

LO1: BUSINESS PROCESS RE-ENGINEERING

Process means a set of activities with clearly defined inputs and outputs.

Business Process is set of logically related tasks in order to achieve outcome of value for customer.

The keys in definition

- Fundamental [what are they & their work]
- Radical, [root cause of problem & change that]
- Dramatic, [incremental growth to achieve quantum]
- Processes, [relook & replace with new]
- Tasks. [tasks are important, but mainly completion]

Reasons for BPR:

- To obtain quantum, simply and streamline processes
- Speed up work follow by IT.

Steps in Implementation of BPR:

1. Determining objectives and framework
2. Identify customers and determine needs
3. Study the existing process
4. Formulate a redesign process plan
5. Implement the redesign
6. Improve process continuously
7. IT in a big way



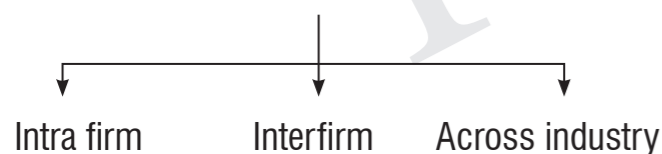
Common Problems:

1. Complacency;
2. Resistance to change
3. Time & Cost
4. Assumptions

CART

LO2: BENCH MARKING

Comparing one business performance with best



Costs:

- Visit cost [travel, boarding]
- Time cost [researching problems]
- Database cost [create & maintain a best practices]

What to Benchmark:

- Process
- Financial
- Performance
- Functional
- Product
- Strategy
- Best in class

Six Steps in Benchmarking:

1. Identify your problem area
2. Identify industries with similar area
3. Survey companies for measures & Practices
4. Visit the best practice
5. Implement new business practice
6. Evaluation

REACHING STRATEGIC EDGE

LO3: TOTAL QUALITY MANAGEMENT

Quality is ability of a product or service consistently meet or exceed expectations

Why:

- Delight the customer
- Fierciful competition
- High technology & complicated products

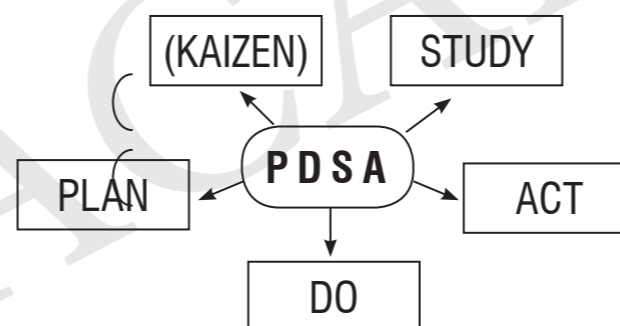
Determinants of Quality:

- Design, planned quality,
- Conformance to design,
- Ease of use,
- Service after delivery.

Principles:

1. Commitment to quality
2. Customer Focus
3. Preventing defects
4. Continuous improvement
5. Employee Empowerment
6. Process Management
7. Managing Supplier Quality
8. Corrective action
9. Inventory reduction
10. Training

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LO4: SIX SIGMA

A management driven, scientific methodology for product and process.

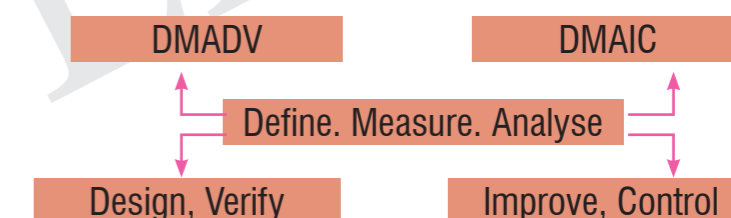
WHY: 6σ

- Money
- Customer Satisfaction
- Quality
- Impact on employees
- Growth
- Competitive Advantage
- Communication
- Benchmarking

THEMES

- Genuine customer focus
- Data Driven
- Process managemnet
- Boundarless collaboration
- Drive for perfection

Methodology: TWO



Principles

1. Two types of causes:
 - Chances [Can't be identified, cannot be eliminated]
 - Assignable [Identified & immediately eliminated]
2. Defects are randomly distributed, apply mean & S.D.

LO5: CONTEMPORARY STRATEGIC ISSUES

E-commerce



SM in Non-profit organisation

- Educational Institutions
- Medical organisations
- Government agencies & Department