ST. MARY'S UNIVERSITY COLLEGE

FACULTY OF BUSINESS

DEPARTMENT OF MANAGEMENT

AN ASSESSMENT OF BPR IMPLEMENTATION PRACTICE IN COMMERCIAL BANK OF ETHIOPIA AT ADDIS KETEMA BRANCH

BY
EPHREM G/GIORGIS

JUNE, 2010
SMUC
ADDIS ABABA

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BY
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ACKNOWLEDGMENTS

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LIST OF ACRONYMS AND ABBREVIATION

BPR: Business process Re-engineering

IT: Information Technology

TQM: Total Quality Management

CBE: Commercial Bank of Ethiopian

CHAPTER ONE

I. INTRODUCTION

1.1. Background the Study

Business process Reengineering is (BPR) a management as well as MIS approach. Business process reengineering begins 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 became world-class competitors. A key stimulus for reengineering has been the three c's: customers, competition and change. BPR was first introduced to the business world by Frederick Taylor when he tried to implement the scientific management. His attempt was after the introduction of the scientific management there were many management theories to improve efficiency of workers, concerned on attacking principle and theories contributed for continues, incremental improvement of efficiency. (http://en.wikipedia.org/wiki/business process reengineering)

It is almost after century, from introduction of scientific management Theory, Michael Hammer, a former professor of computer science and James champ introduce BPR the book in titled Reengineering the corporation. There claim was simple: most of the customers, and this work should be removed, not accelerated through automation. Instant companies should reconsider their process in order to maximize customer value, while minimizing the consumption of resources required for delivering their product of service. (Ibid)

A similar idea was advocated by Thomas H. Davenport and J. short 1990. At that time a member of the Ernst and young research center, in a paper published in the Sloan Management Review the same year as

Hammer published his paper (http: wikipedin.org/Bussiness process reengineering)

1.2. Background of the Organization

1.2.1. Commercial Bank of Ethiopia

The history of Banking Industry in Ethiopia dates back the establishment of the Back of Abyssinian in 1905. It was established under partnership of the Government of Ethiopian and National Back of Egypt. It continued to operate until 1931. Later on it was wholly purchased by the government of Ethiopia & renamed "The Back of Ethiopia" until the Italian invention 1936.

The year 1936 was historic point of the teacher in the history of Ethiopian Banking Industry. A new Banking proclamation was issued on 23, July of that year which a abolished all the previous regulation in the industry of Banking and monitory question.

This proclamation was intended to provide a sound base for economic expansion. In 1963 commercial Bank company to take over the commercial activity of the state bank of Ethiopia and to carry on all type of banking business & operations computing with other bank.

The Commercial Bank of Ethiopia has continued to grow in its over all asset and capital level. Out of Africa Top Banks, commercial Bank of Ethiopia ranks 9th in the size of the asset and capital level & 13th in the strength of capital hat the end of June 2004. (Commercial Bank of Ethiopia Diamond Jubilee, 2003:4)

Currently Commercial Bank of Ethiopia has 8,633 permanent employee and 210 branches through out the country. Commercial Bank of Ethiopia branch office gives many service transaction related with saving

account, current account, loan, local transfer & foreign Transfer and anther security storage facility for document and valuable goods. It provides maximum securities, Jewelry and voluble like diamond, gold safety,   ATM service etc.

It's vision is to became a word class commercial Bank. The term "word class" in this context presumes efficiency, good corporate governance and more to words best international practice.

It mission is to maximizing shareholders value through enhanced financial intermediation and unparalled customer satisfaction, deploy highly motivated, skilled and disciplined employees capable of providing products and services that meet international best practices and standards, it strongly believes that reality and public confidence are the basis of its success.

The fundamental components of its mission statement includes: Customer, Shareholder, Employees and the public. Its corporate value is that believes in business principles that ensure survival and profitability. Hence it is committed to the following value in conduct it's day today business such as: stand for quality, learning organization, committed to un paralled customer satisfaction, it's employee is valuable assets, committed to maximized shareholders value, uphold transparency, accountability and professionalism and an equal opportunity employer. (Commercial Bank of Ethiopia Diamond Jubilee, 2003:4)

1.3. Statement of the Problem

In line with the theoretical aspect implementing BPR can change the organization dramatically and radically also improve the organization service. (Hammer & champy, 1993:33)

As practical observation and customer comment from the suggestion box reviled that commercial Bank of Ethiopia like any other governmental service giving organization blamed for its poor service delivery. However, the organization believes that such failer is against the needs of the customer and the stockholder due to this fact the organization has applied BPR as a tool to improve its service since February 2008.

As the student researcher observation reviled that even though Addis Ketema branch shows a great improvement in its service after implementation, it faced a certain challenge and based on the practical observation of the student researcher has question about success fully implementation of BPR. One of the problems is lack of clarity of the concept of BPR the employee and the managers and the other thing is failed to meet setted time to work a certain job.

1.3.1. Research Questions

- How much is clear the concept of BPR to the employee?

- What action did the Bank take to create awareness about BPR before and after the implementation?

- How was Commercial Bank Ethiopia selecting the reengineering team?

- What is the attitude of employee to wards BPR?

1.4. Research Objective

1.4.1. General Objective

Every research has a certain objective whenever and wherever it may carried out. Accordingly, the main objective of this research is to assess BPR implementation practice in commercial Bank of Ethiopia at Addis Ketema branch and give clear picture of the existing situation.

1.4.2. Specific Objectives

- To describe the concept of the employee about BPR
- To explain the action taken by the bank to create awareness to its employee.
- To assess a team formation practice of CBE.
- To describe the attitude of the employee towards the (BPR implementation).

1.5. Significant of the Study (Research)

- It may help for the branch and another branch which is under Commercial Bank of Ethiopia to learn from the strength and weakness. Based on the workable recommendation of the final paper.

- Help the organization /CBE/ to improve its weakness and to keep up its strength. From the recommendation of the final paper.
- It may helps as a reference for another researcher who is interested in the topic.
- It may give an experience for the student researcher.

1.6. Delimitation (Scope of the Study)

Commercial Bank of Ethiopia has four pilot branches in which BPR had implemented since 2008. In order to give sound conclusion on the implementation of BPR in Commercial Bank of Ethiopia it was necessary to assess the issue in four pilot branches. However, the student researcher was unable to do that because of economic as well as time constraint. Therefore, the scope of the research was to one pilot branch that was Addis Ketema branch. The student researcher selected this branch due to this branch was one of the largest and the oldest branch and the Merkato is the largest market place in the country due to this fact many customer throughout the country uses this branch. In

addition to this since it is a big branch it has many staff so that it was very helpful to get the necessary information through interview, group discussion, questionnaire at one branch without going here and there.

Furthermore this branch was one of the pilot branch in which BPR practice had been taken place for the last two years for the first time in the history of commercial bank of Ethiopia. So this branch could symbolize CBE. Eventually since the student researcher working at this branch as an employee had a good opportunity to see the implementation practice of BPR for last two years since March 2008-May 10, 2010.

1.7 Definition of Terms

Reengineering: is fundamental rethinking and Radical Redesign of business process to achieve dramatic improvements in critical, contemporary measures of performance such as cost, quality, service, and speed. (Hammer and Champy, 1993:32)

Fundamental: why do we do what we do? And why do we do it the way we do? (ibid)

Radical: Getting to the root of things not to make superficial changes or finding with what already in place, but throwing away the old.

Dramatically: Reengineering is not about making marginal or incremental improvements but about achieving quantum leaps in performance. Marginal improvement requires fine-tuning dramatic improvements demands blowing up the old and replacing it with some thing new (ibid).

Process: A Collection of activities that takes one or more kinds of input that is of value to the customer (ibid).

1.8. Research Design & Methodology

1.8.1 Research Design

The type of research appropriate for this study was descriptive research based on Quantitative and qualitative to describe the existing scenario. Descriptive research method helps, how, where, when how much, CBE implementing BPR the study with adequate and accurate interpretation of the findings.

1.8.2. Population Sampling Techniques And Sampling Size

In order to achieve its objective and to make it more reliable the student researcher used non probability techniques Addis Ketema branch customer, managers and employees through convenience sampling technique this is because conveniences sampling can provide with useful information, especially for pilot study:

A. 40 customers from the Addis Ketema branch.

B. Customer service officer checker, makers and customer service managers.

Among many customers the student researcher selected those customer that used current account, saving account and Local transfer users due to time and economic constraints. Accordingly, 15 customer from current account, 15 customer from saving account and 10 customer from Local transfer users were selected in addition 25 employees and 4 mangers whose tasks were directly related to customer and decision making are included to customer and decision making were included in the sample size to help the student researcher to get the most useful information using convenience sampling technique to include a total of 69 sample size.

1.8.3. Data Sources and Data Gathering Tools

To get relevant information for this study both primary and secondary data was collected using appropriate gathering tools.

The primary data was obtained from sample respondent (customer and employee) through questionnaire, personal or direct observation and focus group discussion with sample respondents who are directly had contact with customer. The secondary data on the other hand collected from various secondary sources such as monograph articles, reports and records of concerned organization including commercial bank of Ethiopia.

1.8.4. Data Analysis Method

The student researcher used table for data presentation.

1.9. Limitation of the study

As it was affirmed in the previous section the main objective of this research study was to assess the implementation practice of PBR at Addis Ketema branch. However, the researcher was constrained by various limitations such as time, shortage of book and research work in the subject of the study were some of them.

1.10. Organization of the Study

This research paper consists of four chapters. The first chapter deals with introduction, statement of the problem, objective of the study, significance of the study, delimitation of the study, research design and methodology and organization of the study limitation of the study The second chapter deals with the review of related literature. Moreover, the third chapter deals with the presentation, analysis and interpretation of data, Chapter four includes summary, conclusions and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

In today's ever changing world, the only thing that doesn't change is 'change' it self. In a world in era singly driven by the three CS: customer, computation and change, companies are on the look out for new solution for their business problems. (Hammer and Champ, 1993:31)

2.1. What is Reengineering?

When some one asks for quick definition of business reengineering, it means "starting over:". It doesn't mean thinking with what already exists or making incremental change that leave basic structures in fact. It isn't making patchwork fixes - Jury - rigging existing system so that they work better. It does mean abandoning long -established procedures and looking a fresh at work required to create a company's product or service and deliver value to customer. It means asking these questions: "It was re-creating this company to day given what I know and given current technology, what it look like?"

Reengineering a company means tossing aside old system staring over. It involves going back to the beginning and inventing better why of doing work. (Hammer and Champy, 1993:31)

How Does A Company Reengineer Its Businesses?

Where does it begin? Who gets involved? Where do the ideas for radical change come from?

"Reengineering properly is the fundamental rethinking and radical redesign of business to achieve dramatic improvements in critical

contemporary measures of performance, such as cost, quality, service, and speed" this definition contain four key words. (Ibid)

Key Word: Fundamental

The first key is "Fundamental" In doing reengineering, business people must ask the most basic questions about their companies and how the operate: why do we do? Asking this fundamental questions forces people to look at the tacit rules and assumptions that under lie the way they conduct their business. Often, these rules turn out to be obsolete, erroneous, or in appropriate (Hammer and Champy, 1993:31).

Reengineering begins with no assumption no givens; in fact, companies that under take reengineering must guard against the assumptions that most processes already have embedded in them to ask "How can we perform customer credit checks more efficiently?" assumes that customer credit must be checked . In many instances the cost of checking may, in fact , exceeds the bad-debt losses that checking avoids reengineering first determines what a company must do, then how to do it. Reengineering takes nothing for granted. It ignores what is and concentrates on what should.

Key Word: Radical

Which is derived from the Latin word "radix" meaning root? Radical redesign means getting to the root of things: not making superficial changes or fiddling with what is already in place , but throwing a way the old. In reengineering, radical redesign means disregarding all existing structures and procedures and inventing completely new way of accomplishing work . Reengineering is about reinvention - not business improvement, business enhancement, or business modification. (Hammer and Champy, 1993:33)

Key Word: Dramatic

The third key word is dramatic Reengineering isn't about making marginal or incremental improvements but about achieving quantum leaps in performance. If its quality is 10 percent too high , if its quality is 10 percent too low, If its customer service performance needs a 10 percent boost, that company does not need reengineering. More conventional methods, from exhorting the troops to establishing incremental quality programs, can dig a company out of a 10 percent hole. Reengineering should be brought in only when a need exists for heavy blasting. Marginal improvement requires fine tuning; dramatic improvement demands blowing up the old and replacing it with some thing new.

Business process is a collection of activity that takes one or more kinds of inputs and creates an out put that is of value to customer.

What to Reengineering?

According to many in the BPR field reengineering should focus on processes and not be limited to thinking about the organizations. After all the organization is only as effective as its processes so, what is a process? "A business process is a series of steps designed to produce or a service. It includes all the activities that deliver particular results for a given customer (external of internal). "Processes are currently invisible and unnamed because people think about the individual departments more often than the process with which all of them are involved. So companies that are currently used to talking in terms of departments such as marketing and manufacturing must switch to giving names to the processes that they do such that they express the beginning and end states. These names should imply all the work that gets done between the start and finish. For example, order fulfillment can be called order to payment process. (The 4th Annual international conference on industrial

Engineering theory, Applications and practice November 17 -20. 1999. San Antonio, Texas, USA).

Talking about the importance of processes just as companies have organization charts, they should also have what are called process maps to give a picture of how work flows through the company. Process mapping provides tools and a proven methodology for identifying your current as – Is business processes and can be used to provide a To – Be roadmap for reengineering your product and service business enterprise functions. It is the critical link that your reengineering team can apply to better understand and significantly improve your business processes and bottom – line performance. (The 4th Annual international conference on industrial Engineering theory, Applications and practice November 17 - 20. 1999. San Antonio, Texas, USA).

Having identified and mapped the processes, deciding which ones need to be reengineered and in what order is the million – dollar question. No company can take up unenviable task of reengineering all the processes simultaneously. Generally they make there choices based on three criteria: - dysfunction: which processed are functioning the worst? Importance: which are the most critical and influential in terms of customer satisfaction feasibility: which are the processes that are most likely to be successfully reengineered? (The 4th Annual international conference on industrial Engineering theory , Applications and practice November 17 -20. 1999. San Antonio, Texas, USA)

How to reengineer?

With an understanding of the basics of BPR, five methodologies are summarized in **Table1.**

Table 1. A few BPR methodologies from contemporary literature

No	Methodology # 1 (11)	Methodology # 2 (5)
1	Develop vision & strategy	Determine Customer Requirements & Goals for the Process
2	Create desired culture	Map and Measure the Existing Process
3	Integrate & Improve enterprise	Analyze and Modify Existing Process
4	Develop technology solutions	Design a Reengineered Process
		Implement the Reengineered Process

No	Methodology # 3 (2)	Methodology	Methodology
1	Set Direction	Motivating Reengineering	Preparation
2	Baseline and benchmark	Justifying Reengineering	Identification
3	Create the vision	Planning Reengineering	Vision
4	Launch Problem Solving projects	Setting up for Reengineering	Technical & social design
5	Design Improvements	As Is description & Analysis	Transformation
6	Implement change	To-be Design and Validation	
7	Embed continuous Improvement	Implementation	

(Fuery and Timothy, 1993:133)

Consolidated Methodology:

A consolidated methodology has been developed from the five methodologies previously and an IDEFO model was developed to provide a structured approach and to facilitate understanding. But for the sake of brevity, we have shown only the major activities in the IDEFO model in figure 1. In the ensuing section, we deal with the details of our methodology.

Activity #1: prepare for Reengineering:

"If you fail to plan, you plan to fail ". Planning and preparation are vital factors for any activity or event to be successful and reengineering is no exception. Before attempting reengineering, the question 'is BPR necessary?' should be asked? There should be a significant need for the process to be reengineered. The justification of this need marks the beginning of the preparation activity.

Prepare for BPR
- Build Cross functional team
- Identify customer driven objective
- Develop strategic purpose

Map & Analyze As Is process
- Create Activity Model
- Create process Models
- Simulate & perform ABR
- Identify disconnects& value adding processes

Design To –be processes
- Benchmark processes
- Design to – be processes
- Validate to- be processes
- Perform Trade- off Analysis

Implement Reengineered processes
- Evolve implementation plan
- Prototype & simulate transition plans
- Initiate training program
- Implement transition plan

Improve Continuously
- Initiate on going Measurement
- Review performance against target
- **Improve** process continuously

(The 4th Annual international conference on industrial Engineering theory, Applications and practice November 17 -20. 1999. San Antonio, Texas , USA)

Figure 1 BPR:

This activity begins with the development of executive consensus on the importance of reengineering and the link between breakthrough business goals and reengineering projects.

A mandate for change is produced and a cross –functional team is established with a game plan for the process of reengineering. While forming the cross – functional team, steps should be taken to ensure that the organization continues to function in the absence of several key players (Harrison and Brinn, 1993:92). As typical BPR Projects involves cros – functional corporation and significant change to the statuesque, the planning for organizational changes is difficult to conduct without strategic direction from the top. The impact of the environmental changes that serve as the impetus for the reengineering effort must also be considered in establishing guidelines for the reengineering project. Another important factor to be considered while establishing the strategic goals for the reengineering effort is to make it your first priority to understand the expectations of your customer and where your existing process falls short of meeting those requirements. Having identified the customer driven objective, the mission or vission or vision statement is formulated. The vision is what a comapny's resolve through the stress of the reengineering process. It can act as the flag around which to rally the troops when the morale begins to sag and it provides the yared stick for measuring the company's progress [Hammer and Champy, 1993: 52]

Map and Analyze As –is process:

Before the reengineering team can proceed to redesign the process, they should understand the existing process. Although some BPR proponents (in particular Hammer and Champy) argue against analyzing the current enterprise, saying that it inhibits the creative process that might not always hold true. It various frame case to case .while some organizations which are in dire starts might to the Hamer and Champy way (attempt a

new process design while totally ignoring the existing process) most organization need to map the existing process first, analyze and improve on it to design new process . The important aspect of BPR (What makes BPR) is that improve meant should provide dramatic results. Many people do not understand the blue of an As-Is analysis and rather prefer to spend a larger chunk of their valuable time on designing the To-Be model directly. What follows is an illustration that illustrates this fallacy.

The main objective of this phase is to identify disconnects (anything that prevents the process from achieving desired results and in particular information transfer between organization or people) and value adding process. This is initiated by first creation and documentation of activity and process models making use of the various modeling methods available. The amount of time   that each activity takes and the cost that each activity requires in terms of resources is calculated through simulation and activity based costing. All the ground work required having been completed, the process that need to be reengineered are identified. (Mayer and Richard 1998:49)

Design To-Be Process

The objective of this phase is to produce one or more alternatives to the current situation, which satisfy the strategic goals of the enterprise. The first steps in this phase is benchmarking "Benchmarking is the comparing of both the performance of the organization's process and the way those process are conducted with those relevant peer organizations to obtain ideas for improvement (Manganelli, Raymond. L. Kilein, Mark, 1994:53) '. The peer organizations need not be competitors or even frame the same industry. Innovative practices can be adopted from any where, no matter what their source. (ibid)

Having identified the potential improvements to the existing process, the development o the To-Be models is done using the various modeling

methods available, bearing in mind the principles of process design. Then, similar to the As-Is model, we perform simulation analyze factors like the time and cost involved It should be noted that this activity is an iterative process and cannot be done overnight. The several To-Be models that are finally arrived at are validated. By performing Trade off Analysis the best possible To-Be scenarios are selected for implementation.

Implement Reengineered Process

The implementation stage is where reengineering efforts meet the most resistance and hence it is by far the most difficult one. (Furey and Timothy, 1993:4) If we expect that the environment would be conducive to the reengineering effort we are sadly mistaken. The question that confronts us would be, 'If BPR promises such breathe taking results then why wasn't it adopted much earlier? We could expect to face all kinds of opposition from blatantly hostile antagonists to passive adversaries: all of them determined to kill the effort. When so much time and efforts spent on analyzing the current processes redesigning them and planning the migration, it would indeed be prudent to run a culture change program simultaneously with all the planning and preparation. This would this would enable the organization to undergo a much more facile transition. But whatever may be the juncture in time that the culture change program may be initiated, it should be rooted in our minds that winning the hearts and minds of everyone involved in BPR effort is most vital for the success of the effort. Once this has been done, the next step is to developed a transition plan from the As-Is to the redesigned process. This plane must align the organizational structure, information systems, and the business policies and procedures with the redesigned processes "Rapid implementation of the information system that is required to support a reengineered. (Obolensky Nick 1994:75) business processes is critical to the success of the BPR project, The IDEF modeless that were created in the As-Is can be mapped to those created during the To-Be

and an initial list of change requirements generated. Additional requirements for the construction of the To-Be components can be added and the result organized into a work breakdown structure (WBS). Recent developments in BPR software technologies enable automatic migration of these WBS activity /relationships into a process modeling environment. The benefit here is that we can now define the causal and time sequential relationships between the activities planned". Using prototyping and simulation techniques, the transition plan is validated and it's pilot versions are designed and demonstrated. Training programs for the workers are initiated and the plan is executed in full scale.

Improve Process Continuously

A process cannot be reengineered overnight. A very vital part in the success of every reengineering effort lies in improving the reengineered process continuously. The first step in this activity is monitoring two things have to be monitored the progress of action and the results. The progress of action is measured by seeing how much more informed the people feel, how much more commitment the management shows and how well the change teams are accepted in the broader perspective of the organization. This can be achieved by conducting attitude serves and discrete 'fireside chats 'with those initially not directly involved with the change. As for monitoring the results, the monitoring should include such measures as employee attitudes, customer perceptions supplier responsiveness etc. Communication is strengthened throughout the organization, on going measurement is initiated, team reviewing of performance against clearly defined targets is done and a feedback loop is set up. Wherein the process is remapped reanalyzed, and redesigned. Thereby continuous improvement of performance is ensured through a (Undrewn,1997:70).

Performance tracking system and application of problem solving skills. Continuous improvement (TQM) and BPR have always been considered mutually exclusive to each other. But on the contrary, if performed simultaneously they would complement each other wonderfully well. In fact TQM can be used as a tool to handle the various problems encountered during the BPR effort and to continuously improve the process. In corporations that have not adopted the TQM culture as yet, application of TQM to the newly designed processes should be undertaken as a part of the reengineering effort [Martin James 1995:54).

Conclusion:

An intense customer focus, superior process design and a strong and motivated leadership are vital ingredients to the recipe for the success of any business corporation. Reengineering is the key that every organization should possess to attain these prerequisites to success. BPR doesn't offer a miracle cure on a platter. Nor does it provide a painless quick fix. Rather it advocates strenuous hard work and instigates the people involved to not only to change what they do but targets at altering their basic way of thinking itself. In this paper the student researcher attempted on evolving a structured approach to reengineering.

"50 to 70 percent of reengineering efforts fail to deliver the intended dramatic results [Hammer and Chapy 1993:55)." Those who are standing in the wings afraid to take the plunge must remember just this. A BPR effort has been considered a failure just because it doesn't provide the dramatic results it promised to deliver. But on after thoughts hasn't there been a significant improvement in the company's performance? A 200 percent in out put may not match the 300 percent predicted. It may be a failure according to the high standards set by preceding BPR efforts. But if the question is 'Are the results good enough for pursuing the BPR

effort? The answer is a resounding yes; one more very critical factor to be noted is that the statement says 50 to 70 percent efforts have failed and not that they will fail. There is a monumental difference between the two. We can track down all these failures to the come on trivial mistakes that these corporations commit. Once these mistakes are identified and overcome, the successful completion of the BPR effort is very much possible. Moreover failure doesn't mean that reengineering stops forever. "It usually stalls and then restarts as the company gets itself refocused and remobilized. It cannot stop. The business imperative is just too great [Hammer and Champy 1993:53].

Business process reengineering (BPR) is ,in computer Science and management , an approach aiming at improvements by means of elevating efficiency and effectiveness of the business process that exist with in and a cross organizations. The key to BPR is for organizations to look at their business processes from a "clean slate" prospective and determine how they can best constrict these; processes to improve how they conduct business (http: // en. wikipedia .org / wiki /Business-process reengineering).

Business process reengineering is also known as BPR, Business process Redesign, Business Transformation, or business process change management. Reengineering is a fundamental Rethinking and radical redefine of business processes to achieve dramatic improvements in cost, Quality, speed and service. BPR combines a strategy of promoting business innovation with a strategy of making major improvements and successful competitor in the market place (Ibid)

The main proponents of reengineering were Michael Hammer and Champy. In serious of books including Reengineering the Corporation, Reengineering Management, and The Agenda, they argue that for too much time is wasted passing- on tasks from one department

to another. They claim that it is for more efficient to appoint a team who are responsible for all the tasks in the process. Reengineering is the basis for much recent development in management (http: // en. Wikipedia .org/ wiki/Business- process reengineering).

2.1.2 BPR & T Q M

"BPR and TQM share a number of common themes. They both recognize the importance of processes, they both recognize the importance of process, and they both start with the needs of the process customer and work backwards from there. Howerer, the two programs also defter fundamentally. Quality programs work defter fundamentally. Quality programs work with in the framework of a company's existing with in the frame work of a company's exist ion processes and seek to enhance them by means of what the Japanese call Kaizen, or continuous incremental improvement to process performance, Reengineering, as we have seen, seeks break through, not by enhancing exist ting process, but by discarding them and replacing them with entirely new ones. Reengineering, involves, as well, a different approach to chance management from that needed by quality programs" (Hammer and Champy, 1993:49.)

2.1.3 MIS & BPR

"Information technology plays a crucial vole in business reengineering, but one that is easily miscast. Modern, state of the information technology is part of any reengineering effort, an essential enabler since it permit companies to reengineering business processes. But to paraphrase what is often said about money and government, merely throwing computers at an existing business problem does not cause to be reengaged it fact , the misuse of technology can block reengineering altogether by reinforcing also ways of thinking and old behavior patterns." (Hamer and Champy, 1993:83)

2.1.4 What Reengineering isn't

people with hearsay knowledge of reengineering and those just being introduced to the concept often Jump to the conclusion that it is much the dame as other business improvement programs with which they are already familiar. (Hamer and Champhy, 1993:83)

2.1.5 For what type of business BPR is needed

According to Hammer and Champy, they have identified there kinds of companies. Such as companies that under take reengineering. First are companies that find themselves in deep trouble. If a company's costs are an order of magnitude higher than the completion's or than its business model will allow, its customer service is so a abysmal that customers openly rail against it, if its product failure rate is twice, there times or five times as grant as the completion's if another words it needs order of magnitude improvement, that company Cleary needs business reengineering (ibid)

The second that needs Reengineering is companies that are not yet in trouble but whose management has the forage to see trouble coming. Aetna Life & causality in the last have of the 1980s is an example. For the time being, financial results may appear satisfactory, but looming in the distance are storm clouds new competitors, changing customer requirement or characteristics an altered regularity or economic environment that threaten to sweep away the foundation of companies began reengineering in advance of running in to adversity (Ibid).

The third type of company under taking reengineering is those that are in peak condition. They have no discernible difficulties, either now or on the horizon, but their management is ambitious and aggressive. Examples include Hallmark and Wal-Mart. Companies in this tired category see reengineering as an opportunity to further their land over their

competitors. by enhancing their performance they seek to raise the competitive bar even higher and make life even tougher for every one else. Clearly, reengineering form a position of strength is hard to do why rewrite the rules when you're already winning the game? It has been said that the hall mark of the truly successful company is willingness to obtunding what has long been successful. A truly great company is never satisfied with is current performance. A truly great comp ally willing abandons practices that have long worked well in the hope and expectation of coming up with something better (Hammer and campy, 1993:40).

2.1.5 Critics on BPR

Reengineering has earned a bad reputation be because such project have often resulted in massive day offs. This relation is not altogether unwarranted, some companies have often downsized under the banner of reengineering. Further, reengineering has not always lived up to its expectations. The main reasons seem to be that : Reengineering assumes that factor that limits an organization is performance is the ineffectiveness of its processes (which may or may not be true) and offers no means of validating that assumption reengineering assumes the need to start the process of performance improvement with a 'clean slate,' ie . totally disrepute the status quo according to eliyahum Goldratt (and his theory of constraints) Reengineering does not provide an effective way to focus improvement effort on the organization constraint (Http// en. Wikipedia. Org / wiki/ Business process reengineering).

The most frequent and harsh critique agilest BPR concerns that the strict focus an efficiency and technology and the disregard of people in the organization that is subjected to reengineering initiative. Very often, the label B P R was used for major work fore reductions. Thomas Davenport , an early B P R proponent, stated that: "redesign "in 1990 I explicitly said

that using it for cost reduction a lone was not a sensible goal . And consultants Michael Hammer and James Champy, the two names most closely associated with reengineering have insisted all along that lay offs should n't be the point. But the fact is, once out of the bottle, the reengineering genie quickly turned ugly" (http: // en wikipedia. Org/wiki/ Business-process-reengineering).

Other criticism brought for ward against the B P R concept include: It never change management thinking, actually the largest causes of failure in organization lack of management support for initiatives and thus poor acceptance in the organization exaggerated expectation regarding the potential benefits from a B P R imitative and consequently failure to achieve the expected results, underestimation of the resistance to change with in the organization, implementation of generic so called best practice needs, over trust in technology solutions, performing B P R as a one off project with limited strategy alignment and long term perspective and poor project management (http// en wikipidin. Org /wiki/ Business-Process- Reengineering)

CHAPTER THREE

DATA PRESENTATION ANALYSIS AND INTERPRETATION

This chapter contains the back ground information of respondents and the general findings. The respondents involved in this study were customers, staff and managers. Questionnaires were distributed to staff and customers also interviews were asked to managers. Accordingly, 40 and 20 questionnaires were distributed to customer as well as to staff respectively.

Questionnaires 10 (25%) and 5 (20%) get unreturned respectively. The remaining 30 (70%) and 20 (80%) filled in with complete responses based on the responses the presentation, analysis and interpretation of the data are presented here with.

3.2. Characteristics of the study population

Table 1. Sex composition, Age range, occupation and education

Item	Customers No	Customers %	Employee No	Employee %	Managers No	Managers %
1. Sex						
A. Male	20	67	11	55	2	50
B. Female	10	33	9	45	2	50
Total	30	100	20	100	4	100
2. Age						
A. 10-20	-	-	-	-	-	-
B. 21-30	6	20	5	25	-	-
C. 31-40	18	60	12	60	2	50
D. Above 40	6	20	3	15	2	50
Total	30	100	20	100	4	100
3. Level of Education						
A. Below Ten	7	23	-	-	-	-
B. Certificate– diploma	17	57	7	35	2	50
C. Degree –above	6	20	13	65	2	50
Total	30	100	20	100	4	100
4. Occupation						
A. Government employed	6	20	-	-	-	-
B. Self employed	17	57	-	-	-	-
C. Household	7	23	-	-	-	-
D. Others	-	-	-	-	-	-
Total	30	100	-	-	-	-

Source: Data compute primary data collected by questioner

As we can see from the table 1, 20(67%) and 10(33%) of customer respondents were male and females respectively. Moreover 11(55%) and 9(45%) employee respondents were male and female respectably. So active participation of both sex is good for the subject of the study.

Besides 2(50%) and 2(50%) of managers respondents were male and female. This show that the participation of female employee and managers respondents are almost equal as male in service giving and decision making so this is a good traind or fair participation with the exception of customer respondents. Therefore, the idea of males and females has been included in the subject of the study.

Table 1 of item 2 shows the age category of customers. Accordingly 6(20%) of customer respondents are between 20-30 years old, 18(60%) are between 31-40 years old and 6(20%) are above forty. The same table and item 2 also shows the age category of the employee of which 5(25%) are between 20-30 years old, 12(60%) are between 31-40 years old and the remaining 3(15%) are above 40 years old. On the other hand, among customer service managers 2(50%) are between 31-40 years old and 2(50%) are above forty. This implies that the majority of customer employee as well as managers in similar age group so that they can understand each other due to this fact they may have smooth relationship among them selves. So this may help the existence of smooth work flow.

Table 1 of item 3 states the educational background of the customer respondent. Out of 30 clients 7(23%) are below 10th grade, 17(57%) are either certificate or diploma holders, and the remaining 6(20%) are either degree holders or above, on the same table and item demonstrates 7(35%) of employee respondents are diploma holders, 12(60%) are 1st degree holders. In addition to this, out of customer service managers respondents 2(50%) are diploma holder and 2(50%) are 1st degree

holders. In line with this the majority of the respondents may have a good potential for the subject of the study as the result they can understand what they have been asked.

Table 1 of item 4 explains 6(20%) of customer respondents are government employee, 17(57%) are self employee and 7(23%) are household.

From this we can see that most of this branch customers are self employee.

Table 2. The experience of customer to the branch and the work experience of the employee.

| | Frequency responses | | | |
| | Customer | | Employee | |
Item	No	%	No	%
1. The customer used this branch				
A. Less than 1 year	7	23	-	-
B. Between 1-3 Years	14	47	-	-
C. More than 4 years	9	30	-	-
Total	30	100	-	-
2. work experience of the employee in CBE				
A. Less than 5 years	-	-	4	20
B. 5-10 Years	-	-	6	30
C. 11-16	-	-	7	35
D. 16-20	-	-	3	15
E. Above 20	-	-	-	-
Total			20	100
3. Job Title of the employee in CBE				
A. Customer Service managers			4	17
B. Customer Service officer			20	83
Total			24	100

Source: Data compute the primary data collected by the questioner

Table II item 1 demonstrates that 7(23%) of customer respondents have an experience of less than 1 year, 14(47%) of customer respondents have between 1-3 years experience to the branch and 9(30%) of customer

respondents do have more than 4 years branch experience. According to table II item 1 the majority of the respondents lie with in the year range of 1-3 so the may know more about the service of the branch before and after the implementation of BPR. As the result they may provide reliable comments and suggestion, to the researcher about the subject of the study.

Table II of item 2 show that 4(20%) of the employee respondents are lie less than 5 years work experience, 6(30%) of them lie between 5-6 years work experience, 7(35%) of employee respondents lie with in arrange of 11-16 work experience, and 3(15%) of employee lie with in a year range of 16-20 year of work experience. Accordingly the majority of respondents have enough experience so they may discharge there responsibility properly and they may identify the current, the past situation in addition they may understand things easily.

Table 3. Customer satisfaction with the branch performance

Item	Frequency of respondents	
	Customer	
	No	%
1. The customers prefer this branch due to the customers		
A. Government owned bank	5	17
B. The bank has enough parking place	6	20
C. The bank rends good service	16	53
D. The bank located near to my home	3	10
E. Others	-	-
Total	30	100
2. Evaluation of the accessibility of information		
A. Excellent	14	47
B. Very good	10	33
C. Good	6	20
D. Poor	-	-
E. Very poor	-	-
Total	30	100

Source: competition of primary data collected by the questioner

Table 3 item 1 shows that 5(17%) of the respondents come to the bank due to the bank is government owned, 6(20%) of the respondent come to the branch because of the bank has enough parking place; 16(53%) of the respondents come to the branch since the branch delivers good service, 3(10%) of the customer respondents visited the bank due to the fact that the branch is located near to home.

According to the above illustration most of the customers prefer the branch due to the existence of good service from this we may conclude that the branch has improved its service after the implementation of BPR.

Table 3 item 2 demonstrate that 14(47%) of the respondents replied good. Pursuant to this the bank can creates a good image in the eyes of the majority of the customer. So BPR could bring about a change in this branch

Table 4. Employee Knowledge of the Work, Efficiency of the Bank in the Eye of the Customer

Item	Frequency of respondents	
	Customer	
	No	%
1. Knowledge of employees on their duty		
A. Excellent	12	40
B. Very good	10	33
C. Good	6	20
D. Poor	2	7
E. Very poor	-	-
Total	30	100
Evaluation of the received service		
A. Excellent	10	33
B. Very good	11	37
C. Good	9	30
D. Poor	-	-
E. Very poor	-	-
Total	30	100
3. Evaluation of service delivery time		
A. Excellent	7	23
B. Very good	8	27
C. Good	9	30
D. Poor	4	13
E. Very poor	2	7
Total	30	100

As we can see from the table IV of item 12(40%) of customer respondents replied excelled, 10(33%) of customer respondents replied very good, 6(20%) of the respondents replied good and the limning 2(7%) answered poor. There fore, in line with this information the majority of the respondent replayed between good and excellent.

This implies that the bank has capable workers in the eyes of the majority.

From the same table item 2 10(33%) of the respondent said excellent, 11(37) of the respondent said very good, and the rest 9(30%) of the customer respondents replied good. As per the customer conformation the bank is successful.

Table IV item 3 7(23%) of the customer respondents replied excellent, 8(27%) replied very good, 9(30) of customer respondents replied good, 4(13) of the customer replied poor and the remaining 2(7%) replied very poor. From this we may conclude that as far as the speed of the eservice is concerned the branch is not that much successful this is because in line with the theoretical aspect of BPR reengineering is the fundamental rethinking and radical redesign of business process to achieve dramatic improvement in critical contemporary measures of performance such as speed. So this show that the bank need to work more to improve service delivery time.

Table 5. The Attitude of the Customer about the Branch Problem Solving Condition

No	Item	Customer respondent	
		No	%
1	The customer meet problem using this branch		
	a. The worst	-	-
	b. Worse	-	-
	c. Bad	-	-
	d. Easy	10	33
	e. Nothing	20	67
	Total	**30**	**100**
2	Evaluation the problem solving process		
	a. Excellent	8	80
	b. Very good	2	20
	c. Good	-	-
	d. Poor	-	-
	e. Very poor	-	-
	Total	**10**	**100**

Source: Primary data collected from questioner

As per table 5 of item 1 10(33%) of the customer respondents that come across easy problem while using this branch, 20(67%) of the respondents said that come across with no problem. This implies that the branch has a good image in the eyes of the customer.

From the same table item 2 among 10 customers that came across easy problem 8(80%) of the respondents selected excellent for problem solving process and 2(20%) of the respondents selected very good for problem solving process of the branch. Therefore, this implies that the branch experienced easy problem and the branch is excellent at problem solving process due to Reengineering, Also as the customer service manager

interview conformed. some times little gab may be created but addressed through a short time meeting once a week there are also external problem that seeks external solution in general the branch is in good conditions.

Eventually out of 30 customer respondents 20(67%) of the respondents wrote additional comments about service dalliance due to network offline, electric power interruption and 5(17%) said some times dalliance in local transfer both incoming and outgoing message was observed so from this we can conclude that network offline is external reason and it is beyond the banks capability may be solved at the country leave but as far as the electric power interruption is concerned the bank has an option to use its generator by assigning technical person who is good at take care of the existing generator. And the bank still use telephone to receive as well as to transfer incoming and out going message due to this fact the bank lacks the usage of better technology like fax to make instant the local transfer service.

According to Russell M. LINDON, don't pave paths. First, redesign the process. Then, support it with technology also according to Hamer and Champy, an essential enabler in reengineering, modern information technology has an importance to the reengineering process that is difficult to over state but companies need to be ware of thinking that technology is the only essential element in reengineering.

Table 6. The Concept of BPR to the Employee

No	Item	Customer respondent	
		No	**%**
1	The reason behind CBE implanted BPR		
	a. To bring radical rethinking and improvement.	2	10
	b. To satisfy customer	-	-
	c. To avoid unnecessary work flow to reduce cost	-	-
	d. To improve banking service	-	-
	e. All	18	90
	Total	**20**	**100**
2	The implementation of BPR reduce work process		
	a. Yes	20	100
	b. No	-	-
	Total	**20**	**100**
3	The implementation of BPR resulted in radical change in service delivery		
	a. Strongly agree	16	80
	b. Agree	2	10
	c. Neutral	-	-
	d. Disagree	2	10
	e. Strongly Disagree	-	-
	Total	**20**	**100**

Source: Summary of employee respondent data

According to table 6 of item 1 18(90%) of the employee respondents selected all option such as radical rethinking and improvement to satisfy customer, to avoid unnecessary work flow as well as to reduce cost the remaining 2(10%) selected an option that says reduce cost.

Form the same table item 2 20(100%) of the respondents replayed yes that means the implementation of BPR reduce work process.

Also from the same table item 3 16(80%) of employee respondents said strongly agree, 2(10%) of the employee respondent replayed agree and the remaining 2(10%) of the respondents respond disagree. This implied that the concept of BPR is clear to the majority of the employee.

In addition to this as per the analysis made from interview of customer service managers the concept of BPR clear to the customer service manager.

Table 7. The Application of Theoretical Principle of BPR

No	Item	Customer respondent	
		No	**%**
1	The bank implemented BPR inline with theoretical aspect		
	a. Strongly agree	14	70
	b. Agree	5	25
	c. Neutral	1	5
	d. Disagree	-	-
	e. Strongly disagree	-	-
	Total	**20**	**100**
2	The bank fulfilled the necessary condition to implement BPR		
	a. Strongly agree	11	55
	b. Agree	8	40
	c. Neutral	1	5
	d. Disagree	-	-
	e. Strongly disagree	-	-
	Total	20	100
3.	The source of BPR knowledge to the employee		
	a. Regular education	5	25
	b. Seminar	-	-
	c. Training	20	100
	d. Work shop	-	-
	e. Others	-	-
	Total	25	125

Source: from summary of respondent data from

In line with table 7 item 1 14(70%) of the employee respondents replayed strongly agree, 5(25%) of the respondent respond agree and the remaining 1(5%) of the respondent replayed neutral. This implies that the branch implemented BPR line with the theoretical aspect.

From the same table of item 2 11(55%) of the employee respondents replayed strongly agree, 8(40%) of the respondents answered agree and the last one replied neutral.

Also from table 7 item 3 5(25%) of the employee replied they get the knowledge of BPR from regular education and 20(100%) of the employee get the knowledge of BPR from training. So this shows that the majority of the employees get the knowledge of BPR from regular education and training.

Therefore, from the above response we can conclude that the majority of the respondent said positive replay so we can say the bank has implemented BPR in line with theoretical aspect and tried to create awareness to the employee through training. So this shows that the bank did good to create awareness.

Table 8. The Attitude of Employee to Wards BPR

No	Item	Customer respondent	
		No	**%**
1	Some people believe that the implementation of BPR has a danger of decreasing employee from work place.		
	a. Strongly agree	-	-
	b. Agree	2	10
	c. Neutral	1	5
	d. Disagree	2	10
	e. Strongly disagree	15	75
	Total	**20**	**100**

Source: from summary of employee respondent data

According to the above table item 1 2(10%) of the employee respondent agree the danger of lay off, 2(10%) of the employee the employee respondent strongly disagree the danger of lay off and the remaining

1(5%) replied neutral we can this implies that that the majority of the employee respondent has positive attitude to wards BPR. This implies that the existence of positive attitude can help the successful implementation of BPR. As per customer service manager's interview confirms that the employee has a good attitude towards a BPR.

"Reengineering have insisted all along that lay offs should not be the point. But the facts once out of the bottle, the reengineering genie quickly turned ugly" so the objective of BPR is not lay offs. Unless once out of the bottle. (htt://en wikipedia org/wiki/

Business-process-reengineering

Table 9. Reengineering Team Formation

No	Item	Customer respondent	
		No	**%**
1	There is a reengineering team		
	A. Yes	20	100
	B. No	-	-
	Total	**20**	**100**

Source: primary data collected from questioner

As per table 9 item 1 20(100%) of employee respondents replayed yes which confirms the existing of reengineering team.
"The actual work of reengineering the heavy lifting is the job of the reengineering team members. These are the people who must produce the ideas and the plans who actually reinvent the business."
(Hamer and champy, (1993):109)

Accordingly the bank organized the team in line with the theoretical aspect. While the employee respondent come up with the following comments: of the employee dissatisfied with incentive and motivation of the bank, due to this they are ready to resign when they get the

opportunity, the team did not include the insiders as the result they created a gap between set time and actual time, they assign a Job with out considering the reality so long delivery time observed in every functional area, checks and controls are not minimized as expected and resulted in the existing of too much referral to wards supervisor.

Besides lack of supervisor is observed therefore, it causes dalliance in referral usually common in the branch.

Table 10. Adoption of BPR among Employee with in a Short Period of Time

No	Item	Customer respondent	
		No	**%**
1	The adaptation of BPR with in a short period of time		
	a. Strongly agree	16	80
	b. Agree	4	20
	c. Disagree	-	-
	d. Strongly disagree	-	-
	e. Neutral	-	-
	Total	**20**	**100**

As we can see from table 10 of item 1 16(80%), 4(20%) of the employee respondents replied strongly agree and agree respectively on adaptability of BPR. This implies that since the majority of the employee is degree holder as well as rich in works experiences it enabling them to adapt the BPR with in a short period of time.

Table 11. The Evaluation of the customer about the cost of the received service

No	Item	Customer respondent	
		No	**%**
1	How do you evaluate the cost against to the received service?		
	A. Excellent	10	33
	B. Very Good	11	37
	C. Good	9	30
	D. Poor	-	-
	E. Very poor	-	-
	Total	**30**	**100**

As we can see from Table 11 Item 1 10(33%) of the respondent said excellent, 11(37) of the respondent said very good, and the rest 9(30%) of the customer respondents replied good. As per the customer confirmation the bank is successfully.

CHAPTER FOUR

SUMMARY, CONCLUSION AND RECOMMENDATION

4.1 Summary of the Findings

The main objective of this research was intended to assess BPR implementation practice in commercial bank of Ethiopia at Addis Ketema Branch and give clear picture of the existing situation.

To achieve this objective, primary and secondary data were gathered to come up with reliable evidence. Therefore, the following constitute the summery of the findings:-

- Female employees and female customer service managers and equal as there male country parts.

- According to the study, the majority of the staff and the managers have more than ten years work experience with diploma and degree educational background.

- In line with the findings, the majority of the customer is self employee.

- The majority of the customer prefers the branch due to good service delivery.

- As depicted by the respondents there is a good relation ship among employee, customer and managers.

- Pursuant to the replay, the concept of BPR is clear to the employee and the managers.

- In accordance with the research the bank create awareness by giving training before and after the implementation of BPR.

- The employees have positive attitude towards BPR.

- Based on open ended question the employees suggested that check and controls are not minimized to non economic sense.

- Based on the assessment of the documentation the researcher has come up with a compute standard time and actual time. The analysis shows some of the process has been done below the seated time due to external and internal factor.

- The respondent comment state that interruption of electric power and network is common in the branch. Besides dalliance is observed for those transaction which needs a referral from higher authority not only this but also dalliance is observed in local transfer both incoming and out going message.

- In line the employee's respondent comment, the bank formed a team but the team does not include insiders who currently work in side the process under going reengineering.

- As it was confirmed by the majority of the employee the organization doesn't motivate and satisfy its employee so they are dissatisfied with the existing compensation.

- As per the manager inter view show that, existing of good relationship between the managers and the employee as well as the existence of capable employee creates smooth relationships among them selves.

4.2 Conclusions

The necessary primary as well as secondary dates were collected and analyzed finally interpreted in the previous chapter based on that the following conclusion can be drawn:

- As per the demographic distribution of the branch demonstrates 31-40 age group is the majority of the employee the same is true in the customer respondents having similar age between the customer and the employee can helps the existence of understanding among themselves.

- The number of male employees and male customer service managers are equal as their female counter parts. This shows that equal participation of females on both service giving and decision making is conformed.

- The majority of the employee and the managers have more than ten years work experience with diploma and degree educational background so they are like a two edge sward this implies that they may have a potential to discharge their responsibility properly and they may identify the past, the present as well as may understand things easily. This may result in boosting customer satisfaction.

- As depicted by the majority of the respondent, there is a smooth relationship among employee managers, and customers. This implies that peace full co existence may be conformed so as smooth flow of work will be existed.

- In line with the research finding the Bank could create awareness to its employee by giving training before and after the implementation of BPR. Therefore, this may resulted in the concept of BPR clear to the employee in doing so the bank may create a

positive attitude among the employee about the subject of the study.

- Pursuant to the majority of the customer conformation they prefer the branch since it delivers good service after the implementation of reengineering this implies the branch may create a good image in the eye of the majority of the customers.

- In accordance with the majority of the customer respond they met easy problem, the branch problem solving process has been appreciated by the respondent. This indicates the branch is free from exaggerated problem.

- As the employee respondent suggestion revealed that the bank has the reengineering team. However, the team, lakes insiders who currently work inside a process at various functional areas this show that in this case it differs from the theory of BPR team formation due to this fact deviations observed between actual time and time put by BPR team. This show that the team could not include employee who currently work inside a process under going reengineering and the team may lacks practical know how of the practical time to accomplish a certain job.

- Based on the respondent comment long delivery time is observed in local transfer this may decrease the market share due to stiff competition.

- As per the manager's interview show that, the existing of good relationship between the managers and the employee as well as the existence of capable employees creates smooth relation ships among themselves, there fore it helps for the existence of smooth work flow.

4.3 Recommendation

Based on the study finding and conclusion made the following recommendations are forwarded:

- Check and controls should minimized to non economic sense controls only to the economic extent that make economic sense when strict controls are higher it takes time and requires efforts to do all the checking. In reengineering strict process checking and controls is non value adding work. Therefore, it should get minimized.

- The bank should reward and motivate the employee by using financial and non financial rewards to retain the most experienced employee and to expand their effort in the direction of the organization objective.

- The bank should have reorganize the BPR team in such a way that include both insiders those who currently work inside a process undergoing reengineering and outsiders those who works out side a process who works in department such as information system, marketing, engineering where people with process orientation.

- The bank should use better and modern method in local transfer functional area and net worked branches to avoid dalliance so that it enables the bank to keep its market share.

- Since this study is not an end in the fields of BPR implementation at Addis keteme Branch, the student researchers recommend that, further in depth study should be carried out.

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Appendices

Appendixes A

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¾ƒUI`ƒ Å[Í:	¾SËS]Á Å[Í ☐	G⊰K} – Å[Í ☐	
	¢K⅜ ☐	¿'ℛ`c=+ ☐	
¾Y ^ ›Ã'ƒ	}T] ☐	¾S "Óeƒ W^} – ☐	
	¾ÓM Y ^ ☐	የቤት እመቤት /አባወራ ☐	
K⅜L _____			

1. u›Çₑ Ÿ}T p`"Ýõ v"¡ SÖkU ŸËS\ ምን ያህል ጊዜ ይሆኖታል?
   - ከ1 ዓመት በታች
   - Ÿ1-3
   - Ÿ4 ¯Sƒ uLÃ

2. u²≂I v"¡ SÖkU ¾S[Ö⊰ƒ UŸ"Áƒ;
   - ¾S "Óeƒ v"¡ eKJ' ☐
   - Ø\ ›ÑMÓKAƒ eLK¨‹ ☐
   - በየፓርኪንግ አገልግት ስላለ ☐
   - Ku⅜, p`w eKJ' ☐
   - uK⅜L U¡"Áƒ ከሆነ ምክንያ ይግለፅ _____

3. ¾v"¡ ›ÑMÓKAƒ KTÓ–ት ወደዚህ ቅንጬፍ ሲመጡ የሠራተኞች የሥራ ፍቅር ብቃት እና ቅልጥፍና እንዴት ይመዘኑታል?
   - እጅግ በጣም ጥ\ ☐
   - u×U Ø\ ☐
   - Ø\ ☐
   - መጥፎ ☐
   - በጣም መጥፎ ☐

4. ¾v"Ÿ‹" kÇT›S [Í " ¾TÓ–ƒ HÅ~ U" ÃS eLM;

እጅግ በጣም ጥ\ ☐   u×U ∅\ ☐   ∅\ ☐
ደካማ ☐   በጣም ደካማ ☐

5. የእንግዳ መቀበያ ላይ ያለው የደንበኞች መስተንግዶ ሁኔታ ተራ አያያዝ የአገልግሎት ክፍያ እንዴት ይመዝኑታል?

እጅግ በጣም ጥ\ ☐   u×U ∅\ ☐   ∅\ ☐
ደካማ ☐   በጣም ደካማ ☐

6. የባንኩ ክፍል አደረጃጀት፣ የፅዳት እና ንፅህና እንዴት ይመዝኑታል?

እጅግ በጣም ጥ\ ☐   u×U ∅\ ☐   ∅\ ☐
ደካማ ☐   በጣም ደካማ ☐

7. የባንኩ ሠራተኞች ባንኩ ስለሚሰጣቸው ግልጋሎቶች ያላቸው እውቀት እንዴት ይመዝኑታል?

እጅግ በጣም ጥ\ ☐   u×U ∅\ ☐   ∅\ ☐
Å"T ☐   በጣም Å"T ☐

8. የባንኩን የአገልግሎት ፍጥነት እንዴት ይመዝኑታል?

እጅግ በጣም ∅\ ☐   u×U ∅\ ☐   ∅\ ☐
Å"T ☐   በጣም Å"T ☐

9. የባንኩን የአገልግሎት ክፍያ ዋጋ እንዴት ይመዝኑታል?

እጅግ በጣም ጥ\ ☐   u×U ∅\ ☐   ∅\ ☐
Å"T ☐   በጣም Å"T ☐

10. ¾v"Ÿ‹ Å"u— ከሆኑ በአገልግሎት ላይ የገጠሞት ችግር ካለ እንዴት ይገልፁታል?

እጅግ በጣም መጥፎ ☐   መጥፎ ☐   ›′e}– ‹Ó` ☐   U"U ችግር አልገጠመኝም ☐

11. ጥያቄ ቁጠር አስር ላይ የገጠሞት ችግር ካለ የባንኩን የችግር አፈታት ፍጥነት እንዴት ያዩታል?

እጅግ በጣም ጥ\ ☐   u×U ∅\ ☐   ∅\ ☐
Å"T ☐   በጣም Å"T ☐

12. ŸLÃ Ÿ}²[²\ƒ Gdx‹ ¨‹ß }ÚT] ›e}Á¾ƒ "KÁ ÃÓKì‹; _____

_____

_____

_____

St. Mary's University College

Questionnaire filled out by employees of

Addis Ketema Branch

Department Of Management

The Main Objective of this Questionnaire Is To Assess BPR Practice of Commercial Bank of Ethiopia Addis Ketema Branch

Therefore, your accurate response is very important for this research

Thank you for your response

No need to write your name

I.   Personal information

Please make tick (✓) mark for the following questions

1. Age   Below 18 ☐   18-30 ☐   31-40 ☐   above 40 ☐

2. Sex   Male   ☐   Female   ☐

3. Educational status

    A. College Diploma ☐   B. Degree   ☐

    C 2nd degree   ☐   C. Other _____

4. Job title _____

5. For how many years have you worked in CBE

    A. Less than 5 years   ☐   C. 11-16   ☐

    B. 5-10 years   ☐   D. 16-20   ☐

II. Please answer the following questions by making thick (✓) mark in the box and give a short answer on a space provided.

6. What do you think the reason behind that CBE implemented BPR?

    - Radical Rethinking and improvement ☐

    - To satisfy customer ☐

    - Avoidance of unnecessary work flow ☐

    - Improving banking service ☐

    - To reduce cost ☐

    - All of the above ☐

7. Do you think the implementation of BPR improves the service delivery of the branch the bank?

Very strongly agree	☐	Strongly agree	☐
Agree	☐	Medium	☐
Very disagree	☐	Disagree	☐

8. Do you think the implementation of BPR resulted in radical change in service delivery?

Very strongly agree	☐	Strongly agree	☐
Agree ☐	Very strongly disagree ☐	Medium ☐	

9. Do you think the bank implemented BPR in line with theoretical aspect?

Very y agree	☐	Strongly agree	☐
Agree	☐	Medium	☐
Very disagree	☐	Disagree	☐

10. Do you think the bank full filled the necessary condition to implement the BPR?

Very strongly agree	☐	Agree	☐
Very strongly disagree ☐	Medium ☐	Disagree ☐	

11. How much is your knowledge about BPR?

Very good	☐	Good	☐	Medium	☐
Low	☐	Very low	☐		

12. If your answer for question 12 is above average, how did you get the knowledge of BPR?

Regular education ☐   Training ☐

Seminar ☐   Workshop ☐

Other specify ☐

13. Do you agree the bank has set right criteria to check the effectiveness of BPR?

Very strongly agree ☐   Very agree ☐   Strongly Disagree ☐

Agree ☐   Disagree ☐

14. Did you think BPR is adapted with in a short period of time?

Strongly very agree ☐   Very agree ☐   Agree ☐

15. Many people believe that the implementation of BPR has a danger of decreasing employee from this work place do you agree with this idea?

Strongly agree ☐   Neutral ☐

Agree ☐   Disagree ☐   Strongly disagree ☐

16. Do you think the implementation of BPR create transparency bribe?

Yes ☐   No ☐

17. Did you face any challenge to implement BPR in your work?

Yes ☐   No ☐

18. If your answer for question number 17 is yes what type of challenge please mention? _____

_____

19. Is there any reengineering team?

Yes ☐   No ☐

20. If your answer for question number 19 is yes what is the practice to select the BPR team please mention? _____

_____

21. If you have any comment about the practice of BPR please say some?

_____

Appendix - C

The interview filled out by managers of Commercial Bank of Ethiopia Addis Ketem Branch.

I am a student in the business faculty at St. May's University College. I am carrying out a research entitled an assessment of BPR practice in Commercial Bank of Ethiopia at Addis Ketema Branch.

This interview seeks to solicit your views regarding the BPR practice at Addis Ketema Branch currently provided to customers.

Your views are very important for the success of the research, you are therefore, urged to express your opinions and experience as openly as possible. The information that you provide will be treated for the research purpose only the information you give will not be passes to the third parties.

The out come of this interview is intended to support a research report to the partial fulfillment of B.A in management.

Thank you for giving me your valued time and energy to answer the interview.

1. What do you know about BPR?
2. How do you evaluate the knowledge of the employee about BPR?
3. Have you ever seen a gab between a theoretical aspect of BPR and the employee knowledge?
4. If the was a gab what action did the bank takes to elevate the gab or to create awareness?
5. How was the election of the reengineering team?
6. Do you have any idei about the attitude of the employee of the branch to wards BPR?
7. What are the main factors that affect BPR implementation in this branch?
8. If you have any comment about BPR implementation please say some

Appendix B

Comparison of BPR standard with actual performance in account opening withdrawal of many in saving account current account local transfer and to make deposit as well as to make remittance to different locality sub process.

No	Type of service	Time accordingly to BPR	Actual time	Difference	Reasons For difference
1	Saving account				
	- Opening	18	24	6	• Usually make by one person
	- Deposit	4	7	3	practically takes
	- Withdrawal	3	7	4	that mach time
2	Current account				
	- Opening	20	26	3	-usually make by one person
	- Deposit	3	6	3	It takes that much
	- Withdrawal	3	6	3	It takes that mach
3	Locally transfer				
	Out going remittance	6	14	8	Due to internal and external factors
	Incoming remittance	4	15	11	Due to internal an external factor.

Source: secondary data from documents BPR team and from personal observation.

Declaration

I, the undersigned, declared that this senior essay is my own work, written under the guidance of Ato Wondafrash Mulatu.

Name: Efram G/Giorgis

Signature: _____

Place of Submission: St. Mary's University College department of
                                        Management

Date of Submission: _____

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.

Name_____

Signature_____

Date_____

St. Mary's University college

Department of Management

Questionnaire filled out by customer of Commercial

Bank of Ethiopia Addis Ketema Branch

This questionnaire was prepared by St. Mary's university college fourth year student to collect data for partial fulfillment for the Degree of BA Degree of Arts in management. The objective of this questionnaire is to assess the improvement of service in Addis Ketema Branch after the implementation of BPR by asking the customer of this branch. Therefore, you are kindly requested to give genuine information.

- No need to write your name
- Please make tick (✓) mark in appropriate box and fill in the blank for the following questions.

Sex: Male ☐   Female ☐

Age: Below 20 ☐   20 – 30 ☐   31 – 40 ☐

           41 – 50 ☐   Above 50 ☐

Educational Status: Primary School ☐ Secondary School ☐

                   College Diploma ☐   2nd degree ☐

                   Other _____

1. For how many years have you used Addis Ketema Branch?

   Less than 1 year ☐   1-3 years ☐   above 4 years ☐

2. The reason behind you prefers this branch?

   Being Government owned bank ☐ Due to good Service ☐

   Due to presence of Parking ☐ Near to my home ☐

   Others _____

3. How do you evaluate the employee service?

   Excellent ☐   Very good ☐   Good ☐

Medium ☐   Bad Very bad ☐

4. How do you evaluate the accessibility of information?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

5. How do you evaluate service delivery of the bank?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

6. How do you evaluate the branch organization and sanitation?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

7. How do you evaluate the employee knowledge of work?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

8. How do you evaluate the speed of service delivery time of the branch?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

9. How do you get the cost of service delivery?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

10. Have you ever met any problem while using this branch? If you have any how do you evaluate?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

11. If you met a problem while using this branch How do you evaluate the problem solving process?

    Excellent ☐   Very good ☐   Good ☐

    Medium ☐   Poor ☐   Very Poor ☐

12. If you have any comment other than the above mentioned idea please say some _____