

## THE YIN AND YANG OF CHANGE: THE TALE OF TWO OFFICES

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### **Abstract**

Though organizational change creates opportunity, growth and development, it is a constant challenge to managers. And in most of the cases organizational change projects fail. This paper explores the factors that created challenge to the successful implementation of reengineering projects in two government organizations in Ethiopia through the lens of strategy implementation as a tool for business process reengineering implementation. A literature review is conducted and critical success factors are determined. The association between strategy execution and BPR implementation is discussed. An empirical study of the implementation of the BPR projects in two public bodies is conducted. It is found out that BPR and strategy are inseparable and performance measurement systems are useful in determining the success of such change projects. It is also learnt that factors execution is the major problem in successfully implementing BPR projects. It ends with lessons learned and ways to follow in designing and implementing implementation of BPR projects.

### **Introduction**

A constant challenge faced by today's management is change. On one the hand, it represents growth, opportunity and development. On the other hand, it represents threat (Dey, 2001). And yet organizational change is ever-present. However, what is equally common is an understanding that many organizational change projects fail (Hacker and Washington, 2004). The coming of age of information technology and its unprecedented growth and ever unimaginable power, the greater need for public sector efficiency, speed of delivery of services, transparency and increased accountability have demanded public sector organizations to resort to change at a larger scale. This need brings about the introduction of 'new programs such as enterprise resource planning, integrated supply chains, restructuring, streamlining government, and mergers and acquisitions almost routine' (ibid). This environment is equally important to government organizations. The tool used by the Federal government of Ethiopia to bring about organizational transformation is business process reengineering (BPR). BPR is meant to bring dramatic changes in the way organizations conduct their business. Much literature has confirmed that numerous BPR projects are a failure and different researchers provided multiple of success factors (See for example works of Abdolvand, etal 2008; Ahmad, etal, 2007; Amoroso, 1998; Attaran, 2000; Cheng and Chui, 2008; Hammer and Stanton; 1995; McAdam and Leonard, 1999; and Lockamy and Smith, 1997).

The Federal Government of Ethiopia has initiated several civil service transformation projects including the Federal and Regional office organization structures, performance-based management system, and the civil service reform program which includes the business process reengineering projects almost in every government offices. These government offices have undergone through these change projects 'to enhance the capacity of public institutions in Ethiopia and to create an ideal environment for investment and economic growth' (Mengesha and Common, 2007). The Government of Ethiopia has embarked on various transformation efforts, as recommended by the World Bank, beginning from the early 1990s. Moreover, in 2001, further government reorganization was undertaken and a National Capacity Building Program was launched which also gave new impetus to the existing Civil Service Reform program (ibid). A number of problems were cited by the government why such reforms were necessary among which are outdated legislation and working systems, poor wages and succession policies, inefficient and ineffective financial management systems, lack of leadership and management skills by the management body across all offices and levels and many others.

Despite the efforts made and the resources and time spent, the implementation of the transformation process proved to be problematic and challenging. The much talked about effectiveness, efficiency and speed of

delivery of services could not be observed in public bodies as can be seen from the different reports coming out of various offices.

The study explores the implementation process of BPR projects in two government offices in Bahir Dar town, one a regional public body, Bahir Dar city services office and Bahir Dar University as cases for the study. In the process the study tries to elicit the factors behind the challenges and success factors of the change process and suggest the way out of the problems of these large scale organizational transformations. The two offices are selected because both provide services relatively to a great number of customers in the town, mobilize huge resources, and began the implementation of reengineering projects almost in similar periods of time. Besides and most importantly they enable understand implementation of large scale transformation efforts, BPR, under different legal and administrative frameworks; regional and federal structures.

**Literature**

One of the famous change management tools in business and public bodies is reengineering. It is one of the business models which are meant to bring about dramatic change on the ways organizations do their business. At the heart of reengineering is the notion of discontinuous thinking that is to recognize and break away from the outdated rules and fundamental assumptions that underlie operations (Hammer, 1990). Almost similar definition is provided by different authors about business process reengineering. Business process reengineering is defined as the analysis and design of work flows and processes within organizations (Davenport and Stanton, 1990, cited at Dey, 2001). Business Reengineering, as Hammer and Champy (1993) put it, means starting all over, starting from scratch. They asserted that what matters in reengineering is how we want to organize work today; how people and companies did yesterday doesn't matter to the business reengineer. Hammer and Stanton (1995) in their book *The Reengineering Revolution* provided their 'official definition' of reengineering as the fundamental rethinking and radical redesign of business processes to bring about dramatic improvements in performance. A process is defined by Linden (1998, 8) as 'a set of interrelated steps that begin with an input or trigger and end with an outcome that satisfies the end user' Hammer and Champy (1993) argued why reengineering is a make or break choice and put guidelines for initiating, conducting and following through on the reengineering process. And as such they have outlined some commonalities in companies which have successfully reengineered their processes. At the same time, Linden (1994 and 1996) elaborated the concept and principles of seamless service and the approaches, methods and tools for dramatically improving work processes for seamless service by public organizations. However, the principles Linden (1994) proposed are substantially the same as the principles Hammer and Champy (1993) outlined.

So much and very huge is the promise to a successful reengineering; so frequent and so devastating are the failures. For example, Hammer and Champy (1993) estimated that between 50 to 70 percent of reengineering efforts failed. In all too many companies, reengineering has been simultaneously a great success and a great failure. .... 'By now, paradoxical outcomes of this kind have become almost common place' (Eugene, *et al*, 1994). Development of inter-organizational relationships and significant increases in the business integration has made business process reengineering even more important; however, being costly and time-consuming, reengineering is a risky undertaking (Abdolvand, *et al*, 2008). The reasons for failure of reengineering projects are discussed in different literature and at the same time the success factors are discussed by different authors (for example, Eugene, *et al*, 1994; Hammer and Stanton, 1995; Attaran, 2000; Ahmad, *et al*, 2007; Amir, *et al*, 2008).

**Table 1. The critical success factors identified by different authors (researchers)**

Success Factors (Yin-Yang Factors)	Hammer, Stanton (1995)	Abdolvand, etal (2008)	Ahmad, etal (2007)	Amoroso (1998)	Attaran (2000)	Cheng and Chui (2008)	McAdams and Leonard (1999)	Lockamy III and Smith (1997)
Knowing what reengineering is.	√							
Reengineering how the work is done, focus on processes	√							

Understanding of processes not analysis	√							
Leadership commitment	√	√		√		√	√	
Whacko Ideas ( radical, breakthrough ideas), thinking out of the box, setting stretch goals	√							
Pilot testing	√							
Reengineer quickly	√							
Changing the compensation plan, the structure of the organization, job titles, performance measurement systems ( change in management systems)	√	√	√					√
understanding BPR as improvisational, and iterative	√							
Egalitarian leadership		√						
Collaborative working environment (team work and quality culture)		√	√					
Use of information technology		√	√			√		√
Change management			√	√				
Less bureaucratic and participative			√					
Project management			√					
Adequate financial resources			√					
BPR scope in alignment with expectations				√				
Reengineering vision and strategic issues								
Workflow analysis				√				
Modelling of business processes				√				
Use of metrics				√				
Use of good BPR tools				√				
Communication						√	√	
Customer focus						√	√	
Business drivers							√	
Emancipation							√	
Hierarchy							√	
Learning							√	
Culture/power/politics							√	
Strategic alignment								√
BPR methodology								√

Though several reasons and explanations are made for a success of BPR implementation, Hammer and Champy (1993) assert that companies that have successfully implemented reengineering were asking

themselves the ‘why we do what we do?’ before reengineering their business processes. Similar questions have to be asked while companies try to formulate their strategic plan, their mission and vision (Kaplan and Norton, 2008). ‘Therefore, reengineering requires firms to align core processes with its strategic objectives’ (Lockamy III and Smith, 1997). Several studies tried to link strategy with business process reengineering (Earl et al, 1995; Lockamy III and Smith, 1997; Kettinger and Teng, 1998; Herzog et al, 2009).

Strategy driven business process change has more to do with systematizing a business process view in to strategic planning than it does with ‘engineering’. Strategic planners around the world now recognize that most process change initiatives are driven by environmental competitive factors rather than merely the desire for internal productivity gains (Kettinger and Teng, 1998). Kaplan and Norton (1996) denounce the reengineering of local processes such as accounts payable which may easily provide minimal gains easily rather they suggested managers reengineer processes that will be critical for the organization’s success. In other words they are suggesting that reengineering projects and organization’s strategy should be aligned so that the final result could be dramatic time reductions in the delivery of goods and services, shorter time to market in product development processes, and enhanced employee capabilities. And for a successful implementation of a well crafted visionary strategy linkage with an excellent operational and governance processes must be created. Similarly, operational excellence will lower costs, improve quality, and reduce process times. But without an organization’s strategic vision and guidance, an organization is not likely to enjoy sustainable success from operational improvements alone. ‘High performance operating processes are necessary but not sufficient for enterprise success’ (Hammer quoted in Kaplan and Norton, 2008). Hence it is clear that the implementation of a reengineering project must be guided by a visionary strategy. There is a saying that ‘if you can’t measure it you can’t manage it’ and visionary strategy per se is not enough. If organizations are to successfully implement their large organizational changes, one of which is reengineering, ‘they must use measurement and management systems derived from their strategies and capabilities (Kaplan and Norton, 1996). Strategy implementation requires all business units, support units and employees be aligned and linked to the strategy. Organization’s today need a language for communicating strategy as well as processes and systems that help them to implement strategy and gain feedback about their strategy. Success comes from having strategy become everyone’s everyday job (Kaplan and Norton, 1999).

Even the definitions provided by different authors about reengineering suggest that performance measurement systems play significant duties in the design and implementation of BPR (Kuwaiti and Kay, 2000). Hence it is paramount that the success and failure of BPR projects can be evaluated through evaluation of whether such performance measurement systems are properly employed in organizations implementing BPR projects. Kuwaiti and Kay (1990) further assert that the performance measurement systems have to balance a number of dimensions and have to play a number of roles to enable BPR to succeed. In their study they also concluded that ‘any organization should seriously consider the development of a performance management system that focuses on strategic aims before embarking on any re-engineering projects’.

It is clear that any resolute endeavor, which of course is organizational change is one, is said to be successful when it achieved its desired results. And since organizational change implementation processes require ample time, manpower and resources, ‘organizations need a way to measure the success, not only in final output, but also in terms of process measures and intermediate steps’ (Hacker and Washington, 2004). Hacker and Washington (2004) also commented that to determine whether organizational change was implemented successfully is one way to measure the success of a large scale project like business process reengineering. Based on the insights gained from the above sources, this paper attempted to explore and determine the factors that have contributed to the successful implementation/failure of reengineering projects in two government organizations through the lens of strategy implementation as a tool for BPR implementation. As such, the study specifically tried to assess the implementation process because from my experience as a Czar to Bahir Dar University BPR I believe that change efforts fail in the process of implementation and since all Ethiopian public bodies follow similar BPR design methodology, the variable/s that differentiate success or failure factors are in the implementation process.

### **Purpose of the study**

Given this situation in the country, there seems to be no significant studies are conducted on organizational change in Ethiopia. In other words, until recently, little efforts have been made on studying the practice and

challenges of organizational change in Ethiopian government offices. Therefore, the general purpose of the present study is to fill in the research gap that is observed in the problem under discussion.

Based on the general purpose stated above, the study aims to achieve the following specific objectives:

- Try to determine if the goals and result areas are clearly defined and understood while designing and implementing change in Ethiopian government organizations. That means exploring whether organizational visions and missions are clearly interrelated with lower level goals and results and whether such goals and results are measurable.
- Try to see whether organizations design appropriate strategies in implementing the goals set in the change process and whether the requisite resources are made available to the public body.
- Evaluate whether public bodies evaluate their measurement system and whether there are the correct measures in place; and whether a review of the implementation is done and the required changes or amendments made will also be evaluated.
- Assess whether resistance to change was happening and whether such a resistance was perceived by the leadership and remedial actions were taken by the management or the change agent will be assessed.

### **Methodology**

This study follows a mixed methods study, quant-QUAL. A mixed methods approach employs strategies of inquiry that involves data collection both from numeric information and text information either simultaneously or sequentially to best understand the research problem (Cresswell, 2003). This method helps capture the benefits of both quantitative and qualitative methods. Hence, the purpose of this sequential mixed methods study is to better understand the research problem by converging both quantitative and qualitative data. This mixed method is used because in this method 'data are sought from multiple independent sources, to offset or counteract biases from each method, in order to confirm, validate or corroborate the results and conclusions' (Bazeley, 2008). In the study, survey questionnaire was used to measure performance success of BPR implementation projects in Bahir Dar University and Bahir Dar City Services office. A tool developed by Hacker and Washington (2004) in measuring performance of large scale projects such BPR projects is used as a survey instrument to elicit the responses of middle level and lower level managers in organizations under study. The tool enables to determine the success of any large scale change implementation effort through six areas; well defined result areas and goals, well defined objectives, well defined measurement processes, well established reviews, well defined responsibilities and evidence of continuous improvement. The instrument consists of 39 statements with their respective 6 items stated above. The respondents were asked to rate the level of implementation of the items on scale from 1 (not implemented at all) to 7 (fully implemented). The reliability of the measure, the extent to which it is without bias (error free) and hence ensures consistent measurement across time and across the various items in the instrument, was calculated using Cronbach's alpha coefficient and found to be 0.965 which is a relatively high estimate (Nunnally cited in Davis, 2000; p, 180).

The survey result was followed by using semi structured interviews with top level officials who have been actively engaged in the reengineering project design and implementation of the project in the public bodies. Among the interviewees are vice presidents, process owners, and reengineering Czars. The data collection included site visits at different sub city offices, interviews with the officials involved in the BPR implementation process of both organizations. The interviewees were those who were actively involved in the implementation phase. In addition, survey questionnaire was distributed to most of the lower level managers of the organizations so that the consistency of the information provided by both officials at the top and lower managers is ascertained. In designing the interview questions different sources were consulted (Kaplan and Norton, 2008; Artley and Stroh, 2001; Hacker and Washington, 2004). The data collection also included different archival documents including the design documents, minutes of change management committees, and change office review documents which helped ascertain the consistency of interview notes.

### **Organizational Background**

Bahir Dar University was established in 1999 by merging the then Bahir Dar Teachers' Education and Bahir Dar Poly Technique Institute. It has now more than 40,000 students in its regular, evening, distance and summer programmes in the streams of humanities, social sciences, natural science, engineering, business and economics, agriculture and environmental sciences, legal studies and medical and health sciences. Its academic and support staff has reached about 2500.

Bahir Dar City, the capital of Amhara national Region, has an estimated size of 220,000 residents according to the 2007 Ethiopia Statistics Authority census survey. It is located at the North West of Ethiopia at the southern shore of Lake Tana. The city is run by a city administration composed of the mayor, as a chief administrator, different sectoral offices, and the city services office (mazegaja beit). The mission of the city services office is to make the city suitable for living, investment, and social services. The major services the city services office provides among others includes the development and provision of land for social services, investments, and residential constructions, the construction of infrastructures, the provision of utilities, and beautification and cleansing of the city.

### **Pre BPR**

Before the implementation of the BPR project, Bahir Dar University had a centrally organized structure of which most of the powers were held by the top management of the University. The president (Chief Executive Officer), academic and research vice president, and business and development Vice president were at the top of the ladder in overseeing all activities of the University. Under the academic and research vice president there were seven deans running their respective faculties. The support activities were run by the finance department, administration department, and general services department all organized under the supervision of the administrative and business development vice president. With the exception of student affairs and some aspects of staff affairs, all the powers regarding the financial management and procurement were centralized at the top management level, with the president and the vice presidents. The academic deans of the faculties had little empowerment with regard to hiring and firing of staff, management of their budget, their support staff, and their physical resources. They were solely responsible in undertaking the day to day teaching learning activities of their faculties.

Before the BPR, the city services office had a centralized organization structure organized under functional departments with multiple layers of authorities. The department heads report to the city manager. The city manager again reports to the mayor of the city administration. The city had 17 sub cities (kebeles) all reporting to the city manager. Almost every major decision was made at the city services manager level. For example, a request by a citizen for the acquisition of land on a lease basis must first appear to the manager's office, and every lease contract between the city and the citizen/investor must be signed by the city manager. The applicant must wait for at least twelve months to obtain the land and its site plan. The application letter passes through different offices and 30 activities must be performed by different experts before making the final decision about the request.

Kebeles had no power with regard to provision of land, construction permits, collection of fees, transfer of title deeds to different parties, and delivery of utilities. They had power on minor things like provision of citizen identity cards, and minor dispute resolutions.

### **The Design Process**

In response to the Government's decision to initiate a Civil Service reform Programme in Ethiopia, Bahir Dar University and Bahir Dar city services office embarked on undertaking the Business Process Reengineering project in the summer of 2007 and spring of 2007 respectively. Following this decision, national consultants provided week long training on BPR to the management body across all units of the University and to the senior staff. The top management, next, formed a team of experts and officials to identify the business processes of the University, which was formerly organized in functional departments, for redesigning.

The city administration followed a slightly different approach before launching on the redesigning of its business processes. The city services office conducted consultation meetings with all employees about why the city administration office need change and then provided training about the BPR principles indiscriminately to all employees.

The team of experts and officials at Bahir Dar University identified ten business processes for redesign in line with reengineering principles. Out of the ten processes identified, five were selected for the redesign project because of their importance for the success of the mission, the resources they consume, the magnitude of the problem they were immersed in. The processes are the teaching learning business process, the human resource development business process, the procurement and property administration business process, the Plan, implementation, monitoring and evaluation business processes, and the information and strategic communications business process.

At the city services office, five processes were selected for redesign namely; the land acquisition and administration, the design and construction, the utilities administration, the city beautification and cleaning administration, and the law enforcement business processes. Based on the rule of 80/20 the management of the city decided to undertake the design of the land acquisition and administration process first followed by others. The management believed that if the process which has a strategic importance is solved, others could easily be implemented.

Both the University and the city services office adopted Linden's (1998) methodology as it was the one prescribed by the government. This methodology has three fundamental principles; challenging assumptions behind the old way of doing business, focusing on processes not 'along functional lines, program offices and budget departments', and organizing around outcomes. The old ways of doing work or the 'as is', were mapped, problems identified, rules pinpointed, assumptions behind those rules understood and assumptions were falsified ( in other words the problems, rules, assumptions and falsifiers were clearly identified before embarking on redesigning new ways of doing work). Desired outcomes of each process were articulated after thorough focus group discussions, interviews and surveys with different internal and external stakeholders and customers. To come up with innovative new designs, the desired outcomes were converted to stretch objectives. The University formed five teams for redesigning the five processes each with a process owner. The President took the position of the business owner (the mayor in Bahir Dar city services) as prescribed by the model. Besides in both offices as a facilitator of logistics, finance and other aspects a Czar was elected who reports to the business leader. The steering committee, chaired by the business owner, was formed by the process owners of each process.

A six month time frame was set for the completion of the design of the selected processes at Bahir Dar University. However the design could not be completed on schedule and it took about a year to finish. In the process lots of presentations and consultation meetings were undertaken so that the design of each process could be refined. Finally, a national workshop was conducted to obtain feedback from Ministry of Education senior officials, University presidents and experts, the Amhara region officials and experts. At Bahir Dar city services office the design team completed the redesign of the land acquisition and administration process within six months as planned. In the process of crafting the new designs and after completion of the design series of discussions were made between the design team and employees.

In both offices, jobs along with their responsibilities were redefined, the number of activities was reduced, the time for each activity was stretched, positions were shrunk, and philosophy of doing work was redefined. For example, at Bahir Dar University, traditionally in the teaching and learning process courses used to come and go with programs. The course system knowledge database (CSKD) introduced in the new system, however, are permanent and they don't go when programs go. Programs such as undergraduate, training, graduate etc may come and go, but the CSKDs from which they are composed will stay there. The CSKD is a redesigned version of courses in the traditional context. The difference between them is; first, now CSKDs are permanent while traditional courses are ephemerals. Second, the number of CSKDs is now reduced by 70 percent from the traditional courses; this is due to the redesign of courses in to systematic, end-to-end, holistic, non fragmented systems. As a result the previous 800 separate courses the University used to have are now organized in no more than 250 CSKDs. Traditionally, courses are every instructor's property, now, CSKDs have their respective managers who manage, renovate, update the systems continually and made them available for delivery individually or as part of programs such as graduate, undergraduate, training programs. Course teams generate CSKD knowledge via two methods: secondary knowledge search and local knowledge development.

At Bahir Dar City services office, the redesigned business process for land acquisition and administration has only eleven major activities which reduced the old way of doing things by 51 non value adding activities. The newly designed process is organized in such a way that it is customer focused, employees work on team spirit where employees work for a shared mission and vision, results oriented than activities oriented, and an environment where non value adding activities are removed. It is an environment where employees are empowered, for example the leasehold bid is processed and finalized by the employees of the process. In this new design, the time it takes to complete the delivery of land on a lease basis, the preparation of site plans, and the processing of construction permits is only 20 days which it used to take 529 days.

### **After the design**

The implementation of the BPR project was delayed for about five months at Bahir Dar University due to the change in the president and vice presidents. Immediately after the approval of the organization structure

by the board, the University elected five vice presidents, and four process owners responsible for leading their respective processes. A change management team comprising presidents, institutional transformation officers, and Czar was formed by the president to lead the change process in Bahir Dar University. The processes have only case teams reporting to the process owners; no other hierarchy was created in the processes and this was done to provide a one stop service. In order to reach the customers very easily most of the case teams were located in the three campuses located in three different locations. Besides full empowerment was given to deans of colleges, faculties and schools reorganized per the design. But this full empowerment could not be provided to case team managers which provide support services like procurement, financial services and maintenance services, to those academic units.

The University prepared an implementation plan to follow up the implementation plan. A human resources placement procedure was prepared and after the approval of the procedure by the University managing board, human resources placement was began. The implementation plan and the human resources placement procedure were widely communicated to the University community by meeting sessions, posing on notice boards, and distributing the documents to the different organizational units.

Employees and officers' placement and nomination took about eighteen months to finalize. The change management committee of the university undertook multiple BPR implementation plan follow up meetings for about eighteen months on average once on twenty days. 60 percent of the time the meetings and decisions were about the placement of employees, nomination of officials, and handling of grievances. For less than 5 percent of those meetings were review of the implementation plan made and during those review meetings it was learnt that only progress reports are presented and most of the major objectives put in the plan could not be performed per the plan. Besides it is found out that no major progress reports were made, follow up of prior reviews conducted, and plan revisions were done. After a year and six months the implementation strategic plan was not revised and improved. A very brief (two days) observation of the implementation progress of the BPR was conducted by external consultants and some structural adjustment recommendations were provided to the University.

Up on completion of the design of the business processes, Bahir Dar city services office prepared a manual which incorporates legal frameworks and accompanying templates. The manual was approved by the Amhara National Regional State council's office. To follow up the implementation process implementation plan, in line with the region's BPR strategic plan, was prepared and communicated to the wider city services office employees. A team comprising the mayor, the process owner and capacity building office, an office set up by the regional government to monitor the reengineering projects, head was formed responsible for monitoring the implementation plan.

As a result of the new design, all the activities for example in the land acquisition and administration process from the request for land till the provision of construction permit to residents and investors are processed in the land acquisition and administration process. The decision points in this process are the case worker/expert, case manager or process owner. No decision is made with regard to the duties of the process either in the mayor's office and the city manager's office. The process is entirely empowered. Besides the 17 kebeles of the city are reorganized in to 9 sub city administration and took the responsibility of granting construction permits and title deed transfers for G+ 1 building and below. They are also responsible for collecting different fees from citizens. Dramatic improvements are registered in providing services to customers of the office. For example, acquisition of construction permit for a plot of land obtained on open bid basis used to take 12 months. Now it takes an average of 14 days to obtain the site plan and construction permit. Reports produced by the Amhara National State capacity building bureau show that the city services office ranked one of the top performers in the implementation of its BPR project. This ranking has been done by the bureau based on the performance criteria which constitutes scales on human resource development, customer focused service delivery, leadership commitment, and performance review and continuous improvements made by public bodies.

The change management committee of the city used to conduct weekly, monthly and quarterly review meetings to assess the challenges faced by the office in implementing the BPR and made a number of improvements on the legal frameworks that are in conflict with the BPR designs. But after nine months the tempo of the review endeavour slowed. As a result the remarkable performance achieved by the city services began to fade away.

**Discussion of the cases**

**The BPR implementation strategic plan process:**

**Table 2 Survey result (own computation)**

Item	Less Favourable		Favourable		Mean	
	BDU	Bahir Dar City	BDU	Bahir Dar City	BDU	Bahir Dar City
1	19.06%	41%	72.67%	34%	4.99	3.99
2	23.61%	48%	61.11%	31%	4.55	3.70
3	75.05%	63%	13.56%	17%	2.46	3.32
4	54.14%	59%	26.36%	21%	3.46	3.35
5	38.96%	46%	40.61%	23%	4.1	3.57
6	87.50%	70%	6.00%	14%	1.96	3.02

Note: The first column raw headings are as follows: 1. well defined key result areas and goals 2. Well defined objectives 3. Well defined measurement processes 4. Well established reviews 5. Well defined responsibilities

**6. Evidence of continuous improvement**

The survey result indicated that both the University and City services administration average more than normal mean score of 3.50 in three items; well defined key result areas and goals, well defined objectives, and well defined responsibilities. In other words, most of the respondents positively responded towards the crafting of missions, vision and responsible bodies of the implementation plan of the BPR project. The public bodies under study scored less favourable result in the measurement processes, review systems, and evidence of continuous improvements of the plan. It is a clear indication that they designed an implementation plan in alignment with its vision and mission and crafted the right strategies to achieve the vision. But, both failed in designing the measurement systems, designing and undertaking reviews and performing of amendments or continuous improvement of the implementation plan. The above result shows that there is a gap in designing mission, vision, strategic objectives and designing and embarking on measurement systems, reviews and continuous improvement of the plan. In other words we see that the organizations cannot make a match between a well designed plan and the plan’s monitoring system.

Hacker and Washington (2004) argue that in addition to linking organizational unit goals to the overall vision of the organization the goals need to be appropriate and measurable. Besides it is desirable to determine if the goals and result areas are clearly defined and understood. Towards this end, Hambrick and Cannella (1989) stress that involving people at the earlier stages of a strategy development and debates of strategic options as one of the most effective aids to implementation. This endeavour was done in designing the BPR implementation plan of Bahir Dar University and Bahir City services office as can be seen from various documents which report the implementation plan formulation process and personal observation of the process. This is also supported by the survey result obtained from respondents. Besides, the survey result indicated that both the University and City services administration average more than normal mean score of 3.50 in well defined key result areas and goals which constitutes the alignment of the mission and vision of the organization with the implementation plan, well defined, measurable and goals where targets are put (see table 1) and further confirmed by the declarations made by interviewees (the top management).

At Bahir Dar City services office the change management committee in charge of supervising the implementation process and the mayor’s office were active in the process and major inputs were obtained from employees during different consultation meetings. The implementation plan of the city indicates the major goals, measures, targets, and responsible bodies for the different goals and objectives set. What is lacking is it does not show the different input requirements which are crucial for the success of the BPR project. For example office requirements, ICT need and budget requirements are not indicated. This is a major failure observed in that without sufficient resources any endeavour is a failure. But one interviewee

stated that though they failed to put resources in the plan, they felt that resource was not a problem rather commitment by the leadership as the major drawback while entering the implementation phase.

Any organizational planning system is premised on a strategy hierarchy in which organizational goals guide organizational unit strategies (objectives), and organizational unit strategies guide functional tactics (operational plans) (Hamel and Prahalad, 2005) and determining if the organization is using appropriate strategies to achieve their established goals is the other critical area of concern for implementing large scale change projects (Hacker and Washington, 2004). Hence implementation is all about the how of effecting formulated strategy which involves translating strategic goals in to annual objectives, cascading them in to all organizational units including to employees and provision of resources (David cited in hacker and Washington; Hamel and Prahalad, 2005; Kaplan and Norton, 2008). Though the survey result indicated that both the university and the city services office scored above average results in that organizational units have crafted well defined objectives, which of course is done at organizational level clearly indicating operational plans, linked to the goals, measurable annual objectives and accompanying targets and required resources (only at Bahir Dar University) no documents support that such objectives are poured down across all organizational units nor the interviewees deny this fact. But aligning organizational level objectives or strategies with business processes, case teams, and other organization units and even employees is a must (Kaplan and Norton, 2008) otherwise success could not be achieved as it is a strong force in motivating everyone to achieve desired results.

When asked why such alignments were not done to lower levels of the University, one interviewee stated that 'the completion of the organization wide and process level implementation plan was felt by the top management as enough and cascading was left only to process owners, instead human resource placement was given top priority as it is politically sensitive and as a result staff mobilization to new processes took lengthy time, to add fire to the problem the admission of students and the launch of new process operations coincided.' Similar reflections were provided by others. I personally felt that enough preparation was not made by the change management team of the University in aligning the organizational plan with organizational units. Similar observations were made in the document analysis made in Bahir Dar city services office. It was felt by the city officials leading the change process that following up the progress of the implementation plan only at city level was enough and processes, sub cities and lower level organizational units' performance could be monitored by a checklist of activities prepared by the capacity building office of the city administration (in here it must be noted that from my observation of the evaluation reports produced by the capacity building office the checklists helped the city services office organizational units achieve exemplary results in delivering services at least for the first six months of the implementation period by helping them keep hold of the tracks of the change process). But many authors (for example Hacker and Washington, 2004; Kaplan and Norton, 1996, 2008; Kuwaiti and Kay, 2000; Lockamy III and Smith, 1997) discussed the need for all organizational units goals and strategic objectives to be linked to the overall vision of the organization in order for a change effort to persist and succeed across an organization. First cascading helps an organization held accountable all its organizational units for the results they achieve, measure and evaluate their performance, and motivate organizational units as cascading shows them that they are part of the change process.

The survey result indicates that both organizations understudy scored less than the normal mean score of 3.5 in designing the measurement systems which enable them measure the performance of the implementation process this fact is also supported by the document analysis and interviews conducted. One of the interviewees was quite frank in responding to the question that he said 'we did not consider the preparation of the measurement system while we prepared the plan'. It seems that the measurement system is overlooked. But in order for an organization to have a review of the implementation of its plan, it needs to have a clearly defined measurement system. Though measurable objectives and their corresponding targets were put in the plan the measurement systems such as data requirements and sources, reliable survey systems were not put and hence the performance measurement of the implementation plan was not done. A number of reasons were cited for the inexistence of the measurement system in the plan and later understanding of the importance of the system and incorporating it in the plan in the review process while interviewing officials of the University. They stated that the president, vice presidents and process owners were involved in the daily routines than focusing their attention to performance measurement systems, commitments were given to other priorities like what they call multiple and unexpected or out of the University plan 'emergency or urgent' assignments from the Ministry of Education and external factor management like lack of supplier of machineries and equipments, lack of highly trained and experienced, and resourceful ICT consultants in

the country, took most of their time in fulfilling the resource requirements of the successful implementation of the plan. 'Hence it seemed that' they said 'the top management lacked commitment in following up the implementation of the plan due to other priorities coming from the top'. Though it is true that a measurement system is not put in place at Bahir Dar city services office by itself, the office followed a well developed measurement system developed by the Capacity building bureau of the region and the status of the performance of each office implementing a BPR project is measured against the benchmark and results are forwarded for officials responsible for reviewing their performance. Therefore it seems that Bahir Dar University could have used the performance criteria of the region in assessing its status or it could have developed its own measurement system. In doing so it should be noted that the development of a measurement system first demands the individuals of the organization to create the system. They have to agree on measures, ways of data collection, responsibilities and schedules (Rantanen and Oikarinen, 2004) as indicated in the questionnaire item 3. Moreover, Artley and Stroh (2001) insisted among other key components of an integrated performance measurement system, senior management commitment to the development and use of performance measures as a critical success factor for the successful implementation of the plan.

As can be seen from table 1 above, both Bahir Dar city services office and Bahir Dar University scored less favorable in conducting well established reviews. Put another way, the public bodies could not conduct periodic reviews of their plan so that they could determine whether their respective organization is achieving the desired results or not and make new decisions if need be. Document analyses tell that some reviews of the performance of different units and subunits of each organization were made. The University conducted review of the implementation of the BPR project whether the implementation was done in line with the plan few times. Even in those discussions it was only the hearing of progress reports and challenges faced by the process owners presented. No organized reviews like quarterly and monthly reports were done, follow up reports from previous reviews were heard, plans for next quarter or longer were prepared, and clear accountability was not mentioned. Most of the change management meetings (60% of the meeting agendas for over eighteen months) were about the placement of employees and handling of employee grievances rather than focusing on important reviews of performance of the implementation process. Yet in periods when reviews were made no decisions were made for problems faced in the process.

The other major challenge faced by the University to strictly implement the new design per the plan, as I personally experienced, was the lack of legal frameworks which support the newly designed processes especially support processes; for example the financial management, and procurement and property administration proclamations enacted by the federal government. This has support from literature. For example, Thong et al (2000) indicates that government organizations operate under legal and formal constraints, resulting in less autonomy for the leaders and managers across the different organization structures. And this legal and formal constraint has many ramifications on organizations which try to undertake reengineering projects starting from the redesign of business processes to the implementation of those processes. This situation requires longer time periods in approving the redesigned processes, creates less autonomy and flexibility in leading BPR projects, gives the leaders/managers weaker and fragmented authority over their subordinates (consequently managers will be reluctant to delegate power resulting in less empowered subordinates as is the case in Bahir Dar University) and ultimately makes BPR implementation less successful. Bahir Dar City services office was lucky with this regard. The regional government has enacted a proclamation which clearly supports the new designs made by the city. What is observed in the city is, during the initial periods of the implementation phase, managers at all levels were fully empowered as there was no legal constraint imposed on them by the region. As a result, the city services office registered dramatic improvements in the delivery of services as can be seen from the reports of the regional capacity building bureau.

Though the survey result indicated a less favorable result for the fourth item, at Bahir Dar City services office during the first month of implementation (Ginbot 2000 to Tikimit 2001 EC) daily review meetings were made at unit level of the office with employees, weekly meetings with management and monthly meetings with the mayor's office. In those review meetings important decisions important for the smooth functioning of the new design like amendment of rules, procedures, formats and other matters were made by management as the office obtained mandate by the regional government to amend any laws and procedures which might have created problems in implementing the new designs.

This milestone decision made by the regional government should have been followed by federal offices. These continuous review meetings could not sustain long and that is why such a survey result was obtained

said the interviewees and they cited a number of reasons for this fact. One of the interviewees who used to lead the change process uttered that the major problem for this non persistence of the momentum was created due to inability of the office to install employees' performance measurement system and its underlying incentive packages and frequent turnover of management before the system is institutionalized. Besides, empowerment given by the regional office through legal frameworks was later reversed by the top management (new management was formed) 'due to lack of trust on the middle and lower managers' by the top management. This created 'frustration and lack of motivation among employees, process owners and employees'.

More frequent turnover of top managers due to political elections and appointments resulting in disruption of the implementation plans and difficulty in sustaining BPR projects (ibid). For example in Bahir Dar University replaced the president, three vice presidents, and four process owners during the implementation stage similarly in Bahir Dar city services office the mayor, the city manager and other city administration cabinet members were replaced.

Kaplan and Norton (2008) stressed the importance of conducting operational review meetings to monitor and manage short term operational performance and strategic review meetings to monitor and manage strategic objectives. When we see the change management meetings in both offices, we understand that review meetings are not undertaken in such a way. This has created a loss of strategic direction and has immersed the management in daily somehow 'irrelevant minor routines' as one process owner mentioned. These performance reviews in addition to determining whether desired objectives are achieved could also help managers perceive the existence of resistance from employees and design necessary techniques or tools to overcome resistance.

Besides it was also found out that though resistance to the change process was perceived by the management, important measures to take advantage of the resistance was not taken. Resistance to change is defined as any attempt to maintain the status quo when there is pressure for change (Zaltman and Duncan cited in Connor, Lake and Stackman, 2003, 151). Managers should carefully watch such acts since the resistance can slow or stop the organization's transformation effort. Literature indicates that managers should not act to such behaviours in a defensive manner (Connor, Lake and Stackman, 2003; Ford and Ford, 2009; Wheatley, 2007). Rather they should understand the views of those who resist and design strategies to buy in such forces. Ford and Ford (2009) suggested five ways to use resistance to effect change more productively. Those are boosting the awareness of those who resist about the change agenda (what the organization is doing), tell them why the change is important to the organization and why their jobs are being upended, gather input from people who voice their reservations about the change, build participation and engagement, and uncover past failures and acknowledge such failures in the past. One of the basic reasons for the existence of resistance to change among employees is the absence incentive packages which creates a positive impact on the behaviour of individuals. Reward systems like recognition, promotion and compensation programs are vital for the successful achievements goals, objectives and targets are vital for the effective execution of strategic or operational plans ( Connor, Lake and Stackman, 2003; Kaplan and Norton, 2008). But, Thong et al (2000) explain that the rigid incentive structure in public organizations will create difficulties in redesigning human resource management processes which are crucial to support the redesigned processes themselves that is why both offices under study failed to complete to design of performance measurement and management systems of the human resource management business process. But, 'effective strategy execution requires that employees be personally committed to helping their enterprise and unit achieve strategic objectives' through motivation which includes such steps as communication of mission, vision and strategy, linking personal objectives and incentives to the strategy, and developing employee competencies ( Kaplan and Norton, 2008).

The responsible bodies for the execution, supervision and monitoring of the plan were also clearly put as the survey result indicates and further confirmed by the analysis of the plan document. Looking at the implementation plan of both institutions, they have institutionalized the change 'as institutionalization is the process by which persons follow the current standard' (Hacker and Washington, 2004, 55) and one way to evaluate the institutionalization of the change effort is to identify the roles and responsibilities and who are key actors and whether individuals understand their roles and responsibilities (ibid). But looking at the rate at which objectives and operational activities set are achieved, sadly at Bahir Dar University of the twenty eight major objectives put in the plan only a fraction of it are performed, one can tell that no accountability exists in the institution. In Bahir Dar city services office, at least for the first nine months of implementation

process, with the exception of ICT infrastructure and office layout improvements, most of the activities set for the period are achieved.

Kaplan and Norton (2008), in addition to frequent review meetings, dictate the need for testing and adapting the strategy (here in our case the implementation plan) by conducting a strategy testing and adapting meetings at least annually by observing the environmental changes that have occurred. But, as can be seen from the survey score and the documents analyzed and later ascertained by the interviewees, continuous improvement efforts have not been made by both offices. It seems obvious that an organization which does not have a well defined measurement system cannot make organized reviews and no reviews, no continuous improvements.

Generally we can say that 'The system the public sector organization sits is not the competitive industry structure of Micheal Porter's industrial economics but a political and ideological one. The fixed structural constraints of the organization are the reference points with in which strategy processes are carried out. The structure follows strategy maxim is problematic here in that organizational restructuring though clearly possible is much more complex and resource greedy; this combined with organizational and political inertia causes enormous difficulty for public sector change agents.' Ring and Perry (1985) cited in Rowe (2008)

### **Conclusion**

Aligning large scale change initiatives to organizational mission and vision and design them accordingly and instilling measurement system would help enormously in determining the effectiveness of those change projects by providing factual data. Since such change projects like BPR require huge amounts of time, budget and manpower, it is critical that organizations follow performances of such strategic initiatives through the of measurement systems and apprehend improvements if need be.

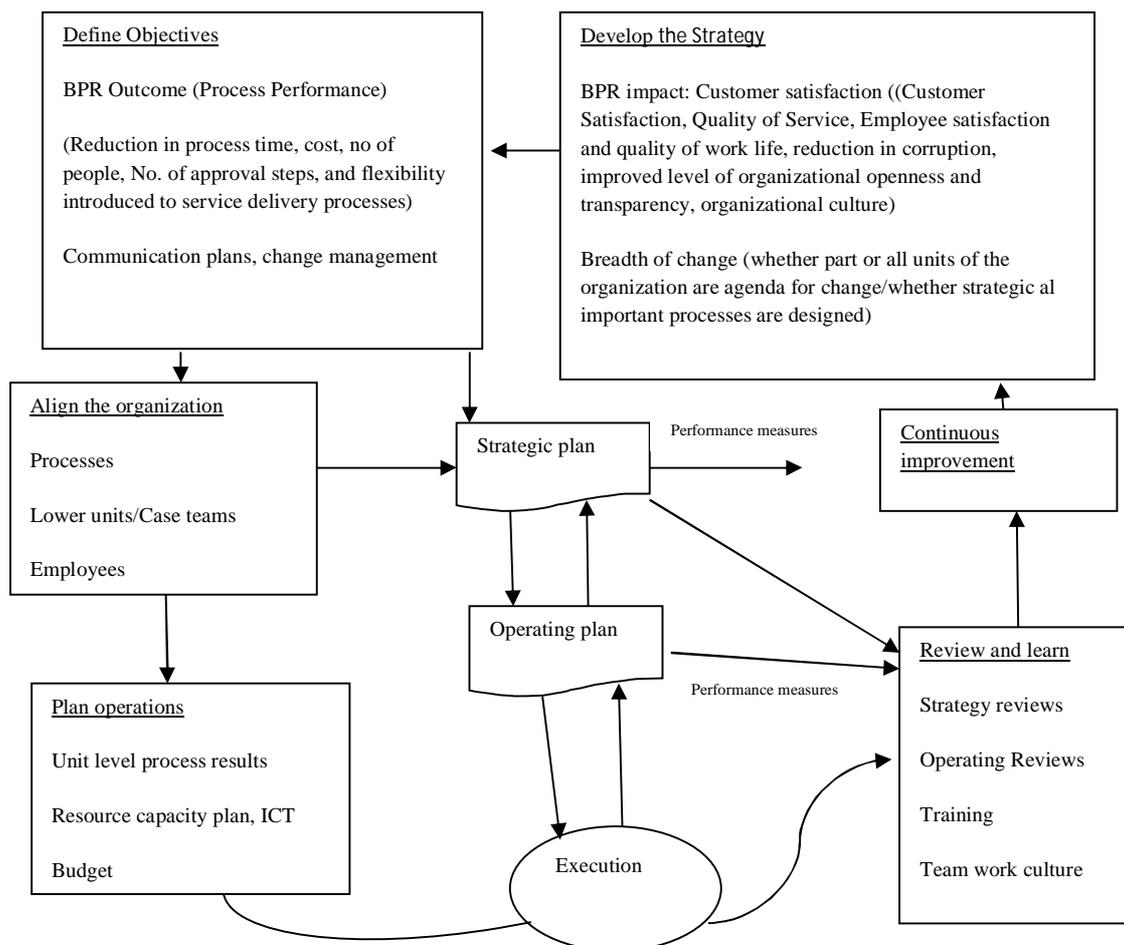
From the discussions made in this research we understand that public bodies in Ethiopia design well the paper works like for example defining result areas and goals or crafting missions and visions , establishing strategic objectives and identifying responsible bodies. But, when we see items like measurement systems, reviews of performances and continuous improvements of strategic initiatives, we can say that execution not design is a major problem. Key factors vital for execution like leadership commitment, sustained existence of leaders, alignment of organizational objectives to lower level units, flexible salary structures and incentive packages, understanding of employee intentions or resistances have contributed a lot in the poor execution of BPR projects. This is what is observed in Bahir City services office during the initial periods of BPR implementation. Further more clear responsibility with accountability is fuzzy in public bodies. The strong commitment observed by the leadership of the region (Amhara) in enacting legal frameworks which support BPR designs is exemplary.

### **Lessons Learned:**

- While Planning, both strategic and operational, is perceived by the top management as very important in leading organizations, and not so much is done in crafting the measurement systems for the plan, monitoring the plan and continuously improving the strategic initiatives and operational activities.
- Government offices should understand that a well crafted strategic plan design without well managed strategic execution is a failure
- The culture of public organizations as observed in this study in operating their activities per their plan is very minimal. Besides, accountability to the duties and responsibilities of public managers is also very insignificant.
- The existence of high turnover of officials especially at the top level creates huge gap in taking over projects to their final stage and even no proper terminal reports and handover of projects made between replacements. To curb these problem officials especially at the top level should stay in office at least to the end of their tenure.
- ICT is given little attention while implementing a BPR project in public institutions whereas it is an enabler for BPR to be successful. Hence they should view BPR and ICT as inseparable strategic options
- The design of the new processes was supposed to be 'complete' after the formulation of the performance measurement systems and management systems such as incentive systems and

structures, salary scales and legal frameworks. But it seems impossible to redesign or change incentive systems in public organizations.

- Public organizations should give emphasis in crafting strong measurement systems and towards this end they should learn much from private organizations.
- Public organizations do not try to transform themselves unless there is political pressure to do so.
- Public offices shy away from change management efforts when there is a perception by management that the change process is no more a hot bed of the politics
- Federal government public bodies should learn from the experiences of the Amhara National regional state in that without integrated legal frameworks which support the change process BPR projects are futile.
- Persistent and diverse communication strategies are vital for selling change agendas and strategic plans as successful change begins with acquiring employees' buy-in to the change process.
- Organizations should understand critical success factors (Yang factors) and failure factors (yin factors) and from the lessons learned from the why of their failure and revitalize and sustain the change agenda. I suggest that organizations follow. The following model is adapted from the works of Kaplan and Norton (2008, 8) and literature reviews made about critical success factors for BPR related to implementation



*Figure 1BPR Implementation strategy management tool, adapted from work of Kaplan R. and Norton D. (The execution premium, Harvard business school press, 2008, 8)*

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