

The role of performance measurement in business process re-engineering

[Business](#), [Strategic Management](#)



The purpose of this business study is to test the performance measurement system (PMS) and its interaction with development implementing standard deviation (SD). PMS is the essential of business process engineering (BPR) that is a significant theory in analyzing the interaction between the correlation of PMS, empowerment, integration, and strategic alignment. The object is to understand the unities between companies that undergo strategic modification to progress effectiveness and thrive efficiently.

The testing of the hypothesis consists of two companies from the Bahrain Economy a major sector in manufacturing and finances as well as other companies within the sector. "The total of returned responds were 301 from 19 manufacturing and 30 financial companies. The companies deviate in age, number of employees, profits, range of products, or services. The individual respondents range from managerial position, experience, and length of employment" (Kuwaiti & Kay, 2013, para. 7, p. 4). The BPR emphasize on restructuring and reevaluating a business.

The research questions:

How is the performance of PMS a criterion to the principles of change? How is the performance of empowerment, integration, and strategic alignment correlation tested in determining the effective in change? The hypothesis of the study:

H1: The significant and correlation PMS is as a criterion for the effective formation and operation of BPR and the PMS can act as a resource to change in empowerment, integration, and strategic alignment.

The hypothesis testing included congruence PMS is the responding variable, and the four explanatory variables. The statistical formula used to determine the score range is the standard deviation (SD).

For example, “ for empowerment the results range from a maximum of 40 (highly empowered) to a minimum of 10 (least empowered) the mean is 29.8 with a SD of 5.75 and a maximum possible score is $(14 \times 5) 70$ ” (Kuwaiti & Kay, 2013, para. 5, p. 6). The PMS interaction with two of the explanatory variables is weak when measuring the range. Therefore, the hypothesis supports the relationship with strategic alignment and a modest support for empowerment.

The main findings of the study:

A well-defined PMS process will improve the changes within a business because PMS emphasis on premeditated purposes before initiating on different levels of business development.