

BUSINESS PROCESS MANAGEMENT IN ENTERPRISES IN POLAND

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Abstract. The purpose of the article is to describe briefly the Business Process Management in reference to Polish organizations. The conditions for the survival and development of the contemporary enterprises are to focus on all of the changes taking place in the environment. Business Process Management is a concept that enables an efficient adaptation to the changing conditions of the business environment. The article presents the results of empirical research conducted among 626 enterprises operating in Poland in 2011. The research was carried out by the direct interview, based on a prepared questionnaire. Only few Polish organizations follow the concept of business management. One of the main reasons is the lack of knowledge and insufficient awareness among the managers combined with the importance of using this concept in enterprises.

Keywords: business process management, business process, process approach, process manager, process-focused organization, capability maturity model integrated.

Jel classification: M21.

1. Introduction

The process approach is one of the latest and the most effective trends in the management, while it means to focus on business processes as well as on control and monitoring them in the appropriate way. The idea of the process management allows a company to create its competitive advantage. A company that is willing to respond flexibly to the changes taking place in the market should learn how to recognize and manage efficiently their processes, how to adjust them to new products, new channels, new technologies and multi-variable environment in which it operate. The managers should influence the employees' process awareness as well as strengthen their conviction that such measures will increase the efficiency of the organization. Despite of the growing interest among researchers and practitioners of the concept of the business process management, there is still a narrow range of current researches concerning this area in Poland.

2. Theoretical framework

According to Trocki and Romanowska development of the process approach in recent years, as well as its theoretical foundations, principles, models, methods and solutions - led to the emergence of process management as a new field of management (Trocki, Romanowska 2004). Business process is a sequence of activities aiming at the creation of one or more products or services with a value for a customer. It is initiated and finished by one or more events. As it proceeds in the organization there is an underlying organizational structure. Furthermore, the activities usually need one or more resources (like people, processors, data, software, etc.) that belong to predefined resource classes (Richter-von Hagen *et al.* 2005a). Any organization can be described as a system of processes, among which there are many interdependencies (Bitkowska 2010; Nowosielski 2011; Nowosielski 2009; Bitkowska, Weiss 2012).

Business Process Management is supporting business processes using methods, techniques, and software to design, enact, control, and analyze operational processes involving humans, organizations, applications, documents and other sources of information” (van der Aalst *et al.* 2003).

The process management can be described by the following steps: identification of processes, processes modeling, implementation, controlling and improving (Table 1).

Table 1. Stages of process management in organizations (Source: based on Bitkowska *et al.* 2011; Bitkowska, Zaleśna, 2009)

Stages of process management	Characteristics
Processes identification	The initial stage of the process management is the identification of processes it should answer the question what processes are necessary in your organization so that customers receive the expected benefits and services
Processes modeling	Process modeling is a way to determine the architecture of the individual processes, the company needs to achieve within its objectives. It provides the answer for the question, how should the processes look like to achieve the objectives of the entire company as well as its customers
Processes implementation	Providing conditions for effective implementation and operation of processes modeled previously, preparation of workers and organization for the changes.
Processes controlling	Once designed process should be continuously monitored, which means continuous observation of the course of the given process. This will ensure the improving of the process and adapting its goals for new customer needs and company goals.
Processes improvement	The introduction of improvements to processes in order to increase their efficiency, productivity and flexibility

Consultants and researchers are regularly proposing new methods and concepts based on business process management to further increase corporate profits while leveraging efficiency of value-adding processes. (Neubauer 2009). The enterprises are looking to strengthen their competitiveness, flexibility, and improve the customer relationships through the implementation of process management. The Process Management gives great opportunities to improve the functioning of the company by simplifying the information flow, increasing the quality of their operations and creating the greater ability to adapt to the customer requirements. (Bitkowska 2009; Grajewski 2007; Gardner 2004; Czekaj 2009).

The enterprises which implement process management achieve significant benefits while the effects are not immediately apparent. It mainly focuses on time and labor effort minimization and increasing its efficiency and productivity, costs reduction, as well as improving the company's image. Moreover, the company is able to adapt quickly to changing environmental conditions.

The levels of process management are defined in the literature by Capability Maturity Model Integrated (CMMI) The model defines five levels of process maturity. Organizations at Level 1 do not support processes in any significant way and are immature. Level 5 organizations are completely mature and have mastered the use of processes. (Fig. 1). The practical experience shows the gradual extension of the scope management process by moving from lower to higher levels. This procedure extends the period of implementation, but allows to avoid and eliminate false solutions. The desire for a single comprehensive and detailed design and implementation of the process management system at the highest level is a frequent source of failure.

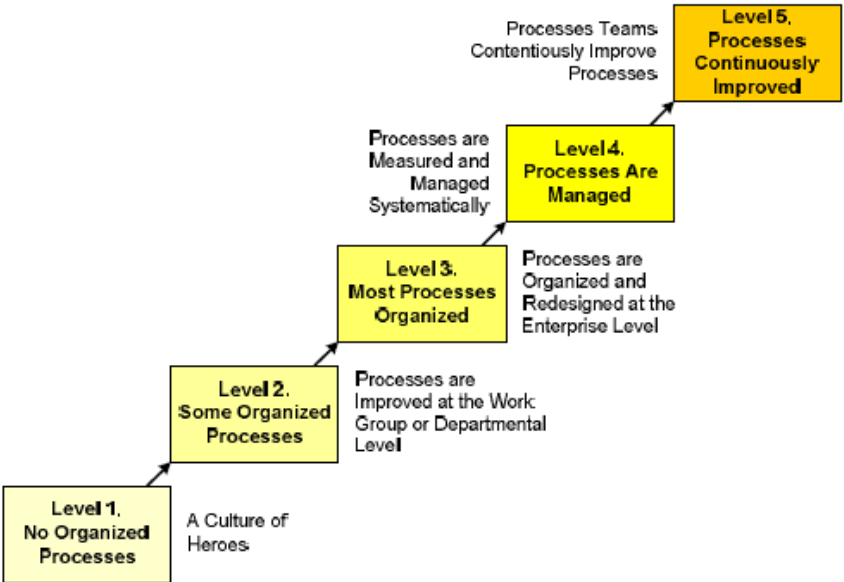


Fig. 1. Capability Maturity Model Integrated (Source: Harmon, Wolf 2012)

The major criteria for a the process-focused organization can be defined as following: there is/are (Gardner 2004; Green 2004; Hakes 1991; Hammer 2002; Harmon and Wolf 2006, 2010, 2012; Hollingsworth 1995; Kaplan and Norton 1993; Kersten and Verhoef 2003; Madison 2005):

- a strategy systematically aligned with the business processes;
- mechanisms such as the balanced scorecard for supporting and measuring the alignment;
- management methodologies such a lean, six sigma, or process improvement;
- a chief process officer supported by process advisers and process owners;
- the allocation of IT-resources according to the given business processes;
- a complete intra- or even interorganizational business process coverage; and mechanisms for business process risk management.

The important role in the process management plays process owner (process manager), that is responsible for the effects of the overall process, and is authorized to coordinate its implementation. He has also the adequate knowledge of the process, is capable of designing its course and introducing changes thanks to the appropriate permissions. In practice, the process owner has all the resources assigned to the process at his disposal; he sets the goals, chooses roles, controls all the key process parameters on operational level, in accordance with the approved control system. In the processes-oriented enterprise the processes should be constantly changed through the flexible adaptation to the environment. A new organizational approach as far as the management is concerned should be initiated and supported by the top management team.

3. Empirical research

3.1. Research assumptions

The main objectives of the empirical research were to provide the answers to the following questions:

- Whether and to what extent the organizations in Poland have implemented the process management system?
- What are the reasons of its implementation?

Form the following hypothesis: The Polish companies have implemented the process management to the insufficient extent. The empirical studies have been carried out on a sample of 626 enterprises, which included micro, small, medium and large enterprises operating on the Polish market. The quantitative research methods were conducted in 2011. The sample of companies chosen to research target was made by taking into account the following criteria: number of employees, range of operations, number of operated markets, year of its launch in Poland, ownership type, economic situation, month turnover, sector of activity and region.

The questionnaire was developed based on literature studies and the experience of the author in the field of process management in organizations. The survey was held anonymously. The research was carried out by the direct interview, based on a prepared questionnaire.

An important criterion for dividing the surveyed enterprises was the number of employed workers. The analyzed companies were classified into the following groups: Micro-enterprises (from 5 to 9 employees), small enterprises (from 10 to 49 employees), medium-sized (from 50 to 249 employees) and large enterprises (250 and more employees). Among the surveyed entities the companies with 50 to 249 employees had the largest share 38.8%, while those with 250 or more people 28.6%. Small enterprises constituted 15.8% of the sample, while the share of micro-enterprises 15.8% (Table 2).

Table 2. Number of employees in the surveyed enterprises (Source: own research)

Number of employees	Number of surveyed enterprises	Percentage (%)
5-9 employees	99	15.8
10-49 employees	105	16.8
50-249 employees	243	38.8
250 and more employees	179	28.6
Total	626	100

Another criterion was the business enterprise sector (Table 3). Most of the companies were operating in the production area 47.7%, followed by trade area 38.2%. The smallest percentage of the companies constituted the overall service area 14.1%.

Table 3. The industry of surveyed enterprises (Source: own research)

Industry	Number of surveyed enterprises	Percentage (%)
Production	299	47.7
Trade	239	38.2
Services	88	14.1
Total	626	100

3.2. Results

The process management has been implemented by the 12.6% of enterprises, while the elements of the concept by 18.8% of them. 18.7% of companies are willing to implement this solution in the future, however the remaining part is not keen on applying it or there wasn't such a possibility. As far as the 14.2% of investigated enterprises is concerned, the management was not familiar with that concept. The application of the concept of process management is presented in Table 4.

Table 4. The use of the concept of process management in enterprises (Source: own research)

The use of the concept of process management	Number of responses	Percentage (%)
Implementation of Business Process Management	79	12.6
Components of Business Process Management	118	18.8
Plans regarding the Implementation of Business Process Management	117	18.7
No need for Business Process Management	131	20.9
No possibility of Business Process Management	76	12.1
Company business leaders are not familiar with Business Process Management	89	14.2
No answer	16	2.6
Total	626	100

The reasons for leading companies the management processes implementation seem to be the most important (Table 5). The research methods that have been conducted demonstrate clearly that the mayor part of the companies has been guided by different premises. First, they concerned the ISO standards and IT systems implementation (52.3%). The following reasons are as follows: expectations to improve the competitive position (42.1%), faster response to customer needs 33% and the ability to respond quickly to changes in the market environment 32%. In addition, the surveyed companies also indicated the development of their staff (23.4%) and the increase of revenues and profits 22.8%.

Table 5. The reasons of implementing process management in enterprises (Source: own research)

The reasons of implementing process management	Number of responses	Percentage (%)
Implementation of ISO standards	105	53.3
Implementation of the computer system	103	52.3
Improvement the competitive position	83	42.1
The ability to quickly respond to changes in the market environment	63	32.0
Faster response for customer needs and expectations	65	33.0
Increase innovation	43	21.8
Revenue growth and profits	45	22.8

End of Table 5

The reasons of implementing process management	Number of responses	Percentage (%)
Staff development	46	23.4
Improvement of flexibility of enterprises	26	13.2
Other reasons	1	0.5
No answer	1	0.5
Total	197	100

According to 30.5% of the respondents there is a connection between processes and the objectives and strategy of the organization. The usage of data for process management purposes by managers / owners was declared by 24.6% of respondents, while training in the process approach was indicated by 21.7%. Using specific performance indicators for processes monitoring declared 20.1% of companies. The lowest number of enterprises pointed the access to the documentation process for all the staff (Table 6).

Table 6. In the surveyed enterprises* (Source: own research)

In the surveyed enterprise	Number of responses	Percentage (%)
All the staff has a continuous access to the process documentation	70	11.2
There is a strict connection between processes, objectives and strategy	191	30.5
Process owners have been trained in the process approach area	136	21.7
Processes are being monitored with specific performance indicators	126	20.1
Managers/owners use data to process management	154	24.6
No answer	158	25.2

*multi-choice option

Another question related to the maturity of the process in the surveyed enterprises (Table 7). Any company can determine level of maturity of the process, even if not consciously apply this approach. Most companies declared their maturity level 2 process - the processes are identified (20.1%) and level 4 processes are identified, described, measured and managed 18.5%. Level 3 Identify and describe the processes, leads 16.8% of the companies, while the level 5 processes continuously improves 13.1% of companies. The smallest companies pointed to the randomness of the processes and the lack of identification (level 1).

Table 7. Levels of process maturity in the surveyed enterprises based on Capability Maturity Model Integrated (Source: own research)

Levels of process maturity	Number of responses	Percentage (%)
Level 1	63	10.1
Level 2	126	20.1
Level 3	105	16.8
Level 4	116	18.5
Level 5	82	13.1
No answer	134	21.4
Total	626	100

4. Conclusions

Process management can also impact key business processes, improving their effectiveness, the ability to control and flexibility. The results analysis of conducted examinations points out the unsatisfactory degree of Polish enterprises enhancement in the range of adaptations to current challenges. Too few companies in Poland use the concept. One of the main reasons is the lack of knowledge and awareness of managers connected with the importance of using Business Process Management in enterprises. Results of the study indicate that the concept is not known or is not useful in the enterprise. Approach is mainly associated with the introduction of ISO standards, or implementation of the information system. Until further order of this is to improve the competitive position. Large companies definitely more willingly use the business process management. The increase of interest in the implementation of this concept among managers has been observed. The examination results confirm the slow evolution of the Business Process Management model in Poland.

The main recommendations resulting from the study are:

1. creating a forum for spreading the information on business process management methods in Poland and transferring examples of good practices from companies in which the solution was successfully implemented,
2. creating the appropriate tools of developing the abilities of learning skills and the adaptation to changing environmental conditions among entrepreneurs and managers,
3. increasing the openness and the involvement of the scientific communities resulting in cooperation with enterprises in the area of the business process management.

The issue of benefiting from innovation in other areas of business management and its influence on the processes of competition in the market or shaping the competitiveness of enterprises operating in Poland is almost too poorly resolved from the empirical point of view. This theme of research is worth of continuing in order to enable comparisons between Polish and European enterprises.

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