly acknowledged.

Name: Alemayehu Negash Moges

Signature: _______________________

Place of submissions: St. Mary’s University College
Faculty of Business
Department of Management
Addis Ababa

Date of submission: _______________________

42
SUBMISSION APPROVAL SHEET

This Senior Research Paper has been submitted to the Department of Management in partial fulfillment for the requirement of BA Degree in Management with my approval as an advisor.

<table>
<thead>
<tr>
<th>Name:</th>
<th>Daniel Meread</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature:</td>
<td></td>
</tr>
<tr>
<td>Date:</td>
<td></td>
</tr>
</tbody>
</table>