

Study about business process reengineering business essay

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



Business process reengineering concepts comes from management theories and introduce in 18th century. The purpose of business process reengineering is to make the business in best condition. Frederick Taylor says in (1880s) the companies use the reengineering process to make the business in best position and to achieve the company goals. Business process reengineering means not only change but structural change. What kind of structural change in the organization, managing system, employee responsibilities, reward system, and information technology. Many organizations want to change the management of the organization but they not identified which part of work is to be changed. But the business process of reengineering (BPR) is the concept of management and that has been formed by practical experience. (BPR) is not only impact inside the organization but also the external supplier and customer as well. (BPR) is help to increase the organization financial report and customer satisfaction and also find out the way how to create the high productivity with the short amount [Radhakrishnan. R, 2008]. The key driver of the (BPR) is cost reduction, high speed, and quality. Information technology is a technology which use to store, determine and process the data which use in the specific organizations to examine the data and processed the data. And through the information we improve our knowledge and know how to do the work. The information system develops a strategic approach to change the process. For example through reengineering process we provide a wide range of company product online the customers are buying our product with the help of information system. So that is not possible without information system. Information technology is the component of the (BPR) and promotes the

companies process. [Hammer and Champy (1993)] say reengineering about innovation. It is help to solve the company entire objectives.

ROLE OF IS/IT IN BUSINESS PROCESS REENGINEERING:

BPR is the much biggest issue for IS executive in 1990s (Moad, 1994). BPR shows the power of the information system and information technology to the decision making because through the information system and information technology the BPR reach the effective position. So the BPR success is based on information system and information technology. The role of IS in the organization is to make the effective strategy according to the business requirement. No other systems change the business such as the information system because the information system put right system on right place. The information is the key of an organization (Byrne, 1992) the IS measure the process and performance of an organization. The good information makes the better position of an organization. By using the customer strategy the IS gets the information out of the organization how the product of the company is running through the market and implement the IS to reduce the time to market. The information system has must be able to vision the information technology in the organization future. BPR is not adopting the new system but also create those system they effect the whole organization (Teer et al, 1994 Moad, 1993). Firstly focus on the business process not on information and then apply the IT tools on those processes. To adopting these steps the IS expert provide the understanding of the information and technology in the business processes. The IS professional have play an important role in the business process

reengineering. For example when the California state affiliate of American Automobile Association (CASS) stated the reengineering process the internal IS system was very bad in initial stage they cannot deliver company product on time. The information technology system is good but the IS system is not good. So the CASS identified the problem and solved it. When they removed the IS department error the company come on boom stage. So the result is that when your IS/IT fulfill the requirement then the company comes to upward. The IS/IT are the key of business process reengineering. When the IS and IT department are work effectively then the BPR make the better company position.

The relationship between IS/IT in the BPR is to change the process and identifying, evaluating, and implementing the business strategies. If the business is in dog situation the role of BPR is to remove the barrier. The BPR has overcome on these barrier through IS/IT because if the IS system is working bad than the business goes to downwards so the IS system is effective than the business in good position. How we can make the IS/IT system better. The delivery system of the company is based on the IS system so when the company collect the information form there customer what they want and than the company makes the strategy according to the customer requirement. So the company does all the process under the IS system we can say these are all the component of the IS system. IS system are supporting to regenerate the business process and also analyze the existing assets. A large number of manager are adopt the business process reengineering under the IS/IT system to getting the competitive advantages

and also provide effective service to their customers. Willcocks says the IS/IT is the most critical factors of the business process reengineering. These systems are cross the different stages and than identifying the problem and how the previous system works with the project and also collect the information for the reengineering process.

IMPLEMENTAION OF IS/IT ON TOYOTA UNDER THE BPR:

The information system of the Toyota company is been evaluated by SOWT analysis. The Toyota Company achieved the goals globally by using the information system. The Toyota company reach to there customer by using the different website worldwide. These are website based on IS system the IS system work effectively that why Toyota is the world biggest company. For example Toyota reach to there customer through the website there are many website and system in each world regions, north America, Europe etc. The IS department firstly gather the information from there customer what type of the goods they needed than according to the customer requirement the Toyota produce the goods. The Toyota company has develop new opportunity which is transport system and the company develop this system through the IS system because the information system is one of the best key to develop that system. Toyota collect the information from there customer and the other companies as well. That is the marvelous opportunity for the Toyota Company because the Toyota increase there customer on the base of previous customer. The IS system and networking is the key which helps the Toyota Company success. The Toyota Company have no off competitors like as Honda, Ford, Chevrolet, etc. In this competition the Toyota Company is on

boom stage because effective IS system. One of the best of the IS system is the Toyota new Hybrid Synergy drive. When the automotive industry is fall in high gasoline crude oil costs, the Toyota develop a new computerized engine system which is HSD. The Toyota introduce that system in there new models cars like Camry, prius which is available in the market. Toyota makes that possible by using the Porters models for the threat of same product. Some other companies copied the Toyota HSD and entered in the market like Nissan, Honda introduce similar technology in there sedan model but the Toyota is super hot in the market because the Nissan and Honda have not good impact in the market yet. So the Toyota has highest impact in the market through IS system.

Toyota Company has got profit on he behalf of Porters five forces because the companies share increase through the porter's model. By using the HSD the company gets competitive advantages. Toyota HSD has sufficiently maintained their advantages and covers the market. These are all factor makes the Toyota success and gain the competitive advantages by using the information system. Because the information system is major key of the success so the Toyota maintains his information system and get the success. In 2008 the Toyota introduce service the name of that is TOYOTA METAPOLIS, on that service the Toyota created 3-d cars to inspire the people. In 2002 the Toyota introduce a new service in Japan the name of G-BOOK telematics service and in August 2005 Toyota introduce G-Link service for Lexus. And also introduce the theft detection service, tracking service for the G-BOOK and G-link user that are using there vehicles. So the Toyota has

done all these step with the help of information technology when the IT system is doing excellent job than the company did not went to downward. In 2007 Toyota bring the mX system in the market for there user and that service is use for getting direction that is the world first technology for auto update the map. In March 2004 the Toyota introduce the CRM (customer relationship management) the information technology develop service to their customer such as provide the information of new vehicles, time for the maintain the vehicle, etc. when the company provide these services to their customer the customer touch with the company gets the more customer on the behalf of previous customers satisfaction. So that is possible when the information technology work effectively. Toyota IT system play very important role in the success of the company. Toyota currently builds up CRM in countries including China, Thailand and Australia where the company want to increase the market share. In 1980s the carmaker was introduce aided design system for designing the part on computer not on paper. Toyota adopt that system the designer of new CAD system firstly asked where we use that particular system where we need that and also what are the requirement, what are the options the designer ask such question for the effective use of the information technology. For example when they analyze the die stamp that is out of parts the die stamp not fulfills the model requirement and than they design best dies on the computer. When the die design completes the Toyota use simple solution take the basic point which is shown on the color diagram. The die designer worked on experience based examined the diagram and made the particular parts. As their competitors adopt that CAD system Toyota maintain it through their engineers and

suppliers. Toyota updates that system day by day and its work effectively. After two year the Toyota shifts that system into the CATIA (Computer-Aided Three Dimensional Interactive Application) a world class system. Toyota was very slow implementing that system into the development process, because at the time when the Toyota implement that system the Ford automaker quickly adopt that system and introduced into the market but Ford industry have not effective CATIA system and spending million to adopt that system and confuse the people. After the Ford system failure that the Toyota introduces the CATIA system in the market and gets boots sale from the market, because Toyota put lot of attention to make that system. So the result is that the Toyota information technology system works very well if Toyota has not effective IT system than the company could not come to that point or stage. Toyota Company continuously work on CATIA system by using the effective software and effective engineers when the Toyota introduced the first CAS software in 1980s and within the next 12 months Toyota developed new vehicle. That are all possible when your have advance IT system by using the IT Toyota been successful form 1980s. For example the instruments are done digitally in three dimensions. Toyota used this method in the vehicle design because the engineers kept the list of good and bad characteristics of design and these aspects saved electronically. There is also keeping the data in the assembly plant for the designing purpose. Through these design the engineers check the past problem and assembled the perfect car. So the IT helps to assemble the actual auto vehicle without the errors. So the result is that the Toyota did not adopt the weak and poor development process and also use the most effective IT system. Toyota will

take the effective development system which is based on trained engineers and leaders and surgically inserted information technology. Today Toyota is alive on the behalf of IS/IT system because these are the basic keys of the Toyota company success.

RECOMMENDATION:

Toyota auto vehicle share the information with the other companies such as Ford, Nissan etc. That's not good for Toyota company success when companies share the information with the other companies the companies has to use that information and developed new vehicle and introduced into the market. So that is the drawback of the Toyota Company to share the information with the others. This is the most difficult process to collect the information form the customer or other people what they want. After that the company put that information into the process and creates something new for the customer and also increases the company's goodwill. When Toyota kept their information secrete than the company get more benefit from the customers because when they introduce something individually the customers attracted to the companies product and buy it. So through the secrete information system the Toyota run long time their product in the market.