ST. MARY'S UNIVERSITY COLLEGE

BUSINESS FACULTY

DEPARTMENT OF MANAGEMENT

AN ASSESSMENT OF BUSINESS PROCESS REENGINERING IMPLEMENTATION PRACTICE IN TRANSPORT AUTHORITY

BY

MESELESH ASSEFA

JUNE, 2011

SMUC

ADDIS ABABA

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ACKNOWLEDGEMENTS

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ABBREVIATION/ACRONYMS

BPR –Business Process Reengineering

PhD-Doctor of Philosophy

GAO-General Accounting Office

NO-Number

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

According to Hammer and Champy (1993; 32) business process reengineering (BPR) is a useful approach based on challenging basic assumptions about business methods and even objectives they are designed to achieve and it involves fundamental changes in the organization functions and It is the fundamental restructuring that leads to the rethinking of process flow, services rendering , maximizing productivity and radical architecture of business to achieve optimal progress , up-to- date reason of performance pertaining to cost , quality service and speed of work.

Business process reengineering (BPR) is the broadest sense of concepts as, "The fundamental rethinking and redesign of operating processes and organization 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).

The Transport Authority was established by proclamation Number 468/97. The objectives of the Transport Authority are:

- To expand efficient , economic and fair transport system,

- To make the security of transport services secured and conducive ,and

- To establish and organize national and international transport system.

To achieve its objectives the Transport Authority designed and implemented business process reengineering in 2000E.C.The reason that the researcher gives attention in business process reengineering implementation is though it is a long period philosophy, in our country it is a new philosophy. Thus the researcher tried to assess the implementation of business process reengineering practice in Transport Authority.

1.2 Statement of the problem

The success of any organization depends on the effectiveness of the management in place. Experience has shown that implementation is the most formidable challenging phases of any project. In the implementation phase the kinds of activities transition to the new process , managing the human and technical issues surrounding the implementation of the new study and assessing the results of the study need the effort of the whole (Ministry of Transport and Communication, BPR study and implementation manual August, 2006). BPR implementation should be developed in such a way as to spell out the work that needs to be done with time frames and training, workforce's issues decision point and resources allocation.

Based on the concept of BPR the Transport Authority studied all its core and support processes. According to business process reengineering study result the necessary structural adjustment has been finalized.

The main reason why the Transport Authority adopted business process reengineering is that the systems of the Authority before the implementation of business process reengineering had the following weaknesses:

- Long time taking :to get done simple thing it took more time

- High transaction cost: as the processes were long it consumed much cost

- Not up to the needs of customers: the system of the transport authority did not fulfill the needs of the customers

- Many complaints and comments from customers but no response: the concerned management did not give answers for customers petitions

- Input based not output ; output not measured

- Lack of transparency and accountability

However, as it was observed during the internship in the transport authority even after the implementation of business process reengineering in the Transport Authority the aforementioned problems may not be solved. Besides it had no enough skilled human resources and technologies

which result in the effective BPR implementation .As a result the Transport Authority may not properly deliver its services to customers.

1.3 Research Questions

The following research questions are major research questions address by the study:

- ➢ What are the factors that hinder the smooth implementation of BPR?

- ➢ What is the level of top management commitment on BPR implementation?

- ➢ What are the attitudes and reactions of the employees to BPR implementation?

- ➢ How is the satisfaction of customers after BPR implementation?

- ➢ What improvements have been found after BPR implementation?

1.4 Objectives of the study

1.4.1 General Objective

The general objective of the study was to assess the BPR implementation in Transport Authority.

1.4.2 Specific Objectives

The study has the following specific objectives:

- To identify the factors that hinder the implementation of BPR

- To identify the level of top management commitment on the implementation of BPR

- To assess the attitude and reaction of employees on the implementation of BPR

- To identify the level of customers satisfaction after the implementation of BPR

- To distinguish the Authority's operational improvements after the implementation of BPR

1.5 Significance of the study

The significance of this study:

- Provides possible solutions for the problems on the implementation of BPR,

- Was a good opportunity to the student researcher to familiarize with research process and techniques,

- Serve as a reference for other researchers who engage in the similar topic

1.6 Delimitation of the study

The transport authority has six branches. One is found in Dire Dawa and the others are found in Addis Ababa. The scope of the study was restricted to the head office of the Transport Authority.

1.7. Definition of Terms

- **BPR**: It is the fundamental restructuring that leads to the rethinking of process flow, services rendering, maximizing productivity and radical architecture of business to achieve optimal progress, up-to- date reason of performance pertaining to cost, quality service and speed of work(GAO, 1997;6),

- **Radical** : getting to the root of things (Hammer and Champy 1993;33),

- **Reengineering:** it is about completely overhauling the operation in revolutionary ways in order to achieve the greatest possible benefits to customers and organization(Hammer and Champy 1993;33),

- **Redesig**n : making again arrangement of elements(Hammer and Champy 1993;33),

- **Process** :means a group of related tasks that together create value for customers(Hammer and Champy 1993;33)

1.8 Research Design and Methodology

1.8.1 Research Design

The student researcher used descriptive design for the study. This research method helped to describe the assessment of business process reengineering implementation in Transport Authority. In addition this method comprehended the stated objectives

1.8.2 Population and Sampling Technique

To make the research full and holistic the population consisted of all employees of the Transport Authority and customers.

The researcher used stratified sampling for the population of employees where as thirty (30) customers was selected accidentally. The total employees of the head office of Transport Authority are three hundred thirty one (331). The Transport Authority has fourteen departments.

No.	Department	Number of employees
1	human resource	9
2	finance	31
3	car plate number production and distribution	10
4	advertizing and communication	14
5	law	5
6	monitoring ethics and petition	5
7	reform affairs	62
8	effectiveness of vehicles	26
9	effectiveness of drivers	30
10	transport service organization	97
11	road transport policy research, planning, monitoring and controlling	9
12	road security	21
13	transport information analysis distribution	10
14	support staff	2

Thus in each department simple random sampling was used. According to the number of employees in each department 30% of them were selected for the study. Therefore in total ninety nine (99) employees was selected.

1.8.3 Types of Data collected

The student researcher used both primary and secondary data in order to make the study complete. From the primary source the researchers got more of first hand information and secondary sources provide data supplement the analysis of primary data.

1.8.4 Method of Data collection

The student researcher used structured interview and questionnaire to collect primary data. The open and closed questionnaires were distributed to employees and structured interview was also arranged for a manager of the Authority. In addition to employees, customers were accidentally asked to answer both open and closed questionnaires.

1.8.5 Data Analysis Method

The data analysis was conducted using descriptive technique. The data was organized and presented by numbers and percentage in table for how these data was calculated in order to facilitate the analysis.

1.9 Limitation of the study

Locally written literature particularly on BPR implementation practice is scarcely available. This limited the researcher so as not to supplement the study with literature reviewed on the Ethiopian context exhaustively .There is also time and cost restriction to perform the research. Besides the whole questionnaires which have been distributed to ninety nine employees were not collected but only ninety questionnaires have collected this tells us that some employees were not voluntary to respond. Even those who filled and returned the questionnaires did not write their current position.

1.10 Organization of the study

The study was organized into four chapters. The first chapter consists of background of the study, the statement of the problem, research question, objective of the study, significance of the study, and delimitation of the study, definition of terms, research design and methodology, and limitation of the study. The second chapter presents review of literature. The third chapter presents data analysis and interpretation. And the forth chapter contains summary, conclusion, and recommendation.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Development of BPR

In 1990, Michael Hammer, a former professor of computer science at Massachusetts Institute of Technology (MIT), published an article in Harvard Business Review, in which he claimed that the major challenge for managers is to obliterate non-value adding work, rather than using technology for automating it. This statement implicitly accused managers of having focused on the wrong issues, namely that technology in general, and more specifically information technology has been used primarily for automating existing processes rather than using it as an enabler for making non-value adding work obsoletes. Hammer's claim was simply; most of the work been done does not add any value for customers and this work should be removed , not accelerated through automation .Instead, companies should reconsider their processes in order to maximize customer value, while minimizing the consumption of resource required for delivering their product or service (Hammer and Champy,1993;21).

A similar idea was advocated By Thomas H.Davenport and J.Short in 1990, at that time a member of the Ernst and Young research centre, in a paper published in the Sloan Management Review the same year as Hammer published his paper. This idea, to unbiased review a company's business processes was rapidly adopted by huge number firms, which were striving for renewed competitiveness, which they had lost due to the market entrance of foreign competitors, their inability to satisfy customer needs, and their insufficient cost structure. Even well established management thinkers, such as Peter Ducker and Tom Peters, were accepting and advocating BPR as a new tool for achieving success in a dynamic world. During the following years , a fast growing number publications, books as well as journal articles , were dedicated to BPR , and many consulting firms embarked on this trend and developed BPR methods. However, the critiques were fast to claim that BPR was a way to dehumanize the workplace, increase managerial control, and to justify downsizing, i.e. major reduction of the work force and a rebirth of Taylorism under a different label (Davenport, 1993; 11).

2.2 Overview

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 (www.google .com .et   accessed date 11/01/2011).

Figure1. Reengineering guidance and relationship of Mission and Work Processes to Information Technology. Business process reengineering is one approach for redesigning the way work is done to better support the organization's mission and reduce costs. Reengineering starts with a high-level assessment of the organization's mission, strategic goals, and customer needs. Basic questions are asked, such as "Does our mission need to be redefined? Are our strategic goals aligned with our mission? Who are our customers?" An organization may find that it is operating on questionable assumptions, particularly in terms of the wants and needs of its customers. Only after the organization rethinks what it should be doing, does it go on to decide how best to do it. 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 businessprocess can be decomposed into specific activities, measured, modeled, and improved. It can also be completely redesigned or eliminated altogether. Reengineering identifies, analyzes, and redesigns an organization's core business processes with the aim of achieving dramatic improvements in critical performance measures, such as cost, quality, service, and speed. Reengineering recognizes that an organization's business processes are usually fragmented into sub processes and tasks that are carried out by several specialized functional areas within the organization. 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 outmoded. For that reason, reengineering focuses on redesigning the process as a whole in order to achieve the greatest possible benefits to the organization and their customers. This drive for realizing dramatic improvements by fundamentally rethinking how the organization's work should be done distinguishes reengineering from process improvement efforts that focus on functional or incremental improvement(www.google.com.et accessed date 11/01/2011).

2.3Business process reengineering concepts

2.3.1Definition

Different definitions can be found. This section contains the definition provided in notable publications in the field:

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

Key words in the Definition of BPR

- Radical: getting to the root of things (Hammer and Champy ,1993;33)

- Reengineering : it is about completely overhauling the operation in revolutionary ways in order to achieve the greatest possible benefits to customer and organization(Hammer and Champy, 1993;33)

- Redesign : making again arrangement of elements(Hammer and Champy ,1993;33)

- Process : means a group of related tasks that together create value for customers (Hammer and Champy ,1993;33)

- Fundamental : In doing BPR people must ask the most basic questions about their organization and how they operate .These most basic questions include :

  -Why do we do what we do?

  - Why do we do it the way we do?

- Dramatic: BPR is not about minor improvement or modification, but reinvention of the way we are doing our jobs .It is not about making marginal or incremental improvements, but about achieving quantum leaps in performance. Marginal improvement requires fine tuning; dramatic improvement demands blowing up the old and replacing it with something new (Hammer and Champy, 1993; 34). Additionally, Davenport points out the major difference between BPR and other approaches to organization development (OD), especially the continuous improvement or TQM movement, when he states: "Today firms must seek not fractional, but multiplicative levels of improvement – 10x rather than 10%." Finally, Johansson provide a description of BPR relative to other process-oriented views, such as Total Quality Management (TQM) and Just-in-time (JIT), and state:"Business Process Reengineering, although a close relative, seeks radical rather than merely continuous improvement. It escalates the efforts of JIT and TQM to make process orientation a strategic tool and a core competence of the organization. BPR concentrates on core business processes, and uses the specific techniques within the JIT and TQM "toolboxes" as enablers, while broadening the process vision." In order to achieve the major improvements BPR is

seeking for, the change of structural organizational variables, and other ways of managing and performing work is often considered as being insufficient. For being able to reap the achievable benefits fully, the use of information technology (IT) is conceived as a major contributing factor. While IT traditionally has been used for supporting the existing business functions, i.e. it was used for increasing organizational efficiency, it now plays a role as enabler of new organizational forms, and patterns of collaboration within and between organization. BPR derives its existence from different disciplines, and four major areas can be identified as being subjected to change in BPR - organization, technology, strategy, and people - where a process view is used as common framework for considering these dimensions. Business strategy is the primary driver of BPR initiatives and the other dimensions are governed by strategy's encompassing role.

The organization dimension reflects the structural elements of the company, such as hierarchical levels, the composition of organizational units, and the distribution of work between them. Technology is concerned with the use of computer systems and other forms of communication technology in the business. In BPR, information technology is generally considered as playing a role as enabler of new forms of organizing and collaborating, rather than supporting existing business functions. The people / human resources dimension deals with aspects such as education, training, motivation and reward systems. The concept of business processes - interrelated activities aiming at creating a value added output to a customer - is the basic underlying idea of BPR. These processes are characterized by a number of attributes: Process ownership, customer focus, value adding, and cross-functionality (www.yahoo.com accessed date 12/01/2011).

2.3.2 Approach to BPR

Davenport (1992) prescribes a five approach the BPR model:

1. Develop the business vision and process objectives: The BPR method is driven by a business vision which implies specific business objectives such cost reduction, time reduction, and output quality improvement.

2. Identify the business processes to be redesigned: most firms use the high impact approach which focuses on the most important processes or those that conflict most with business vision. A lesser number of firms use the exhaustive approach that attempts to identify all the processes within an organization and then prioritize them in order of redesign urgency.

3. Understand and measure the existing process: to avoid the repeating of old mistakes and to provide a base line for future improvement.

4. Identify IT levers: awareness of IT capabilities can and should influence BPR.

5. Design and build a prototype of the new process: the actual design should not be viewed as the end of the BPR processes. Rather, it should be viewed as a prototype, with successive iterations. The metaphor of prototype aligns the BPR approach with quick delivery of results, and the involvement and satisfaction of customers.

2.3.3 What exactly is BPR in Ethiopia? What concrete procedures are taken to improve the public sector?

As soon as the current government came to power, it started rigorous reforms (first phase reforms from 1991 to 1995) in three fronts:

- Economic reform- from central planning to market economy

- Political reform –federalism ,and power and fiscal decentralization

- Constitutional reform- enacting the Ethiopian constitution

The question was whether Ethiopia has a bureaucracy hat is capable of doing these reforms or not. The government employed private domestic and foreign consultants to study the implementing capacity and effectiveness of the bureaucracy. The consultants identified that Ethiopian bureaucracy is characterized by

- Very hierarchical with many non- value adding works/positions/staffs

- Nepotism and lack of transparency and accountability , and corruption

- Lack of leadership capacity

- Input based and not output based – i.e. output not measured.

It was difficult to undertake reform with this bureaucracy. The consultants recommended the establishment of new institutions. The "Ministry of Capacity Building "with the mandate of undertaking reforms in all public institutions (education and the civil service) was established. Also "Anti-corruption Commission "with the mandate of avoiding unaccountable and not transparent procedures in public institutions was established (www.google.com .et accessed date 15/01/2011).

Over time it was believed that an important condition to undertake the reforms was to implement BPR. It was identified that to solve the problems of hierarchical bureaucracy with many non –value adding works / staffs/ positions/, nepotism, etc; BPR is seriously implemented in all public institutions gradually. The reason why the Ethiopian government adopted BPR is that the current system has to be completely changed and redesigned and BPR can do this job. Services delivered by the public institutions are characterized by

- Long time taking :to get done simple thing it took more time

- Costly (high transaction cost): as the processes were long it consumed much cost

- Incompetency(not up to the needs of customers): the system of the transport authority did not fulfill the needs of the customers

- Not responsive (many complaints , questions, comments etc from customers but no response): the concerned management did not give answers for customers petitions

- Not dynamic (the world is changing but our public institutions are stagnant)

People have choices when they buy products from private firms. However, government services are one (no choice). At the same time it is people's democratic right to get appropriate and satisfactory services from public institutions. As a result of the implementation of BPR painful practices in each public office were identified, and many non –value adding works/ positions are avoided. For example, it was found that deputy head departments were actually doing nothing. At the end of the day BPR enables a 'one stop mechanism where customers get all public services in

one place and at low cost. So far BPR is implemented in public offices and publicly owned big institutions. However, private firms have not adopted it yet in Ethiopia (www.google.com.et accessed date 15/01/2011).

2.3.4 BPR in Ethiopia public organizations: the relationship between theory and practice

Since 1994, the government of Ethiopia has embarked on reforming its civil service organizations with the objective of improving the public sector service delivery system. The government sponsored a lot of management training programs to enhance the capacity of civil service employees and to implement Result Based Performance Management System in all of its civil service organizations. Though this brought some improvements in the performance of some civil service organizations, the effort required was too much as compared to the benefits obtained. Since 2004, the government has also endorsed Business Process Reengineering (BPR) as a foundation for strengthening Result Based Performance Management System in the civil service. Scientific Management, System Theory and Operation Management are the theoretical and methodological foundations of BPR. For this reason, most corporations used BPR as a transformation tool during the 1980s and1990s.

However, the characteristics of government organizations are different from corporate organizations. These distinguishing features constrain government organizations from emulating the BPR experiences of corporate ones. Hence, it is important to introduce a conceptual frame work and a working model that facilitates the implementation of BPR in a particular civil service organization .Venktramen has developed the five stages of organizational transformation model. These stages are automation, horizontal integration, BPR, network redesign, and organizational scope redefinition. The model helps to determine from which perspective to reengineer the processes of organization- either to seek efficiency or to enhance capacity.Matching the statuses of civil service organizations in Ethiopia to this model indicates that business process reengineering should be considered to seek evolutionary changes (Berihu Assefa, May 2009).

In conclusion, considering the human resource and the technological capacities of Ethiopian civil service organizations, business process reengineering can bring incremental benefit and evolutionary transformation instead of dramatic and radical change for the foreseeable future to come (Berihu Assefa, May 2009)

2.4 The role of information technology

Information technology (IT) has historically played an important role in the reengineering concept. It is considered by some as a major enabler for new forms of working and collaborating within an organization and across organizational borders. Early BPR literature identified several so called disruptive technologies that were supposed to challenge traditional wisdom about how work should be performed.

- 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 field personnel to work office independent
- Interactive videodisk, to get in 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-fly planning and revisioning

In the mid 1990s, especially workflow management systems were considered as a significant contributor to improved process efficiency. Also ERP (Enterprise Resource Planning) vendors, such as SAP, JD Edwards, Oracle, PeopleSoft, positioned their solutions as vehicles for business process redesign and improvement (peppard and Rowland ,2002;20).

2.5 What Reengineering is not

People with heart say knowledge of reengineering and those just being introduced to the concept often jump to the conclusion that it is much the same as other business improvement programs with which they are already familiar , they may say ,it is another name for downsizing . "Or they equate it with restructuring or some other business fix of the month .Not at all. Reengineering has little or nothing in common with any of these programs and differs in significant ways even from those with which it does share some common premises.

First, despite the prominent role played by information technology in business reengineering; it should by now be clear that reengineering is not the same as automation. Automating existing processes with information technology is analogous to paving cow paths. Automation simply provides more efficient ways of doing the wrong kinds of things. Nor should people confuse business reengineering with so called soft ware reengineering; which means rebuilding obsolete information systems with more modern technology .Software reengineering often produces nothing more than sophisticated computerized systems that automate obsolete processes. Reengineering is not restructuring or downsizing. These are just fancy terms for reducing capacity to meet current lower demand. Downsizing and restructuring only mean doing   less with less.

 Reengineering, by contrast, means doing more with less. Reengineering also is not the same as reorganizing, delayering or flattening an organization, although reengineering may, In fact, produce a flatter organization. As we have argued above, the problem facing organizations don't result from their organizational structures but their process structures. Overlaying a new organization on top of an old process is pouring soured wine to new bottles. Organizations that earnestly   set out to "bust" bureaucracies are holding the wrong end of the stick. Bureaucracy is not the problem. On the contrary, bureaucracy has been the solution for the last two hundred years. If you dislike bureaucracy in your organization, try getting by without it .Chaos will result. Bureaucracy is glue that holds traditional organizations together. The underlying problem, to which bureaucracy has been and remains a solution, is that of fragmented processes. The way to eliminate bureaucracy flatten the organization is by reengineering processes so that they are no longer fragmented. Then the organization can manage nicely without its bureaucracy.

Nor is reengineering the same as quality improvement, total quality management (TQM), or any other manifestation of the contemporary quality movement. To be sure quality programs and reengineering share a number of common themes. They both recognize the importance of processes, and they both star with the needs of the process customer and work back words from there. However, the two programs also differ fundamentally. Quality programs work within the framework of an organization's existing processes and seek to enhance them by means of what

the Japanese call kaizen, or continuous incremental improvement. The aim is to do what we already do, only to do it better. Quality improvement seeks steady incremental improvement to process performance. Reengineering , as we have been , seeks break through , not by enhancing existing processes , but by discarding them and replacing them with entirely new ones . Reengineering involves, as well, a different approach to change management from that needed by quality programs. Finally, we can do better than to return to our original two definitions for reengineering: staring over. Reengineering is about beginning again with a clean sheet of paper. It is about rejecting the conventional wisdom and received assumptions of the past. Reengineering is about investing new approaches to process structure that bear little or no resemblance to those of previous eras. Fundamentally, reengineering is about reversing the industrial revolution. Reengineering rejects the assumptions inherent in Adam Smith's industrial paradigm _ the division labor of labor, economies of scale, hierarchical control, and all the other appurtenances of an early stage developing economy. Reengineering is the search for new models of organizing work. Tradition counts for nothing. Reengineering is a new beginning (Hammer and Champy, 1993; 48-49).

2.6 Who will reengineer?

Organizations don't reengineer processes; people do. Before we delve more deeply into the "what" of the reengineering process, we need to attend to the "who." How organizations select and organize the people who actually the reengineering is key to the success of the endeavor.

The following rules emerge either distinctly or in various combinations, during our work with organizations that are implementing reengineering.

- Leader:- a senior executive who authorizes and motivates the overall reengineering effort.

- Process owner:- manager with responsibility a specific process and the reengineering effort focused on it.

- Reengineering team:- a group of individuals dedicated to the reengineering of a particular process, who diagnose the existing process oversee its redesign and implementation.

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- Steering committee:- a policy making body of senior managers who develop the organization 's overall reengineering strategy and monitor its progresses.

- Reengineering czar: - an individual responsible for developing reengineering techniques and tools within the organization and for achieving synergy across the organization's separate reengineering projects.

In an ideal world the relationship among these is as follows: the leader appoints the process owner, who convenes a reengineering team to reengineer the process, with the assistance from the czar and under the auspices of the steering committee. Process not organizations, are the object of reengineering, organization don't reengineer their departments; they reengineer the work that the people those departments do. The confusion between organizational units and process as object of reengineering arises because departments, division and groups are familiar to people in business; while processes are not; organizational lines are visible, plainly drawn on organization charts, and processes are not; organizational units have names and process most often don't (Hammer and champy, 1993; 101-103).

2.7 Principles of BPR

Hammer and Champy felt the design of work flow in most large corporation was based on no longer valid assumptions about technology, people and organizational goals. They also outlined seven reengineering principles to stream line the work process and thereby achieve significant levels of improvement in quality, time management and cost:

- Organize around outcomes not tasks

- Identify all the processes in an organization and prioritize them in order of redesign urgency

- Integrate information processing work into the real work that produces the information

- Treat geographically dispersed resource as thought they were centralized

- Link parallel activities in the work flow instead of just integrating their results

- Put the decision point where the work is performed , and build control into the process

- Capture information once and at the source.

(Hammer and Champy, 1993; 231)

2.8 Change Management

One of the most overlooked obstacles to successful project implementation is resistance from those whom implementers believe will benefit the most. Most projects underestimate the cultural impact of major process and structural change, and as a result do not achieve the full potential of their change effort. Change is not an event despite our many attempts to call folks together and have a meeting to make change happen. Change management is the discipline of managing change as a process with due consideration that we are people not programmable machines. It is about leadership with open, honest and frequent communication. The better the management of the change, the less pain will have during the transition and the impact on work productivity will be minimized (www.google.com.et accessed date 21/01/2011).

2.9 Top Management Sponsorship

Major business process change typically affects processes, technology, job roles and culture in the work place. A significant change to even one of these areas requires resources, money, and leadership. Changing them simultaneously is an extraordinary task. If top management does not provide strong and consistent support, most likely one of these three elements (money, resources, or leadership) will not be present over the life of the project, severely crippling the chances for success. It may be true that consultants and reengineering managers give this topic a lot of attention mostly because current models of redesigning business processes use staff functions and consultants as change agents. Without top management sponsorship, implementation efforts can be strongly resisted and ineffective (www.google.com.et accessed date 21/01/2011).

2.10 Strategic Alignment

You should be able to tie your reengineering project goals back to key business objectives and the overall strategic direction for the organization. This linkage should show the thread from the top to down so each person can easily connect the overall business direction with your reengineering effort. You should be able to demonstrate this alignment from the perspective of

financial performance, customer service, employees' value and the vision for the organization (www.google.com.et   accessed date 21/01/2011).

2.11 Critique

Reengineering has earned a bad reputation because such projects have often resulted in massive layoffs. This reputation is not altogether unwarranted, since companies have often downsized under the banner of reengineering. Further, reengineering has not always lived up to its expectations (Peppard and Rowland, 2002; 22-27). The main reasons seem to be that:

- Reengineering assumes that the factor that limits an organization's 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," i.e. totally disregard the status quo.
- According to Eliyahu M. Goldratt (and his Theory of Constraints) reengineering does not provide an effective way to focus improvement efforts on the organization's constraint.

There was considerable hype surrounding the introduction of Reengineering the Corporation (partially due to the fact that the authors of the book reportedly bought numbers of copies to promote it to the top of bestseller lists) (Peppard and Rowland, 2002; 22-27).

Abrahamson (1996) showed that fashionable management terms tend to follow a lifecycle, which for Reengineering peaked between 1993 and 1996 (Ponzi and Koenig 2002). They argue that Reengineering was in fact nothing new (as e.g. when Henry Ford implemented the assembly line in 1908, he was in fact reengineering, radically changing the way of thinking in an organization). Dubois (2002) highlights the value of signaling terms as Reengineering, giving it a name, and stimulating it. At the same there can be a danger in usage of such fashionable concepts as mere ammunition to implement particular reform. Read Article by Faraz Rafique. The most frequent and harsh critique against BPR concerns the strict focus on efficiency and technology and the disregard of people in the organization that is subjected to a reengineering initiative. Very often, the label BPR was used for major workforce reductions.

Thomas Davenport, an early BPR proponent, stated that: "When he wrote about "business process redesign" in 1990, he explicitly said that using it for cost reduction alone was not a sensible goal. And consultants Hammer and Champy, the two names most closely associated with reengineering, have insisted all along that layoffs shouldn't be the point. But the fact is, once out of the bottle, the reengineering genie quickly turned ugly. Hammer similarly admitted that:"He wasn't smart enough about that he was reflecting my engineering background and was insufficient appreciative of the human dimension. He has learned that's critical (Peppard and Rowland, 2002; 22-27).

CHAPTER THREE

3. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

In this section the results obtained from the questionnaire and interview were analyzed. percentage as a statistical method was employed to present and analyze the structured items of the questionnaire quantitatively .To supplement and enrich the information that was drawn using a questionnaire, the data from open questions and interview were analyzed and described qualitatively. To make the research more reliable 99 questionnaires were distributed for employees which were 30% of the total employees or populations and 90 questionnaires were returned and the remaining 9 questionnaires were not returned .There are also 30 questionnaires that were distributed for customers and all those questionnaires were returned.   .

Table 3.1 General Information of the employees

Item NO	Description	NO	Percent (%)
1	sex		
	Female	29	32.2
	Male	61	67.8
	Total	90	100.0
2	Age range		
	20-30	19	21.1
	31-40	36	40.0
	41-50	27	30.0
	51-60	8	8.9
	Total	90	100.0
3	Qualification		
	12 grade and below	0	0.0
	Certificate	0	0.0
	Diploma	30	33.4
	Degree	57	63.3
	Master	3	3.3
	PhD	0	0.0
	Total	90	100.0
5	Work Experience		
	5 and below	27	30.0
	6-11	26	28.9
	12-17	25	27.8
	More than 18	12	13.3
	Total	90	100.0

Based on the responses obtained from employees the characteristics of the study groups were examined in terms of sex, age, qualification and years of services. As indicated in table 3.1, 67.8% of the respondent employees were male and 32.2 % of them were females. This indicates that most of the tasks were performed by males.

From the same table 21.1 % of the respondent employees' age ranges from 20 to 30, 40 .0 % of the respondent employees' age ranges from 31 to 40 , 30 % of the respondent employees had ages range from 41 to 50 years and the old age of the respondent employees ranges from 51 to 60 which is 8.9%of the respondent employees. It is observed that most of the employees are in adult age group so that it is possible to achieve the objectives of the organization in a timely, properly, and flexible manner.

The same table indicated that the majority of the respondent employees were degree holders which is 63.3% of the respondent, 33.4% of the respondent employees were diploma holders and the remaining 3.3% of the respondent employees were master holders. This implies that the organization has educated employees so that it achieves its objectives if there are clear plan and good communication with employees. In the years of services category 30.0% of the respondent employees had five years and below years services, 28.9 % of the respondent employees had six to eleven years services, 27.8% of the respondent employees had twelve to seventeen years services and 13.3% of the respondent employees had more than eighteen years services . It is concluded that most of the organization employees had less than eighteen services and greater than five years as a result the organization has good experienced employees to perform their task.

Table 3.2 Training on BPR

Item No.	Questions	Response					
		Yes		No		I don't know	
		NO.	%	NO.	%	NO.	%
1	Did your organization give you training on BPR before implementation of it?	39	43.3	48	53.4	3	3.3
2	Did your organization give you training on BPR after implementation of it?	39	43.3	49	54.5	2	2.2

The result from table 3.2 showed that the majority of the respondent employees which is 53.4% of the respondent employees disclosed that training on BPR was not given for employees before its implementation where as 43.3% of the respondent employees disclosed that training on BPR was given for employees before its implementation, and the remaining 3.3% of the respondent employees did not know whether training on BPR was given or not. From the same table the majority (54.5%) of the respondent employees disclosed that training on BPR was not given for employees after its implementation, where as 43.3% of the respondent employees disclosed that training on BPR was given after its implementation, and the remaining 2.2 % of the respondent employees did not know whether training was given or not. This indicated that training on BPR was not given for employees before and after its implementation as a result it is difficult to implement BPR.

Table 3.3 .Commitments to implement BPR

Item NO	Questions	Response					
		Yes		No		I don't know	
		NO	%	NO	%	NO	%
1	Has the top management fully committed on implementation of BPR?	23	25.6	62	68.8	5	5.6
2	Is the information from the concerned management reached to the employees timely and accurately?	18	20	68	75.6	4	4.4
3	Have the employees initiated for the implementation of BPR?	37	41.1	50	55.6	3	3.3
4	Have the middle managers identified their roles and then performed their tasks accordingly?	48	53.3	38	42.2	4	4.5

The result from table3.3 indicated that the majority (68.8) of the respondent employees disclosed that top management has not fully committed on implementation of BPR, where as 25.6% of the respondent employees disclosed that top management has fully committed on BPR implementation and the remaining 5.6 % of the respondent employees did not know whether top management has fully committed or not. Here it indicated that top management did not have full commitment to implement BPR but this practice is contrary to the concept of BPR implementation which states that without top management sponsorship, implementation efforts can be strongly resisted and ineffective (www.google.com.et accessed date 21/01/2011).

From the same table the majority (75.6%) of the respondent employees disclosed that the information from the concerned management is not reached to employees in a timely and accurate manner, 20% of the respondent employees confirmed that information from the concerned management is reached to the employee in a timely and accurate manner, and the remaining 4.4% of the respondent employees did not know whether information from the concerned management is reached to employees or not. It is concluded that information was not distributed to employees from the concerned management. From the same table the majority (55.6%) of the respondent employees responded that the employees of the transport authority have not initiated for BPR implementation, 41.1% of the respondent employees confirmed that the employees have initiation for BPR implementation, 3.3% of the respondent employees did not know whether the employees have the initiation or not for BPR implementation. Here it is concluded that the employees did not have the initiation to implement BPR.

Finally from the same table the majority (53.3%) of the respondent employees indicated that the middle managers have identified their roles and then performed their tasks accordingly, 42.2 % of the respondent employees confirmed that the middle managers have not identified their roles in performing their tasks, and 4.5% of the respondent employees did not know whether the middle managers have identified their roles and then performed their tasks accordingly. In a nut shell the employees and the management did not have the commitment and initiation to implement BPR

Table 3.4 Factors that affect BPR implementation

Item NO r	Questions	Response					
		Yes		No		I don't know	
		NO	%	NO	%	NO	%
1	Are there factors that hinder the smooth implementation of BPR?	74	82.2	12	13.3	3	4.5
2	Have enough human, financial and material resources been allocated to implement BPR?	13	14.4	76	84.5	1	1.1
3	Is your performance appraised periodically after BPR implementation?	10	11.1	77	85.6	3	3.3
4	Do you think that the right person has positioned at the right place?	27	30	62	68.9	1	1.1
5	Do you think that the implementation of BPR in your organization is based on a clean sheet approach and it is not based on a simple incremental change?	71	78.9	15	16.7	4	4.4

Table 3.4 showed that the majority (82.2%) of the respondent employees indicated that there are factors that hinder the smooth implementation of BPR, 13.3% of the respondent employees

confirmed that there are no factors which affect the smooth implementation of BPR, and the remaining 4.5% of the respondent employees did not know whether there are factors that affect the smooth implementation of BPR or not. Here it is concluded that there factors that affect the implementation of BPR. This was supported by the result obtained from the open end questionnaire the respondent employees suggested that the factors that affect the smooth BPR implementation are lack of trained manpower, employees did not understand the concept of BPR since they were not given training on BPR, employees and managers lack initiation , employees did not have positive attitude, and individual performance was not appraised and output was not measured .The same table indicated the majority (84.5%) of the respondent employees disclosed that enough human, financial and material resources have not allocated to implement BPR, 14.4% of the respondent employees confirmed that enough human, financial, and material resources have been allocated to implemented BPR, and the remaining 1.1% of the respondent employees did not know whether there have been allocated enough human, financial, and material resources to implement BPR or not. To implement BPR properly and adequately enough resources should be allocated but this was not practiced in the organization. This is contrary to the concept of BPR which states that top management does not provide strong and consistent support most likely one of these three elements (money, resources, or leadership) will not be present over the life of the project, severely crippling the chances for success(www.google.com.et accessed date 21/01/2011).

The same table showed that the majority (85.6%) of the respondent employees disclosed that individual employees performance was not appraised periodically after BPR implementation ,11.1% of the respondent employees confirmed that individual performance was appraised periodically, and the remaining 3.3% of the respondent employees did not know whether individual performance is appraised periodically after BPR implementation or not. It is concluded that after the implementation of BPR individual performance was not appraised but team work was appraised. The same table indicated the majority (68.9) of the respondent employees disclosed that the right person has not positioned at the right place in implementation of BPR, 30% of the respondent employees confirmed that the right person has positioned at the right place during the implementation of BPR, and the remaining 1.1% of the respondent

employees did not know whether the right person has positioned at the right place or not. It is concluded that the right person was not positioned at the right place.

Finally the same table showed that the majority (78.9%) of the respondent employees disclosed that the implementation of BPR in the transport authority is based a clean sheet approach and it was not based on a simple incremental change approach, 16.7% of the respondents confirmed that the implementation of BPR in the transport authority was not based on a clean sheet approach, and the remaining 4.4%of the respondent employees did not know whether the implementation of BPR in the transport authority is based on a clean sheet approach and it was not based on a simple incremental change approach. It is concluded that the implementation of BPR in the transport authority is not based on clean sheet approach as the previous system was still functional and it was not a simple incremental change. In this regard considering the human resource and the technological capacities of Ethiopian civil service organizations, business process reengineering can bring incremental benefit and evolutionary transformation instead of dramatic and radical change for the foreseeable future to come (Berihu Assefa, May 2009) ;however, BPR is not about minor improvement or modification, but reinvention of the way jobs are done .It is not about making marginal or incremental improvements, but about achieving quantum leaps in performance. Marginal improvement requires fine tuning; dramatic improvement demands blowing up the old and replacing it with something new (Hammer and Champy, 1993; 34)

Table 3.5 Effect of BPR implementation

Item NO	Question	Response					
		Yes		No		I don't know	
		NO	%	NO	%	NO	%
1	Do you think that the implementation of BPR has improved the operation of your organization?	67	74.4	18	20	5	5.6
2	Do you think non –value adding jobs and processes were reduced after BPR implementation?	63	70	24	26.7	3	3.3
3	Are you satisfied with your job after implementation of BPR?	22	24.5	64	71.1	4	4.4
4	Do you think that teamwork is encouraged after BPR implementation?	62	68.9	26	28.9	2	2.2
5	Do you think that the Implementation of BPR brings problem on employees?	67	74.5	19	21.1	4	4.4

The result from table 3.5 indicated that the majority (74.4%) of the respondent employees thought that the implementation of BPR has improved the operation of the authority, 20% of the respondent employees disclosed that the implementation of BPR has not improved the operation of the authority, and the remaining 5.6 % of the respondent employees did not know the implementation of BPR in the transport authority has improved its operation. It is concluded that BPR implementation improved the operation of the organization. This was supported by the result obtained from open end questionnaire the respondent employees suggested that the improved operation of the transport authority after BPR implementation are increased speed of service, more transparency and accountability, cost reduction, processes are reduced and team

work is developed. The same table showed that the majority (70%) of the respondent employees thought that non-value adding jobs and processes were reduced after the implementation of BPR, 26.7% of the respondent employees thought that the implementation of BPR did not reduce non-value adding jobs and processes after the implementation of BPR, and the remaining 3.3% of the respondent employees did not know whether the implementation of BPR reduced non-value adding jobs and processes or not. It is concluded that non value adding activities were reduced.

The same table indicated that the majority (71.1%) of the respondent employees disclosed that after the implementation of BPR they are not satisfied with their jobs, 24.5 % of the respondent employees confirmed that after the implementation of BPR they are satisfied with their jobs, and the remaining 4.4% of the respondent employees did not know whether they are satisfied with their jobs after the implementation of BPR or not. It is concluded that employees were not satisfied with their jobs after the implementation of BPR. This contrary to the concept of BPR which states that the better the management of the change, the less pain will have during the transition and the impact on work productivity will be minimized (www.google.com.et accessed date 21/01/2011). The same table indicated that the majority (68.9%) of the respondent employees disclosed that after the implementation of BPR team work is encouraged, 28.9% of the respondent employees confirmed that teamwork is not encouraged after the implementation of BPR, and the remaining 2.2% of the respondent employees did not know whether teamwork is encouraged after the implementation of BPR. Here it is concluded that team work has been encouraged after the implementation of BPR.

 Finally the same table showed the majority (74.5%) of the respondent employees thought that the implementation of BPR brought problems on employees, 21.1% of the respondent employees thought that the implementation of BPR did not bring problems on employees and the remaining 4.4% of the respondent employees did not know whether the implementation of BPR brought problems on employees or not. It is concluded that the implementation of BPR brought problems on employees since it reduced employees and created tension and job security. This was supported by the result obtained from the open end questionnaire the respondent employees suggested that the problems of the implementation of BPR on employees are reduction of employees and fear of job security. This in line with reengineering has earned a bad reputation because such projects have often resulted in massive layoffs. This reputation is not altogether

unwarranted, since companies have often downsized under the banner of reengineering. Further, reengineering has not always lived up to its expectations (Peppard and Rowland, 2002; 22-27).

Table 3.6 General Information of the customers

Item NO	Description	NO	Percent (%)
1	sex		
	Female	6	20.0
	Male	24	80.0
	Total	30	100.0
2	Age		
	20-30	13	43.3
	31-40	13	43.3
	41-50	3	10.0
	More than 50	1	3.4
	Total	30	100.0
3	Education level		
	12 grade and below	6	20.0
	Certificate	3	10.0
	Diploma	6	20.0
	Degree	14	46.7
	master	0	0.0
	PhD	1	3.3
	Total	30	100.0
4	Year of service		
	5 and below	16	53.3
	6-11	9	30.0
	12-17	2	6.7
	More than 18	3	10.0
	Total	30	100.0
5	Types of business		
	Merchant	5	16.7
	Employees of government	7	23.3
	Employees of private organization	9	30.0
	Professionally self employed	7	23.3
	Others	2	6.7
	Total	30	100.0

Table 3.6 indicated that majority of the respondent customers were males which are 80.0% of the respondent customers. And the remaining 20.0% of the respondent customers were females. It is

concluded that the majority of the customers of the transport authority are males. The same table indicated that 43.3% of the respondent customers had ages of twenty to thirty years, 43.3% of the respondent customers had ages of thirty one to forty years, 10.0% of the respondent customers had ages of forty one to fifty years, and 3.4 % of the respondent customers had ages of more than fifty years. This implied that the majority of the customers are at adult age from twenty to forty. The same table showed that most (46.7%)of the respondent customers were degree holders ,3.3% of the respondent customers were doctor of philosophy, 10.0% of the respondent customers were certificate holders,20.0% of the respondent customers were diploma holders, and 20.0% of the respondent customers were 12 grade and below educational level. In connection with the education level the customers are educated so that it is possible to communicate easily and the transport authority has got good feedback from the customers.

In the years of services category the majority (53.3%) of the respondent customers had five years and below years services, 30.0 % of the respondent customers had six to eleven years services, 6.7% of the respondent customers had twelve to seventeen years services and 10.0%% of the respondent customers had more than eighteen years services .It is concluded that the customers of the organization increase from year to year as the service years indicated. The same table showed that 16.7% of the respondent customers were merchants, 23.3% of the respondent customers were government employees, 30.0% of the respondent customers were private organization employees, 23.3% of the respondent customers were professionally self -employed, and 6.7% of the respondent customers engaged in other businesses. It is observed that the majority customers were not government employees.

Table 3.7 Service provision

Item NO.	Questions	Response					
		Yes		No		I don't know	
		NO	%	NO	%	NO	%
1	Is Transport Authority a service providing organization?	28	93.4	1	3.3	1	3.3
2	Have you got service before BPR implementation?	19	63.3	9	30.0	2	6.7
3	If your answer for question number 2 is yes, are there improved services after BPR implementation?	15	78.9	4	21.1	0	0.0
4	Do you think the organization has arranged necessary facilities for instance chair and reception rooms?	20	66.7	7	23.3	3	10.0
5	Is the location of the organization convenient to you?	23	76.7	6	20	1	3.3
6	Do you think that managers don't have the initiation or commitment to perform their tasks which are related to customers?	14	46.7	6	20	10	33.3
7	Do you think that the organization delivers its services timely and properly?	22	73.3	8	26.7	0	0

The result from table 3.7 showed that the majority (93.4%) of the respondent customers disclosed that transport authority is a service providing organization, 3.3% of the respondent customers responded that transport authority is not a service providing organization, and the remaining 3.3% of the respondent customers did not know whether the transport authority is a service providing organization or not. It is understood that the transport authority is a service providing government organization .The same table showed that the majority (63.3%) of the respondent customers disclosed that they have got service in the transport authority before BPR implementation, 30% of the respondent customers confirmed that they have not got service before BPR implementation, and the remaining 6.7% of the respondent customers did not know whether they have got service in the transport authority or not. In general the majority of the customers have got service before BPR implementation.

The same table indicated that the majority (78.9%) of the respondent customers disclosed that after the implementation of BPR the operations of the transport authority have been improved, and the remaining 21.1% of the respondent customers confirmed that after the implementation of BPR the operations of the transport authority have not been improved. It is concluded that the implementation of BPR improved the operation of the organization. This was supported by the result obtained from the employees that confirmed the implementation of BPR improved the operation of the organization.

The same table showed that the majority (66.7%) of the respondent customers thought that the transport authority has arranged the necessary facilities for instances chairs and reception room, 23.3% of the respondent customers thought that the transport authority has not arranged the necessary facilities for instances chairs and reception room ,and the remaining 10% of the respondent customers thought that they did not know whether the transport authority has arranged the necessary facilities for instances chairs and reception room. Here it is concluded that the organization has arranged facilities to some extent. The same table showed the majority (76.7%) of the respondent customers disclosed that the location of the transport authority is convenient for them, 20% of the respondent customers confirmed that the location of the authority is not convenient for them, and the remaining 3.3% of the respondent customers did not know whether the location of the authority is convenient for them or not. Here it is concluded that the location of the organization is convenient to customers.

The same table showed that most (46.7%) of the respondent customers thought that the managers do not have the initiation or commitment to perform their tasks, 20% of the respondent customers thought that the managers have the initiation or commitment to perform their tasks, and the remaining 33.3% of the respondent customers did not know whether the managers do not have the initiation or commitment to perform their tasks. It is concluded that managers did not have commitment to perform their tasks to serve the customers.

Finally the same table indicated the majority (73.3%) of the respondent customers thought that the transport authority delivers its service timely and properly and the remaining 26.7% of the respondent customers did not think that the authority delivers its service timely and properly.

In general the organization has improved its service particularly the time taken for a transaction is reduced. The respondent customers suggested the factors that affect that the transport authority in delivering its service timely and properly are customers is not considered as king, customers can not easily get managers, and employee's motives are towards corruption.

Table 3.8 Improved services

Item	Activities	Response	
		NO	%
which of the following services is improved services after BPR implementation	Fast service	7	23.3
	transparency	8	26.7
	Friendly handling customers	2	6.7
	All	13	43.3

The result from table 3.8 indicated that most (43.3%) of the respondent customers disclosed that after the implementation of BPR the operations of the transport authority such as the speed of the service , transparency and friendly customers handling have been improved,26.7% the respondent customers confirmed that the transparency of the transport authority has been improved, 23.3% of the respondent customers responded that the speed of the service of the authority has been improved, and the remaining 6.7% of the respondent customers indicated that the operation of the transport authority handles customers in a friendly manner. In general the time taken for a transaction was reduced, the operation of the organization was become more transparent and to some extent the customers were treated in good manner.

Table 3.9 customer handling

Item	Rate of customer handling	Response	
		NO	Percent %
What do you rate employees' customer handlings after BPR implementation?	Very good	4	13.3
	good	16	53.3
	fair	5	16.7
	poor	5	16.7
	Not good at all	0	0.0

The result from table 3.9 showed that 13.3% of the respondent customers indicated that the employees handle customers in a very good manner, the majority (53.3%) of the respondent customers responded that the employees of the transport authority handle the customers in a good manner, 16.7% of the respondent customers disclosed that the employees of the authority handle customers fairly, and 16.7% of the respondent customers confirmed that the employees handle customers poorly. In general the employees of the transport authority handled the customers in a good manner.

3.10 Recommended Solutions by customers

In order to improve the service delivery of the transport authority the customers recommended the following solutions.

- There should be a system for first in customers should be treated firstly

- Information desk should be established

- Training should be given for employees particularly courses on customers handling

- Managers need training and commitment

- The work processes should be restudied and

- The employees should be responsible for their tasks to serve the customer.

3.11 Findings from structured Interview with manager

As stated earlier this study employed different data gathering tools so as to enrich and supplement the information obtained from the respondents using questionnaires. Hence the results from interview were presented as follows.

- Challenges of BPR implementation in the Transport Authority

The discussion with the management revealed that there were factors that affect the smooth implementation. The main factors were the employees have faced problems to understand the science properly since the concept of BPR is new, some non-value adding works still in the new system, employees resist change, empowerment of employees is very low, proper and adequate training on BPR was not given for all employees

- Attitudes and reactions of employees on BPR implementation

The discussion with the management revealed that the employees developed negative attitudes towards BPR implementation since some employees were laid off. This is in line with the concept of BPR which states reengineering has earned a bad reputation because such projects have often resulted in massive layoffs. This reputation is not altogether unwarranted since companies have often downsized under the banner of reengineering. Further, reengineering has not always lived up to its expectations (Peppard and Rowland, 2002; 22-27).

- Evaluation of customers' satisfaction after BPR implementation in the transport authority

From the management point view customers satisfaction was evaluated based on the data collected from the suggestion recording book in which customers give their comments on the service they get. However, the management disclosed that it is difficult to measure the performance of the employees in connection with the services they provide for customers.

- The improved operations of the transport authority after BPR implementation

The concerned managers disclosed that customers can get the information easily so that the speed of the services has been increased, cost of transaction has been reduced, the operation of the transport authority become more transparent and the managers become more accountable..

- The approach of BPR implementation in the transport authority

The discussion with the concerned manager disclosed that the approach of BPR implementation in the transport authority seemed based on a clean sheet approach and it was not based on a simple incremental change, however, it is difficult to say the change is radical since the previous work processes were still functional. This is not in line with the issue that BPR is not about minor improvement or modification, but reinvention of the way we are doing our jobs .It is not about making marginal or incremental improvements, but about achieving quantum leaps in performance. Marginal improvement requires fine tuning; dramatic improvement demands blowing up the old and replacing it with something new (Hammer and Champy, 1993; 34)

CHAPTER FOUR

4. SUMMARY, CONCLUSSION AND RECOMMENDATION

4.1 SUMMARY

The main purpose of this study was to assess the BPR implementation practice in the transport authority. The student researcher used descriptive design for the study. This research method helped to describe the assessment of business process reengineering implementation in Transport Authority The researcher used stratified sampling for the population of employees(331) where as thirty (30) customers was selected accidentally and structured interview was arranged for a manager of the Authority.. To make the research more reliable 99 questionnaires were distributed for employees which were 30% of the total employees or populations and then 90 questionnaires were returned and the remaining 9 questionnaires were not returned .There are also 30 questionnaires that were distributed for customers and all those questionnaires were returned. The data relevant to the study were gathered through questionnaire and interview. In analyzing the data, both quantitative (using percentage) and qualitative methods were used.

The major findings of this study were:

- The majority of the respondent employees disclosed that training on BPR was not given before (53.4%) and after (54.5%) its implementation ,

- The majority (68.8) of the respondent employees disclosed that top management has not fully committed on implementation of BPR, besides the majority (75.6%) of the respondent employees disclosed that the information from the concerned management was not reached to employees in a timely and accurate manner, and the majority (55.6%) of the respondent employees responded that the employees of the transport authority have not initiated for BPR implementation,

- The majority (82.2%) of the respondent employees indicated that there are factors that hinder the smooth implementation of BPR; from the open end questionnaire the respondent employees suggested that the factors that affect the smooth BPR implementation are lack of trained manpower, employees did not understand the concept

of BPR since they were not given training on BPR, employees and managers lack initiation , employees did not have positive attitude, and individual performance was not appraised and output was not measured , the majority (84.5%) of the respondent employees disclosed that enough human, financial and material resources have not allocated to implement BPR, the majority (68.9) of the respondent employees disclosed that the right person has not positioned at the right place in implementation of BPR and the majority (85.6%) of the respondent employees disclosed that individual employees' performance was not appraised periodically after BPR implementation,

- The majority (78.9%) of the respondent employees disclosed that the implementation of BPR in the transport authority is based a clean sheet approach and it was not based on a simple incremental change approach, the majority (74.4%) of the respondent employees thought that the implementation of BPR has improved the operation of the authority, from open end questionnaire the respondent employees suggested that the improved operation of the transport authority after BPR implementation are increased speed of service, more transparency and accountability, cost reduction, processes are reduced and team work is developed, the majority (70%) of the respondent employees thought that non-value adding jobs and processes were reduced after the implementation of BPR,

- The majority (68.9%) of the respondent employees disclosed that after the implementation of BPR team work is encouraged, and the majority (73.3%) of the respondent customers thought that the transport authority delivered its service timely and properly,

- The majority (71.1%) of the respondent employees disclosed that after the implementation of BPR they were not satisfied with their jobs,

- The majority (74.5%) of the respondent employees thought that the implementation of BPR brought problems on employees; from the open end questionnaire the respondent employees suggested that the problems of the implementation of BPR on employees are reduction of employees and fear of job security.

- From the management point view customers satisfaction was evaluated based on the data collected from the suggestion recording book in which customers give their comments on the service they get. However, the management disclosed that it is difficult to measure the performance of the employees in connection with the services they provide for customers.

4.2 CONCLUSIONS

Based on the results the following conclusions were made.

- It was observed that in transport authority training on BPR was not given for all employees but for selected experts and enough human, financial and material resources were not allocated to implement BPR, as a result the top management has not fully committed on implementation of BPR, the information from the concerned management was not reached to employees in a timely and accurate manner, and the employees of the transport authority have not initiated for BPR implementation,

- Though team work was appraised individual employees' performance was not evaluated periodically after BPR implementation and the right person has not positioned at the right place in implementation of BPR, hence employees were not satisfied with their jobs,

- After the implementation of BPR the approach of BPR implementation in the transport authority seemed based on a clean sheet approach and it was not based on a simple incremental change, however, it is difficult to say the change is radical since the previous work processes were still functional. In a nutshell it was concluded that the implementation of BPR has improved the operation of the authority for instance increased speed of service, more transparency and accountability, cost reduction, processes are reduced and team work is developed ,and non-value adding jobs and processes were reduced,

- Customers' satisfaction was evaluated based on the data collected from the suggestion recording book in which customers give their comments on the service they get Thus it is possible to measure the performance of the employees in connection with the services they provide for customers. In general the employees of the transport authority handled the customers in a good manner

4.3 RECOMMENDATIONS

The student researcher suggested the following recommendations in light of the summary and conclusions.

- In order to perform the assigned tasks properly and adequately intensive trainings on the concepts of BPR should be given for employees and management ,

- To minimize job dissatisfaction and to encourage teamwork the right person should be positioned at the right place ,

- Open discussion should be made among the employees, the managers and the concerned government officials in order to develop initiation, positive attitude and commitment on BPR implementation ,

- To plan a work and to perform it accordingly, the transport authority should   allocate enough human, financial and material resources,

- To assess the reliability of the service given for customers, as much as possible individual employee's performance should be evaluated periodically and output should be measured

- To serve the customers properly and timely there should be a system for first in customers should be treated firstly, information desk should be established and the employees should be responsible for their tasks,

- To bring radical change in the operation of the transport authority ,the new work processes designed through BP/R should be revised, and

- In order to get further information on BPR implementation practice in the transport authority, further research on the area should be made.

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St. Mary University College

Management Department

Questionnaire for Employees

Of Transport Authority

Dear respondents the main purpose of this questionnaire is to gather information about the implementation of BPR in Transport Authority for under graduate thesis of management student .The collected data will be organized, analyzed and interpreted to identify associated problems and to propose better approaches. Your cooperation in responding this questionnaire is important for the researcher. Therefore, you are kindly requested to respond to the questionnaire as thoughtfully and frankly as possible.

Thanking in advance for the commitment you will make complete this questionnaire, No need to write your name, Circle the letter of your choice provided that you can choose more than one alternatives for a given question, and Use the space provided for your suggestion.

Part One: General Information

1. Your sex   A) male   B) Female
2. Your age A) 20-30 years B) 31-40 years C) 41-50 years D) 51-60 years
3. Your Qualification   or academic level   A) 12 grade and below B) Certificate C) Diploma D) First Degree E) Master F) PhD
4. Work experience in the Transport Authority A) 5 years and below B) 6-10 years C) 11-20 years D) More than 20 years
5. Your current position _____

Part Two: Information related to the BPR implementation

1. Did your organization give you training on BPR before implementation of it?

   A) Yes   B) No   c) I don't know

2. Did your organization give you training on BPR after implementation of it? A) Yes   B) No

     c) I don't know

3. Do you think that the implementation of BPR has improved the operation of your organization?

   A) Yes   B) No   c) I don't know

4. Has the top management fully committed on the implementation of BPR?   A) Yes   B) No
c) I don't know

5. Is the information from the concerned management reached to the employees in a timely and accurate manner?   A) Yes   B) No   c) I don't know

6. Have the employees initiated for the implementation of BPR?   A) Yes   B) No
c) I don't know

7. Are there factors that hinder the smooth implementation of BPR?   A) Yes   B) No
c) I don't know

8. If your answer for question number 7 is yes, please list them.

_____
_____
_____

9.Have the middle managers identified their roles and then performed their tasks accordingly?

   A)   Yes   B) No   c) I don't know

10. Have enough human, financial and material resources been allocated to implement BPR?

   A) Yes   B) No   c) I don't know

11. Do you think non –value adding jobs and processes were reduced after the BPR implementation?

  A) Yes   B) No   c) I don't know

12. Is your performance appraised periodically after the implementation of BPR?

   A) Yes   B) No   c) I don't know

13. Are you satisfied with your job after the implementation of BPR?

    A) Yes   B) No   c) I don't know

14. Do you think that team work is encouraged after the implementation of BPR?

    A) Yes   B) No   c) I don't know

15. Do you think that the implementation of BPR brings problems on employees?

   A) Yes   B) No   c) I don't know

16. If your answer for question number 15 is yes, please list them.

_____
_____
_____

17. Do you agree on the statement "after the implementation of BPR, the right person has not positioned   at the right place"?   A) Yes   B) No   c) I don't know

18. Do you agree on the statement "the implementation of BPR in your organization is not based   on a clean sheet approach but it is simply an incremental change"?

   A) Yes   B) No   c) I don't know

19. What are the improved operations of your organization after the implementation of BPR?

_____
_____
_____

St. Mary University College

Management Department

Structured Interview for Manager

Of Transport Authority

Dear respondents the main purpose of this structured interview is to gather information about the implementation of BPR in Transport Authority for under graduate thesis of management student .The collected data will be organized, analyzed and interpreted to identify associated problems and to propose better approaches. Your cooperation in responding this interview is important for the researcher. Therefore, you are kindly requested to respond to the interview as thoughtfully and frankly as possible.

1. What are the challenges of BPR implementation in your organization?

2. What are the attitudes and reactions of employees in BPR implementation?

3. How do you evaluate your customers' satisfaction after BPR implementation in your organization?

4. What are the improved operations of your organization after the implementation of BPR?

5. Do you think that the implementation of BPR in your organization is based on a clean sheet approach rather than a simple incremental change?

<u>**St. Mary University College**</u>

<u>**Management Department**</u>

<u>**Questionnaire for Customers**</u>

<u>**Of Transport Authority**</u>

Dear respondents the main purpose of this questionnaire is to gather information about the implementation of BPR in Transport Authority for under graduate thesis of management student .The collected data will be organized, analyzed and interpreted to identify associated problems and to propose better approaches. Your cooperation in responding this questionnaire is important for the researcher. Therefore, you are kindly requested to respond to the questionnaire as thoughtfully and frankly as possible.

Thanking in advance for the commitment you will make complete this questionnaire, No need to write your name, Circle the letter of your choice provided that you can choose more than one alternatives for a given question, and Use the space provided for your suggestion.

Part One: General Information

1. Your sex A) male   B) Female
2. Your age A) 20-30 years B) 31-40 years C) 41-50 years D) More than 50 years
3. Your Qualification   or academic level A) 12 grade and below B) Certificate C) Diploma D) First Degree E) Master F) PhD
4. Being customers for the Transport Authority A) 5 years and below B) 6-11 years C) 12-17 years D) More than 18 years
5. Your business A) Merchant   B) Employees of the government organization C) Employees of the private organization D) Professionally self employed E) Other

Part Two: Information related to the BPR implementation

1. Is the Transport Authority a service providing organization?

   A) Yes   B) No   C) I don't know

2. Have you got service before the implementation of BPR?

   A) Yes   B) No   C) I don't know

3. If your answer for question number 2 is **yes**, is there improved service delivery to customers after the implementation of BPR?   A) Yes   B) No   C) I don't know

4. Which of the following services is improved after BPR implementation?

   A) Fast service   B) Transparency C) Friendly handling of customers D) All of the above

5. What do you rate employees 'customer handlings after BPR implementation?

   A) Very good   B) Good   C) fair   D) poor   E) Not good at all

6. Do you think the organization has arranged necessary facilities for instance chair and

   reception room for customers?   A) Yes   B) No   C) I don't know

7. Is the location of the organization convenient to you?

   A) Yes   B) No   C) I don't know

8. Do you think that managers don't have the initiation or commitment to perform their

   tasks which are related to customers?   A) Yes   B) No   C) I don't know

9. Do you think that the organization delivers its service timely and properly?

   A) Yes   B) No   C) I don't know

 10. If your answer for question number 9 is **No**, What are the problems of the

   organization in delivering services to customers?

_____
_____
_____
_____

11. What do you suggest to improve the service delivery of the organization?

   _____
   _____
   _____
   _____

DECLARATION

I, undersigned, declare that this senior essay or project is my original work prepared under the guidance of Ato Biruk G/Michael. All sources of materials used for the manuscript have been duly acknowledged.

Name: Meselesh Assefa

Signature:

Place of submission: St. Mary's University College

Date of submission: 01/10/2003 E.C

DECLARATION

This senior essay has been submitted for examination with my approval as the university College advisor.

Name_____

Signature_____

Date of submission_____