

General Considerations on Organizational Change Through Reengineering

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Abstract

Through this article I intend to discuss as much as possible the concepts of restructuring and redesign in the companies.

The objectives pursued by them regarding the increase of efficiency and profitability underlie the conceptual restructuring managers attention. Commercial literature treats the phenomenon by the following: reducing size and diminishing the number of levels of the firm.

Companies use restructuring when pursuing cost reductions, efficiency gains and efficiency, but there is also a negative side: uncertainty and the risk of losing posts that lead to low employee involvement in innovation and creativity.

Restructuring organizations, reorganizing them leads to long-term results, in which case immediate or short-term benefits are not desired.

Countless companies have understood the idea of reengineering by adapting business with techniques that executives and managers should use to reinvent businesses to combat competition in a new world..

Key words: reengineering, Business Process Reengineering, management, change, innovation

J.E.L classification: D29, M11, O33, O31

1. Introduction

Companies are targeting various goals in terms of increasing customer numbers, increasing sales and, implicitly, profiting, so they bring to the attention of managers and management the concept of reengineering. Many companies are proposing to increase their competitive advantage in an unstable environment. That is why companies can call for reengineering and restructuring, aiming to increase the efficiency of their activities.

Thus, they can re-engage in reengineering and restructuring to increase efficiency through increased customer satisfaction with the goods and services resulting from their activities. The use of reengineering by organizations concerns: clients, competition and change.

2. Theoretical background

According to DEX, changing is to replace one thing with another, to give something of another form, to move. (DEX, 1996, page 959)

Gary Johus, in his book “Organizational Behavior” (1998), appreciates change as the processes or plans that once implemented place the organization or its members to a state of satisfaction.

Organizational change involves a number of factors, which is why we can say there may be changes in the organization of companies, changes in tasks and responsibilities, changes in technology, changes in management processes, changes in leadership style, managerial team, staff performance, changes in perception, skills, motivations, behaviors, changes in company performance, changes in company image on the market, etc. (www.armyacademy.ro)

Thus, the term of change refers to the changes occurring in the internal and external environment of the organization, underlining some major transformations such as: Changes in an activity in the form of adaptation, mounting, improvement, but also the removal of mistakes that have occurred in the past reflecting: reengineering, mergers, divisors, restructurings, reorganizations. (Verboncu, Nicolescu, Popa, Ceptureanu and Ceptureanu, 2011, p. 59)

According to Eugen Burduş, "organizational changes are responses to certain external forces, such as changes in markets, different pressures on competitiveness, etc., or certain endogenous variables such as managers' tendency to apply different specific methods / techniques may be determined." (Burduş, 2003, p. 371)

Change is a broad concept and can be triggered by factors such as low productivity, staff fluctuations and strikes, all indicating management's changes that change has become more and more necessary, businesses can change almost every aspect they want.

3. Research methodology

The concepts highlighted in this article have been related to the use of the most relevant aspects of reengineering and organizational restructuring in the respective specialized literature of domestic and foreign sources, as well as internet sources. Following the analysis I want to identify the main advantages that it presents reengineering according to the methods presented.

4. Findings

Reengineering or reconsideration is the reconstitution of processes and phases in the organization to achieve time efficiency, cost reduction, product quality or service quality improvement. It does not aim to reduce existing jobs or structures or technologies, but reduces intermediate actions for process performance and enhancement collaboration between those involved in the process

Reengineering includes certain practices: posts are unorganized and most often developed, special importance is given to teamwork, performance technology is exploited, all involving consumption of financial, human, material, informational resources.

Introducing a reengineering policy is useful when:

- in manufacturing activities, by creating new product ranges, which are demanded by customers, belonging to a demand segment for which competition does not offer alternatives, involves changing equipment, technologies, increasing staff competencies, etc.

- in the service sector - customer satisfaction through diversified offers, the customer becoming the center of reengineering policy, firms trying to develop customer relationships by creating a infrastructure to meet their expectations.

In terms of change, action is required to target company tactics, technology used and organizational behavior.

Changes in company tactics are generated by external factors such as: Competitor growth, technological innovation, decentralization that is felt throughout the organization. All of this is needed only for survival, and success is not guaranteed by these changes

Technological change involves changing the technological flux that creates the products and then sells them.

Transformations about company tactics are generated by multiple factors of external nature, increased competition, technological innovation, decentralization, most of which are only necessary for survival, and success is not guaranteed by all these transformations.

These are those that tend to oppose resistance, but they will adapt to the new circumstances when they see that there is no other solution

All these changes are made to achieve performance by organizations, and the action plan should pay attention to the mission of the organization, its fundamental objectives, strategic options, human resources, financial material, necessary information, terms of achievement and competitive advantage of the firm.

The elements outlined above are dealt with in plans and projects that become tools for managers looking for the company's long-term survival and development. (Verboncu, Nicolescu, Popa, Ceptureanu and Ceptureanu, 2011, p. 175).

Changes in organizational culture must also be found in the organization's management system which will take into account the five subsystems: methodological, decisional, informational, organizational and human resources. Organizational culture influences the decision-making process, acting both on the environment and on the decision makers, the factors that influence this culture by denying the situation, and for it to have advantages, it must be helped by the top management, included in the company's rules and employees' improvement programs, and be given time to grow within the company.

Characteristics of change: "In a changing world, the only change is change". (Carnall, 1990, p.3).

We can characterize organizational change for: a competitive advantage that has a major influence on company performance, accountability, convertibility, consistency, accessibility, duration, all helping to deploy complex systems for remodeling processes within the company, following a prior analysis aligning with long-term business goals, with the goal of achieving major financial performance, improving our products and services.

These improvements were divided into two categories, according to Savenport: improving processes and innovation.

It was considered that most of the large and medium-sized companies in Romania identified the need to increase demand by lowering costs and rising incomes, thus resulting directly in profitability.

Business Process Reengineering is the solution of a visionary management that wants to anticipate the evolution of the market and to mediate the development of the company, to predict the competition and to run such a project in time, preparing the company for the subsequent incursions. Usually BPR projects are top-down initiatives, most of the time taken at top management level - managers have the information and power to analyze and decide whether or not to launch such a project. (www.marketwatch.ro).

The concept of BPR is associated with the introduction of a complex computer system by using computer processes that are designed to increase the benefits of processes used at the same level as any other organizational solution.

The objective of the project and the expected results are considered. Thus, the main problems identified in achieving goals are closely related to the availability of human resources, which are the active and determinant factor of the project and the management of change.

These can be overcome by employing qualified staff or improving existing ones, but also by using external solutions such as working with a consultant.

According to the specialized literature, we can identify 3 types of organizations that approach reengineering:

- ~Organizations with a big problem whose unique solution is reengineering;
- ~Organizations that still have no problems but managers anticipate some major: new competitors, new customer expectations, changing economic environment, etc. ;
- ~ Powerful organizations whose management allows them to reorganize.

This approach is achieved through various SWOT diagnostics and analysis studies that lead to the professionalization of local managers and management. To innovation and creativity, to the practical restoration of the competitive power of the organization

5. Conclusions

New organizations, the result of reengineering, will differentiate themselves in terms of buying, producing, selling or distributing their products and services, reinventing themselves with market demands and the power of today's technology, trusting their own strengths, will accept risks and changes.

These reengineering organizations have not changed their business scope but only processes within their customers, or have completely replaced the old processes by gaining success by using the new tools and tactics, this set of processes being called business reengineering.

Business reengineering refers to the use of innovation in technology, informatics, as an advantageous process, the client having to be placed at the center of reengineering efforts.

Business Process Reengineering can be considered a miracle to increase competitiveness, efficiency and effectiveness, with constructive features for components and their management.

6. References

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