Chapter 3.5

Business Process Management as a Critical Success Factor in EIS Implementation

Vladimír Modrák
Technical University of Košice, Slovakia

ABSTRACT

Nowadays, the implementation of business process management modern tools in companies becomes a mater of acceptation of an effective organization management. The first ultimate precondition for achieving this goal is a properly structured company. An attention in the study is placed on business process reengineering due to preparing preconditions for smooth implementation of enterprise information system (EIS). Since there are differences between tools of business processes redesign and information systems development, then a main focus was on overcoming existing semantic gaps. With aim to solve this problem the specific modeling method has been used that was clear for company's staff and usable for EIS designers. Used modeling approach was supported by QPR software.

INTRODUCTION

It is no doubt that the business process management (BPM) gives companies the fundamentals they need to continuously improve enterprise processes and structure and get more from their existing ERP investments. It also known, that many approaches have been evolved from research on BPM. On the other hand there is agreement that business process modeling must be an integral part of the methods for business process management (Hess & Brecht, 1995; Scheer & Nüttgens, 2000; Scheer, 1998). The effective business process management depends on how well it defines responsibilities and forces an employee to take control of their own performance. The first ultimate precondition for achieving this goal is a properly structured company.

Since management of Original Equipment Manufacturing (OEM), where presented study was conducted, was not confident whether company's

internal and external activities are univocally defined, this reality motivated given company to change this situation. Particularly, in coherence with ISO 9000:2000 their focus had been oriented on gradual transformation of functionally oriented management to process-oriented management system. In this effort they went through more developmental periods that are described in this study. A concurrent attention had been placed on business process redesign due to preparing preconditions for smooth implementation of enterprise information system.

The Company pays special attention to the technical innovations by promoting a modern quality management style. Similarly as many other small and medium enterprises (SMEs), company started with the traditional vertically arranged organizational structure that was represented in a graphical form by an organizational chart. It was a hierarchical structure with a chief executive officer and other executive at the top, small number layers of management below this, with the majority of employees at the bottom of the pyramid. The jobs in given organizational structure was grouped by function into departments such as accounting, sales, human resources, and so on.

The chapter is structured in the following way. A theoretical background on an interrelation of organization models and IS architecture-designing issues are described in the following section. Current directions in business process modeling are dealt in section 3. Then selected methodological aspects of the process modeling technique used for the creation of business process models in real case are presented. The final sections discuss future trends and some decisive findings from the case study.

BACKGROUND

It is common knowledge that the introduction of Enterprise Information Systems in SMEs requires a principal restructuring of the Business processes (BP) and management systems of an organization, simply Enterprise Reengineering with its typical steps (see figure 1).

Usually, reengineering project in organization presents a complex task, normally assigned to external consultants, with the aim to transform the current functionally-oriented organizational model to process-based organizational pattern. Greasley (2004) states that a process-based approach plays crucial role in the implementation of an information system and claims that process mapping and business process simulation support

Figure 1. Phases of enterprise reengineering
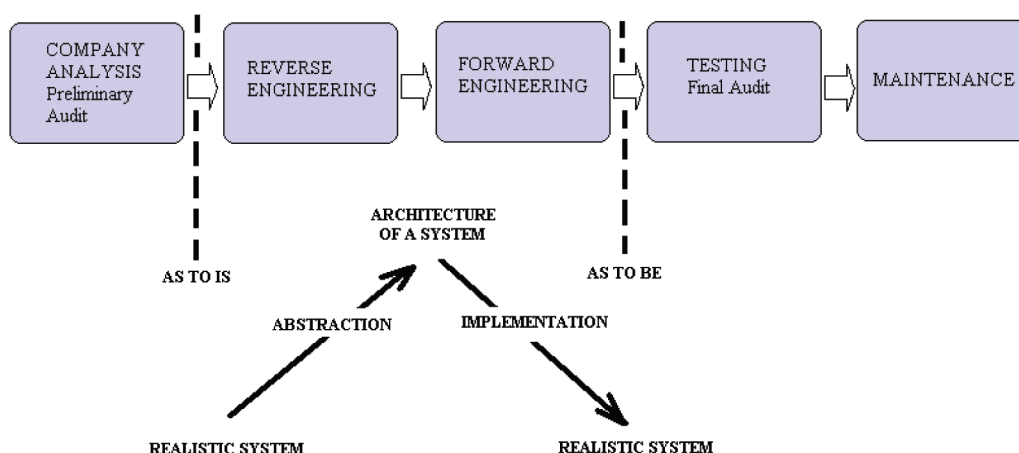
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