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PROPOSAL OF STRATEGIC PRIORITIZATION MODEL IN BUSINESS PROCESS MANAGEMENT

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Abstract. *The objective of this paper is to determine correlations between Business Process Management (BPM) and the internal and external organization strategies contributing to create a strategic prioritization model for competitive scenario.*
In order to fulfill this objective, firstly BPM is characterized based on literature review and on competitiveness model. The characteristics are correlated to a strategic model and this correlations are established. The methodology used is the focus methodology which permits strategies to be prioritized. Results have been confronted with theoretical model, showing a scale of impact from low to high level. Thus, the impact of each characteristic is measured to each strategy. As result, it was concluded that strategies with higher impact have been related to quality and organizational excellence and also human capital, representing opportunities for a better BPM. It has also impact in hierarchical levels reduction, flexibility and response time. In this context, focusing on higher impact strategies, people are valued and new ideas are generated.

Keywords: *business process management (BPM), business strategies prioritization, competitiveness attributes, focus methodology.*

1. INTRODUCTION

Considering the new scenario for organizations, which is characterized by even more demanding clients, globalized competition, increasingly sophisticated technologies and recovery knowledge, these organizations need continuous improvement on their business process management (BPM). Because of that, there has been an increase in the interest organizations have on better processes practices.

The business structure divided by processes is the key for companies to profit by becoming strong and sustainable (Enoki, 2006). Moreover, for continuous improvement and innovation in business processes, a main strategic decision-making task is to prioritize the processes that contribute the most to the strategic goals.

Studies dealing with the connection between business strategy and business performance have played an important role. The fit between the internal organization and its strategy is central to strategic management. Inappropriate internal organization can prevent or impede the development and implementation of a strategy, causing the enterprise to perform at less than full potential. In addition, defining a precise concept of strategy and linking it to a set of organizational attributes can facilitate the implementation of the strategy (White, 1986).

Several authors have examined the consistency between production and business strategy and within this issue there is a separate group dealing with the connection between production competence and business performance where they defined production competence as the level of consistency between importance and performance of competitive priorities. They argued that the larger the consistency, the more manufacturing can contribute to business success. Thus, these papers again support the idea that handling manufacturing strategically contributes to business performance (Demeter, 2003).

In actual economic activities and business globalization context, characterized by competitiveness, increasingly influence and limited resources, the atribute BPM is considered fundamental for the excellence of management, highlighting the importance for us to look at the company as a system, a set of processes whose purpose is to add value to the business and meet the expectations and needs of customers and the market (FNQ, 2006).

Consequently, strategies prioritization is vital for companies in order to fulfill goals. Therefore, this paper aims to determine correlations between Business Process Management (BPM) and the internal and external organization strategies contributing to create a strategic prioritization model for competitive scenario. The remaining discussions are structured into four main sections: research background that treats the main concepts related to BPM in competitive context, research method, results which display the major findings of the methodology and conclusion.

2. LITERATURE REVIEW

2.1 Competitiveness and its influences

According to Agostinho (2012), competitiveness is a current theme and represents the state in which the organization is. To have a competitive parameter, we need organizational strategies, which keeps correlation with the external influences and competitiveness attributes.

The continuous stimuli come from market factors, science and technology. Moreover, the main characteristics of stimuli on year 90s and 2000 there were: internationalization of competition, life cycle of products, speed of change of the products and interactive role of corporations and market.

On the other hand, discontinuous stimuli come from science, technology and society. Can cause major changes in production, which can be predicted by the intelligence systems of the companies. The main stimuli characteristic for year 2000 would be: sudden obsolescence of products, changing the level of knowledge, impracticability of stable business and explosive emergence of new business.

Competitiveness can also be defined as the result that these continuous and discontinuous stimuli generates on business, and this gain in competitiveness key factor for the insertion of Brazilian industry in increasingly globalized markets (Lombo and Martinez, 2011).

According to Agostinho (2012), the competitive state of an organization is obtained as result of its organizational and technological behavior, defined as competitive attributes. These are defined by: market attributes, organizational influences and people.

From the year 90s there was a significant increase in the speed at which products and their consequent reduction of life cycle, due to achieve internationalization of competition and availability of information. These are the main competitive characteristics, resulting in greater flexibility and adaptability and a greater adaptability of organizations (Bolgenhagen, 2003).

In Brazilian economic context, there were also major changes in this period, such as trade liberalization, financial integration and price stabilization. This led to changes in the internal scenario of organizations, which had to redefine its competitive position (Lombo and Martinez, 2011).

From the year 2000, considered the beginning of the new economy called information age, the main attribute for competitiveness became the agility, characterized by the strategic ability of an entire organization to open new markets and develop targeted products and services for these markets. Thus, every company should set their qualifying factors to grow.

Changes occur continuously and the more knowledge the company has of its competitiveness factors, the higher the chance of success.

According to Correa *et al* (2011), due to the current challenges, organizations need to create competitive advantages from intellectual assets. In this context, the management systems for business processes present solutions to improve the efficiency of organizational processes.

2.2 Business process definition

The management of business processes allows an integrated system within the company, linking its key processes and sub processes. Value adding processes are separate into two major groups: key business processes and support processes.

The key processes add value directly to the organization's customers and the support processes support key business processes.

Importantly, according to FNQ (2014), the main processes (key processes) are present in a standardized and documented manner, controlling this process through indicators, for which there are goals to be established. According to the author, this helps in the evaluation of performance and evaluation of critical points for the then establishing priority processes.

The evaluation of these indicators is important for best result it shows any process fragility processes and strategy (FNQ, 2014). This process should occur cyclically.

Thus, the critical points of the processes can be easier identify and improvement opportunities can be manage for the achievement of objectives and targets set by the strategic organizational level.

For the company's mission is fulfilled, it is necessary that all the work is structured by processes, given the need of customers. There are uniting people around common goals, creating a cooperative environment, ensuring better results (FNQ, 2009).

2.3 The business process management

The management model for business processes came up opposing therefore the traditional management structure. A key aspect of this new organization is on the management of people, since teamwork becomes essential, allowing a more comprehensive and integrated view of the functioning and objectives of the organization, more conducive to innovation (Agostinho, 2012). With this, there is a better knowledge management, as is the breaking of cross-functional barriers (Fernandes and Bittar, 2011).

This approach can be considered for use in cross-linking activity, non-hierarchical manner, and the end of a process may represent the input to another process, dynamically, gaining agility and flexibility, two strong strategic skills in the new economy companies.

In addition, the model for business processes can be understood as groups of activities carried out in a logical sequence, promoting innovation, agility in the exchange of information and adaptability, the latter being adaptability characteristics (Sato and Lopes, 2011).

According to the Excellence Management Model, disseminated by the National Quality Foundation (FNQ, 2006), information and knowledge are the main criteria of excellence, important to ensure good business results. Therefore, there must be a flow of horizontal information within the company, preventing the knowledge is lost in the case of absence or termination of an employee.

To sum up, BPM is understood as the reengineering process, since it offers the possibility to change the way business happens through the improvements from the integration processes (Enoki, 2006). He also reports that by implementing the BPM can be obtained the following benefits:

- Integrate the elements of a process, such as people, technology, equipment and facilities to ensure the interconnection between them;
- Develop quick responsiveness to market changes;
- Develop new and agile business;
- Support process outsourcing or managing the supply chain;
- Develop procedures, standards and conduct policies in the organization;
- Refer points in the process, with traceability of responsibilities within the process;
- Improve monitoring of performance, eliminate bottlenecks and ensure that tasks are being fulfilled;
- Monitor the processes;
- Integrate the employees of companies and are in geographically different;
- Identify activities automation opportunities, eliminate waste;
- Run process improvements;
- Identify process activities that do not add value;
- Promote increased productivity, analysis of the time and costs of proceedings;
- Implement continuous improvement concepts in the minds of employees;
- Focus on improving the organization's image;
- Achieving the strategic goals clearly.

3. METHODOLOGY AND APLICATION

This article relates BPM and organizational internal and external strategies in order to prioritize high impact strategies. Firstly, BPM is characterized by the attributes below:

- response time;
- knowledge transfer;
- horizontal information flow;
- focus on results;
- market arrival time reduction;
- team work.

Secondly, we used focus methodology on Excel. The methodology can be apply to the correlations: business strategies x competitiveness attributes.

Individually, each author made one worksheet on Excel providing scores to each strategy, relating them to the characteristics and to impact these characteristics have on internal and external strategies and the third sheet was the result of an arithmetic average of individual assessment. After generating the third worksheet, came the conclusion what are the best strategies for the analysis attribute, submitted by the internal strategies of organizational quality, organizational excellence and human capital (Table 1).

Table 1. Attributes and strategies: selected strategies that needs prioritizing

			Competitiveness attributes					
Organizational needs	**Influences**	**Business strategies**	Response time	Reduction of the market arrival time	Horizontal flow information	Knowledge transfer	Focus on results	Team work
	Organizational quality	To consolidate best management practices						
	Organizational excellence	To promote and consolidate devolution of management						
	Organizational excellence	To consolidate management by process and extend it to a model that reflects the strategic, tactical and operational levels						
	Human capital	To promote and encourage group work						
	Organizational excellence	To develop internal communication plans by tackling the lack of communication in critical areas						

The interpretation of the matrix showed in Table 1 is:

a) high importance area : small red area that represents the strategies that will make viable the most important attributes to obtain adequate level of internal competitiveness . It shall allocate the majority of action plans and resources;

b) medium importance area : yellow area , that represents the strategies that make viable the attributes that have medium impact on the internal competitiveness level . It shall allocate the action plans that need less resources to be implemented;

c) low importance area : green area , that represents the majority of strategies , that are correlated to attributes that have low impact on internal competitiveness level . The application of these strategies must be very selective , with low availability of resources.

Focus criteria aims to establish the business and technology strategies that will attend the majority of competitiveness attributes ; consequently will establish the hierarchical degree of technology application that attend the business needs, in globalized environments, characterized by intensive competition and resources limitation (Agostinho *et al*, 2012).

Due to the technology and business strategies are generate by different approaches and needs, it becomes necessary to correlate , connect and align them , through adequate methodology (Agostinho, 2012).

According to the focus of methodology, for the characteristics listed in the methodology, the most important selection of strategies for BPM are discussed below. The selected strategies are all internal strategies, related to organizational quality, organizational excellence and human capital.

The result represents the theoretical model presented in Figure 1, where few strategies will have great influence on the competitiveness attributes, and many strategies will have small influence on the same attributes.

Through the methodology of strategic matrix analysis, aligning and prioritizing the business and technology strategies with competitiveness attributes, one can select the technology and business strategies that are more able to attend the organization needs, expressed by its attributes.

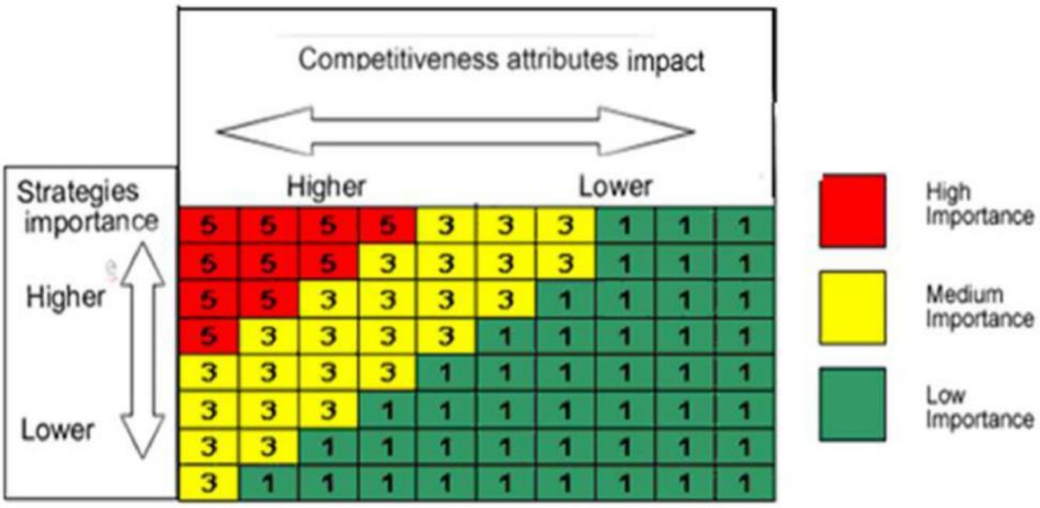

Figure 1. Theoretical model: impact of atributtes on competitiveness [Agostinho *et al*, 2012]

4. RESULTS

4.1 Selection of more important strategies

Organizational Quality Strategy: to consolidate best management practices

This was the main strategy for the analyzed attributes, obtaining maximum score 5 on the average evaluation. It is related to all characteristics.

The adoption of this strategy would have a better impact on the transfer of knowledge in the organization, which results in better response time and flexibility, with the flattening of hierarchies. This strategy leads to changes in the traditional model adopted by most companies today, where there is barriers involving each position, as a territorial protection by preventing the free passage of one-way information. Are formed so hierarchical barriers between different vertical levels and functional barriers between different departments and functions, resulting in isolated islands of knowledge.

With the adoption of best management practices, the vertical information flow flows better, while increasing the integration and teamwork to common goals.

Hierarchical management levels create strong functional barriers with the breakdown of communication between departments (Monteiro, 2011). This can lead to quality problems in the organization as a whole.

The concept of quality involves all the activities that the company does, and not just a physical process, but applying the intangible services that accompany the physical product.

Quality also involves the diversity of options that a product or service can offer to their customers. In this context, relate to human resources, key roles of transformation, in terms of quality and can generate many benefits, when properly managed.

It is then important investments in human assets, especially their involvement within the organization, for better quality management (Paladini, 2006).

Organizational Excellence Strategies: to promote and consolidate devolution of management; to consolidate management by process and extend it to a model that reflects the strategic, tactical and operational levels

These two strategies were second in importance in the assessment, obtaining average importance only in the features focus on results and group work.

Organizational Excellence Strategies: to develop internal communication plans by tackling the lack of communication in critical areas

This strategy was the fifth most important, having strong relation to attributes response time, horizontal flow of information and knowledge transfer.

With the devolution of management and greater passage of information in horizontal flow, there is greater integration between the three organizational levels: strategic, tactical and operational. This is important because at the strategic level are outlined objectives in the short, medium and long term, to do the strategic planning from the addition, based both on organizational objectives and the functional.

At the tactical level are the managers and coordinators that will unfold the strategy in their areas, seeking specific targets, which are held at the operational level. Therefore, it is necessary that all participants in the process are proposing a common goal and, therefore, there must be greater devolution.

According to APQC (2015), the best practices related to organizational processes should:

- Combining its processes to organizational priorities and link their responsibilities with regard to the market in which it operates;
- Centralize the governance of case management activities;
- Motivating employees focusing on people and organizational culture, helping people to create new behaviors;
- Take decisions as critical and have controlled processes, ensuring good performance;
- Align processes to strategic objectives of the company.

The focus of management made by business processes can change the way organizations are structured, creating new layers of management and control, and therefore, greater control over costs. Its use is favorable in sectors where there is rapid technological change. Since a functional structure company, department, each act independently.

Human Capital Strategy: to promote and encourage group work

This strategy was the fourth most important and has importance for the working characteristics as a team, horizontal flow of information and knowledge transfer, low presentation importance for the characteristic reduction of the market arrival time.

According to the FNQ (2005) and management strategies, people are key points of success for the initiative in product development management, are necessary incentives for greater collaboration in the indoor environment to the company. As previously mentioned, this entails changes in organizational structure.

In addition, organizations focused on processes present as strength teamwork, showing multiple knowledge and skills, not based exclusively on the more technical or functional experience (Schiar and Domingues, 2002).

One of the noticeable features in an organization by business processes is mutual co-operation and appreciation of teamwork, integrated with customers and suppliers. The policies of human resources are strengthen, making employees discover skills and be motivated-by supporting the multi-functionality (Monteiro, 2011).

5. CONCLUSION

As a conclusion of this article, the attribute organization for business processes is strong correlate to the characteristics of horizontal flow information and knowledge transfer, as they had top marks in five key strategies selected.

Most of the selected strategies are relate to the internal organizational strategies, relating mainly to organizational excellence and organizational quality.

Because of that, this type of management is applicable to improve R & D processes, and it is an interdisciplinary process, which becomes more efficient to the extent that there is greater transfer of knowledge and information between the various organizational levels to generate innovative ideas, encouraging teamwork.

Besides that, to prioritize these organizational strategies contribute to organizational competitiveness and, consequently, improve R & D and the launch of new products, mainly through the generation of new ideas and appreciation of people. For this, the reduction of hierarchical levels ensures better transfer of knowledge, providing more flexibility for the company as a more responsive to external market factors, and improve the response speed, important to diversify the products and monitor continuous market changes by enabling greater adaptability.

This paper could create a strategic prioritization model align to competitiveness model, considering BPM and it´s attributes, contributing to excellence management practices. The need to determine which strategic initiatives are of the highest priority is highlight.

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7. RESPONSIBILITY NOTICE

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