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ON PROCESS MANAGEMENT (PM): THE APPLICABILITY OF MICHAEL HAMMER'S[1] THEORY IN ARGENTINA

Hernán Bello
Operations Specialist, Argentina
E-mail: hbello76@hotmail.com

Leandro A. Viltard
Pontificia Universidad Católica Argentina
Graduate School of Business, Facultad de Ciencias Económicas
Universidad de Palermo, Argentina
Universidad de San Isidro (USI), Argentina
Universidad del Pacífico, Ecuador
Universidad Nacional de La Pampa, Argentina
Universidad Nacional de Luján, Argentina
Universidad Nacional del Comahue, Argentina
E-mail: lviltard@yahoo.com.ar

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ABSTRACT

This article explores the applicability of Hammer's theories on Operational Innovation (OI), Operational Excellence (OE) and processes, on firms of different industrial sectors and sizes, located in Argentina. The hypothesis of this study -which was corroborated- suggests that the manager's role is supported by what is called Process Management (PM), which deals with performance gaps in a given period of time. In this context, OE, OI and processes' understanding

[1] Michael Hammer was a well-known Professor at the Massachusetts Institute of Technology and MIT Sloan School of Management and proposed a process-oriented perspective of business management. Specialist on process management and process reengineering, published articles in Harvard Business Review and The Economist, and many books connected with these matters. Time magazine named him one of the top 25 most influential individuals and Forbes magazine considered his book "Reengineering the Corporation" as one of the "three most important business books of the past 20 years". Because of these basic reasons he was selected for this study.

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becomes an important constituent of the management activity. Through the implementation of a holistic PM-based perspective in many more organizations it is possible to boost results, achieve superior levels of performance and offer the right customer value. Specifically, a process is represented by a sequence of activities. It allows installing, following and measuring an operation, and is based on five enablers and four capabilities that are explained in this study. This is an exploratory and descriptive work, with a qualitative methodology. Also, this study has a not experimental/transversal design. It is based on Hammer's theories on the matter, which were complemented with executives/managers' interviews of different multinationals and local firms located in Argentina. debt crowdfunding in Latin America and Mexico. Implications for lenders, researchers and policy-makers are also discussed.

Keywords: Process; Operation; Innovation; Excellence; Michael Hammer

1. INTRODUCTION

In accordance with Investopedia (2018), Operations Management (OM) is about:

- The transformation of resources/inputs -staff, materials, equipment and technology- into goods, services or other results.
- The creation of deliver value to customers, based on clients' wants and the abilities of the company.
- Efficiency, maximizing organizational profits.
- Handling strategic issues, like determining the manufacturing plants' size and role; project management methods and the implementation of information technologies networks.
- Supply chain and logistics, dealing with local and global trends, customer demand and availability of resources.
- Adequate feedback of each OM trail, which is basic for every department and process improvement.
- Processes, which consist of two or more connected activities.

As a result, it is suggested that OM must involve the understanding of the different company processes and be involved in coordinating and developing new

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processes and current structures. In addition, the key two drivers of an Operations Manager are organization and productivity.

But, as Hammer (2004) remarks, Operations has become a second-class area within many organizations as it has lost its charm in front of others like Strategy, Marketing or Finance.

Finally, management literature is vast when speaking about processes: process improvement, new product development process, buying process, business processes, investment process, process chain, and the like are commonly used in the administrative jargon. But, what is the in-depth meaning and importance of process management? And, why it is so useful a process-based approach for the current organizations?

1.1. Hypothesis

The hypothesis of this work says that the manager's role is supported on a relatively simple game called Process Management (PM) and processes deal with performance gaps in a given period of time. In this environment, OE, OI and processes' understanding become an important constituent of the managers' everyday activity.

1.2. General Objective

The objective of this investigation is to study the applicability to Argentina's firms of theories on OE, OI and processes proposed by Michael Hammer, helping organizations to achieve new levels of productivity and organizational improvement.

1.3. Design methodology and analysis

This is an exploratory and descriptive work, with a qualitative methodology.

The investigation design is not experimental and, among them, transversal as it is referred to a precise moment in time.

The analysis unit included the study Process Management (PM), Operational Innovation (OI) and Operational Excellence (OE), It is based on Hammer's theories on the matter, which were complemented with executives/managers' interviews of different multinationals and local firms located in Argentina.

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This research was performed in the period August, 2017-April, 2018, in Buenos Aires, Argentina.

1.4. Research limitations/clarifications

In this work it was included the necessary information needed to support -in a reasonable way- the basis of this study.

As this investigation is based on Michael Hammer's theories on OE, OI and processes and in a field work of different firms located in Argentina, it is not the aim of this study to confront different authors on the matter, but to conclude on Hammer's theories applicability.

Conclusions are based on what it is exposed in this investigation and -as a qualitative research- the results that are shown cannot be generalized; however, they may be useful for management decisions.

1.5. Findings

Many factors are putting the game into the field of Operations and PM, a relatively simple game that is being left aside in many organizations. That is the reason why Operational Innovation (OI), Operational Excellence (OE) and processes should be reconsidered, no matter the firm's size and location. The organization and skills needed are in a direct connection with their proper implementation.

It is stated that boosting results is connected to better ways of doing new or existing activities, but OI proposes major changes in how work is conducted, being the basis for superior performance in the long run. On the contrary, OE is not enough to win open games and it is referred to the short run.

Although efforts should be done in order to accelerate OI implementation, there are remarked inhibitors that should be surpassed. Rethinking every area and redesigning external and internal processes -with disruptive operation modes and new methodologies- has become a managerial must.

As a consequence, it is recommended a broader process-based approach to transform organizations and that processes represent a sequence of activities which allows installing, following and measuring an operation. The final objective is to deliver high-performance results and the right value to customers, focusing management activity on priority matters –thanks to the five process enablers and

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four capabilities presented- and allowing less confused, hesitant and unproductive activities and decisions at business unit level. Finally, it is concluded that the manager's role is supported on PM, dealing with performance gaps in a given period of time.

As processes are compound by inputs, outputs, customers, suppliers and related documentation, the field work performed showed that there were national and multinational organizations in Argentina that offered a value added to society and stockholders, taking into consideration a process-based perspective. OE and OI were being mostly applied in order to boost and deliver high-performance results.

A fundamental conclusion of this investigation is that to achieve higher performance levels and the right customer value a holistic PM-based perspective should be put in place in every area of many more organizations.

1.6. Originality and value

Sometime, simple games are missing or forgotten. In this study, it is said that some basic management routs are becoming an imperative and they must be revalued as various activities/functions -in many firms- are not seen at a same level of others. As a consequence, PM, OE and OI has become a must in the competitive arena, helping to achieve new levels of productivity, customer value added and contribution to society.

As a result, this study may be taken as a base for executives and entrepreneurs when taking decisions, and as a driver to improve results and effectiveness in their fields of action.

2. THEORETICAL REFERENCES

In this section, there are covered Hammer's understandings on Operational Innovation (OI), Operational Excellence (OE) and how to redesign internal and external processes as they are the key theoretical references in which this study is based.

2.1. Operational Innovation (OI) and Operational Excellence (OE)

OI and OE have different basis and applications in the business arena. Hammer (2004) suggests that OI is connected with the invention and deployment of new ways of doing things, and that it fuels extraordinary results for companies like

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Wal Mart, Dell and Toyota. In Wal Mart, the cross docking helped inventory reduction and lower prices to customers; in Dell a new business model boomed sales for many years and for Toyota the production system was rethought, offering a better way of doing their work in their industry.

The author says that Progressive Insurance -a company which handles 10.000 claims a day- represents a case of OI in its industry. They focused on high-risk drivers, and reinvented customer claims processing to increase customer satisfaction and to lower costs. Customers call the company and within 9 hours an adjuster inspects the vehicle, prepares an on-site estimate of the damage, and -if possible- writes a check on the spot.

There were observed some benefits, like: a shortened the claim cycle time, an improvement on the customer claim experience and costs reductions, as they were not having an inventory of damaged vehicles or they had not to rent replacement cars. In addition and because of the claims velocity, frauds were reduced as it is easier to investigate a car crash when witness didn't leave or skid marks weren't erased. In addition, operating costs were lowered as fewer employees were managing damages, observing a reduction in claims payout as customers accepted less money for less inconveniences and for getting the money sooner.

Also, it was introduced a system which allowed customers, by calling an 800 number or visiting a web site, the comparison with 3 competitors' rates. When a customer had a history of good driving behavior, Progressive Insurance made a contact -through their applications- with the credit agency and lowered the price to the customer.

On the contrary, Hammer (2004) indicates that OE is referred to high performance via changes in existing modes of operation, reducing errors, delays and costs. So, it is not changed what is being done. He offers some examples: new ways of filling orders, providing customer services, developing products or doing what is being done in a company but in a different way.

The following Figure 1 remarks the differences between OE and OI that were mentioned before:

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Figure 1: OI and OE differences

As a conclusion, the author indicates that OI is reliable and low cost in comparison with other ways that organizations have to boost growth (like acquisitions, technology investments and market campaigns) and that some signs of what is happening -like rampant global competition, lower growth, stagnant revenues, overcapacity, commoditized service offerings, and lowered pricing power- are putting the game in the field of Operations, lowering costs and prices, and giving better quality and service.

Also, Hammer (2004) admits that OE is not enough to win the game. Excellence in execution can only win a close game, not an open one. As totally different ways of execution are proposed to be ahead of competition, OI is shown as a major change in how departments conduct their work and how work is done, rippling every aspect of the organization, from measurements and reward systems to job designs and organizational structures. As a conclusion of this analysis, the author presents the following OI benefits which are shown in the following Table 1:

Table1: OI benefits

OI Benefit	How?
Strategic benefits	Higher customer retention. Greater market share. Ability to execute strategies. Ability to enter new markets.
Marketplace benefits	Lower prices. Greater customer satisfaction. Differentiated offerings. Stronger customer relationship. Greater agility

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Operational benefits	Lower direct costs. Better use of assets. Faster cycle time. Increased accuracy. Greater customization or precision. More added value. Simplified processes.

Source: Hammer (2004)

In addition, Hammer (2004) indicates that OI is not enthusiastically considered inside companies. Some characteristics of leadership explain this situation:

- *Business culture undervalues Operations*: making acquisitions, mergers, and buying and selling divisions are a more glamorous job; they are not the same as transforming product development and redesigning procurement.
- *Operations are out of sight and out of mind-set*: most senior managers focus on strategic planning, budgeting, capital allocation, financial management, M&A, personnel issues, regulatory concerns, and other macro issues, not on how work is done. Many top managers are ignorant on operations and others think that their hands get dirty, not looking here for competitive advantage. Finally, financial data dominates in the modern organizations although operational performance is the driver of financial results.
- *Nobody owns it*: OI is not in the head of anybody, it is not in the confine of any department and line managers are pressed to do, no to change things.
- *Process breakthrough/innovation is not a priority company focus*: Planning and Budgeting are not focus on process breakthrough, and smaller change initiatives are used to enhance existing processes like CRM (Customer Relationship Management), ERP (Enterprise Resource Planning) or SCM (Supply Chain management), Six Sigma (a process improvement methodology) or other quality programs, having a narrow scope. The distinction between improvement and innovation projects may be lost in many organizations as people are juggling on many improvement projects.

Often OI starts in grassroots movements, individualizing executives who can lead and sponsor the new idea. Examples of OI include tripling inventory turnover or initiating claims of insurance within a certain amount of hours, but the author gives some suggestions to accelerate implementation efforts:

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- *Look for road models (benchmarks) outside your industry*: In 1980s, Taco Bell rethought its restaurants as manufacturing rather than as fast-food, reducing costs and increasing customer satisfaction because they concentrated their personnel on customers and not on production.
- *Identify and defy constraining assumptions*: every OI defies actual assumptions on how work is done. For instance, cross-docking goes against the idea that goods must be stored in a warehouse.
- *Make special cases a norm*: companies perform extraordinarily in special conditions, but the challenge is to perform extraordinarily in normal conditions. As a result, special cases should be transformed into the norm.
- *Rethink critical dimensions of work:* to reimagine processes it is needed to make choices on what to do; who, when and where should do it; what information should be considered, and how intensely each activity should be performed. The following Table 2 shows the different dimensions of work:

Table 2: Dimensions of work

DIMENSION OF WORK	EXAMPLE
What results the work delivers	Increased market share by informing customers of its competitors' rate as well as its own.
Who performs the work	Improved cycle time by changing the order fulfillment process and concentrating it in one responsible person.
Where the work is performed	Cut cost by preparing food centrally instead in individual restaurants.
When the work is performed	Assigning bed in a hospital after the patient was received.
Whether the work is performed	Cross-docking cut costs as it doesn´t maintain inventories.
What information the work employs	Inventory reduction, basing the order process on actual orders not on forecasts.
How thoroughly the work is performed	Preventive medicine puts emphasis on moments before a crisis strike.

As a consequence, Hammer (2004) insists that:

- Disruptive modes of operations need new and not conventional methodologies. In addition, OI will be never accurate and complete as new ideas may look good on paper but not in practice, making necessary to run a pilot implementation of the new idea with customers and vendors, and run it in small releases to focus on results and dispel anxiety and skepticism.

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- OI moves companies to new levels of execution, taking companies ahead the next wave of innovation. It should be a way of life, not something extraordinary as every area can be rethought in order to build a good reputation with customers.
- OI is the basis for superior performance, offering a sustainable way of differentiation among competitors.

2.2. Redesigning internal and external processes

Redesigning external and internal processes is a key issue in current organizations. Hammer (2007) states that to deliver greater customer value it is needed to focus on redesigning internal and external processes, and that a process-based approach is needed to transform organizations around the world.

Also, that redesigning business processes implies more than work flows rearrangements (tasks, sequence and locations). It is about reconsidering jobs in a broader way, empower and educate front-end personnel to make better decisions, and refocus the reward system on processes and outcomes. It is about a culture to reconceive personal accountability, teamwork and customer's importance; roles and responsibilities redefinition, and realigning information systems to allow cross-functional processes work better and interactively among different departments.

But managers find difficulties on what they should concentrate on and when they should do it, as organizations have a lot of confused planning, hesitant decisions, unproductive discussions and delays.

2.2.1. Characteristics that are needed for process well-functioning

The author suggests that the following characteristics are required for process well-functioning:

a) Process enablers: individual processes features which determine how the process will function over time. Specifically, their connection is with process design, abilities of people who operate them, the match of the information with the management systems and the processes which are needed, and the quality of the metrics the company uses to measure their performance.
b) Enterprise wide capabilities: they respond to the process support of senior managers; teamwork and employees' accountability; good organization to tackle complexity and to know how to design processes.

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Both, enablers and capabilities can be very useful to plan for transformative processes.

2.2.2. Process design and redesign

Hammer (2007) states that process design determines performance or, in other words, form influences function. Moreover, design is related with people, tasks and their order, location, circumstances, information and degree of precision. In addition, there are techniques like TQM (Total Quality Management) and Six Sigma to ensure employees' correct process execution. Finally, the author suggests that process redesign -enhancements and/or avoidance of non-value activities- help organizations to keep their pace on process innovations.

2.2.3. Organization and measurements

In accordance with the author, senior executives must overview key management processes because they usually exceed the boundaries of one function. Moreover, most companies tend to overlay new processes on already established functional organizations but elements like measurements, jobs definitions and hierarchies don't always support these processes. For example, to change processes and not to alter the measurement system may derive in inconsistencies in the employees' reward system or shortsighted points of view.

Additionally, processes are compound by inputs, outputs, customers, suppliers and related documentation, having five characteristics/enablers that guarantee high performance over time:

- *Design:* to know what to do and when.
- *Performers:* adequate skills and knowledge.
- *Owner:* a senior executive with responsibilities over the whole process who ensures results.
- *Infrastructure:* like IT and human resources systems that will ensure its right performance.
- *Metrics:* to assess performance over time.

These enablers are mutually interdependent to help performance, but having all of them in place doesn't guarantee that the process will perform well. For instance, the mere existence of a process design doesn't mean that it is the right one.

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Another key ingredient of every process is maturity. In this sense, Hammer (2004) suggests that PEMM (Process and Enterprise Maturity Model) applies to every company and process[2].

As a conclusion, Hammer (2007) insists that in order to assure that processes deliver the right value over time, they should have two characteristics: the five mentioned process enablers -which pertain to individual processes- and the four enterprise capabilities -which relate to the company as a whole-, and are:

- *Leadership:* executives' characteristic who support process creation.
- *Culture:* values as customer focus, teamwork, personal accountability and desire to change.
- *Expertise:* skills and methodology for process design/redesign.
- *Governance:* for complex projects and change initiatives' management mechanisms.

In companies, enablers are seen with the following different levels of intensity:

- Level 0: the process work erratically.
- Level 1: employees are merely aware of the process and its metrics. The process is reliable and predictable, stable.
- Level 2: people describe the process and where they fit into it. The process is established and it delivers superior results.
- Level 3: employees can express how their work affects company performance. The process delivers optimal results.
- Level 4: performers must know how their works affect customers and suppliers. The process is best in class, transcending company boundaries.

He concludes that delivering sustained and high level results implies to have stronger enablers in place. All the five enablers must be at the same level in order to conclude that the whole process has reached that level. As a consequence, when one enabler is in a preceding level and all the others are in an upper one, the process itself is in the preceding level.

It is stated that supportive environments are fundamental in order to deliver high-performance results. Companies must possess or develop four organizational capabilities: leadership, culture, expertise and governance. These capabilities must

[2] It is not the intention of this study to go deeper on this subject.

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be in place across the company in order to institutionalize enablers and sustain performance. So, stronger organizational capabilities make for stronger enablers. In this way, level 1 capability mean that it is possible to advance to level 1 of enablers.

Finally, enablers and capabilities should be assessed at business unit level.

The following Tables show a summary of what it was said in this section:

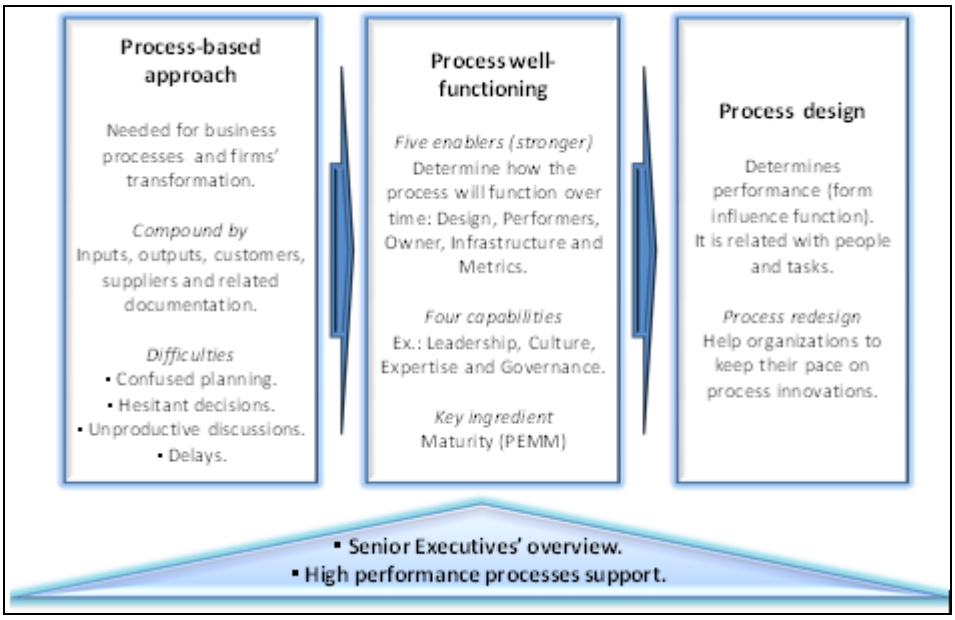

Figure 2: Processes' enablers and capabilities

Table 3: Processes' enablers

ENABLER	CONCEPT	COMPOSED BY
Design	Know what to do and when.	Purpose Context Documentation
Performers	Adequate skills and knowledge.	Knowledge Skills Behavior
Owner	A senior executive with responsibilities over the whole process and ensures results.	Identity Activities Authority
Infrastructure	Like IT and human resources systems that will ensure its right performance.	IS HR systems
Metrics	To assess performance over time.	Definition Uses

As it was said before process enablers are important to improve performance, but it is needed to put in place the following organizational capabilities:

Table 4: Processes' capabilities

CAPABILITY	CONCEPT	COMPOSED BY
Leadership	Executives who support process creation.	Awareness Alignment Behavior Style
Culture	Values as customer focus, teamwork, personal accountability, and desire to	Teamwork Customer focus

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	change.	Responsibility Attitude toward change
Expertise	Skills and methodology for process redesign.	People Methodology
Governance	Complex projects and change initiatives' management mechanisms.	Process model Accountability Integration

In order to drive efficiency, results and deliver the right value to stakeholders, it was said that a PM-based approach becomes a must for every organization. It should contemplate enablers and capabilities, and an appropriate design/re-design. In the next section, it will be covered a simple proposal for firms' executives that are looking to implement this methodology in every area, not only on the supply chain side.

3. PROPOSAL: MAKING IT EASY

Processes must be approached holistically -not as a separate or missing link- allowing the interconnections of enterprise's fundamental activities. Specifically, it is recommended a broader process-based approach on every area of an organization, based on the five enablers and four capabilities mention by Hammer, and considering disruptive modes of operations and new methodologies. The final objective is to boost results, achieve superior levels of performance, and give the right value to customers and vendors.

In a simpler way, a process denotes a sequence of activities and allows installing, following and measuring an operation –seen as a set of activities- that will be improved over time. The better content each part of the process has, the better results that an organization will be capable to achieve. In this way and to understand the process perspective it is suggested that the organization should identify and profits from the following elements:

- *Development:* a) identify the objectives and activities that are part of them; their components (inputs, outputs, suppliers, customers and documentation) and their best possible content; b) establish clear flows with control points – based on procedures and documentation- and key metrics, c) make trials before processes are installed in order to assure its functionality. The main objective of this step is to define value added activities -to the company and customers-, and to assure that they correctly help the organization in its function.

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- *Understanding:* every person -from the inside and outside of the organization- must adequately understand the processes and their detailed information / function.
- *Well-functioning:* after implementation there are always errors and improvements that must be considered. An ongoing review and adaptation is necessary to achieve higher standards of service levels. That is why it is required an appropriate feedback from every client and vendor of the process. The final objective is process standardization.
- *Measuring:* an adequate scorecard should be developed in order to follow every important step of the process. The final objective of this step is to achieve continuous improvement and the desired results.
- *Management role and support* as OI and OE are process-based. In this sense, the right administration implies to manage performance gaps in a given period of time to guarantee –in a better way- the desired results.

Furthermore, the process concept is not only related to production, warehouse, design or quality; it is connected to every area of an organization including softer ones like marketing, strategy or innovation. In fact, in a prior work[3] it is explained the innovation process as a value chain -with associated metrics- for better management, monitoring and assuring results. It is said that the ultimate goal is to make a contribution to the innovation process and to the growing wealth of organizations, either public or private.

It is understood that each step is relevant in order not to lose the efforts that are done in prior step and to implement as many ideas as possible. In addition, focus should be on bottle necks that may be found and on the areas in which solutions are required. Finally, the adequate understanding and management of these steps are directly connected with the organization´s innovation and with the desired results.

In the following Figure 3, it is shown the innovation process or value chain which is explained in detail in the referenced book:

[3] Viltard, L. A. (2015) *Innovación organizacional: su comprensión, puesta en marcha como proceso y medición*, B. S. Lab., Italia: Avellino.

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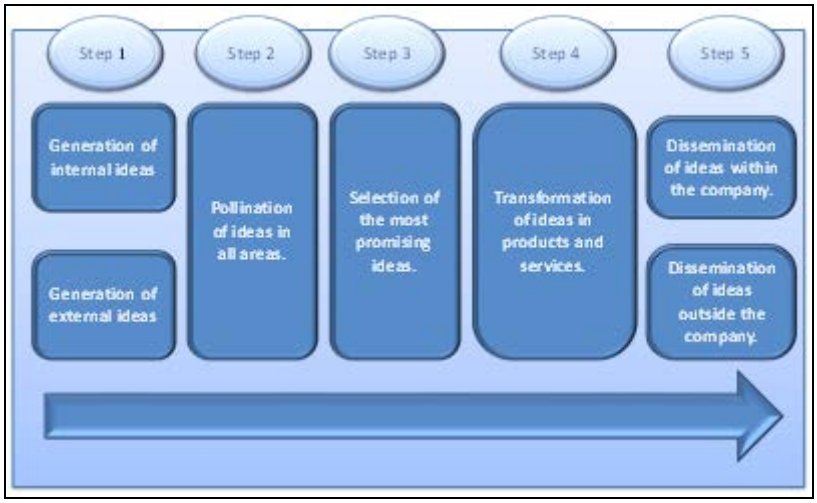

Figure 3: The innovation process

As a conclusion of this section, every job should have a process perspective –inputs, outputs, suppliers, customers and documentation-, no matter the area of the organization we are referring to. It assures an overall and detailed point of view on activities and their value added to customers and vendors.

In the following Table it is shown a summary of what was said before:

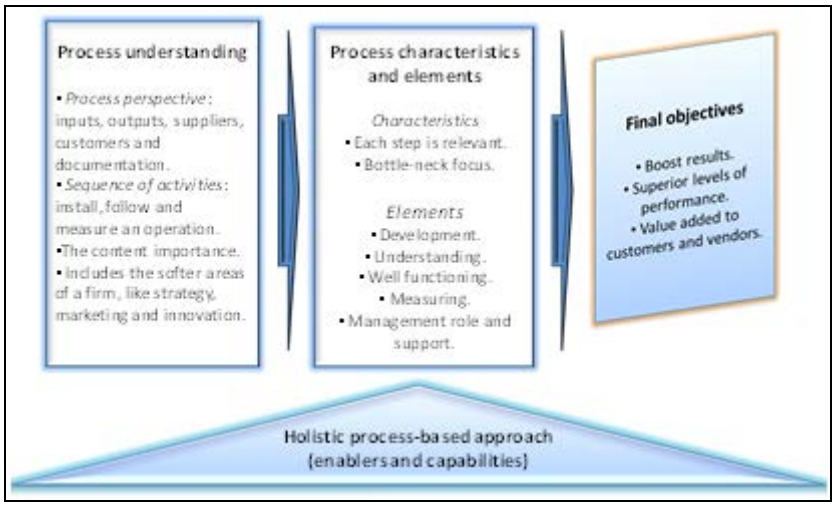

Figure 4: Process

4. FIELD WORK: SOME EXAMPLES

In the period December, 2017-March, 2018 and in order to expand the purpose of this work, it was performed a field work in which were interviewed different top managers in Argentina. They referred to their firms –national and multinational- and highlighted many of the aspects pointed out in this study. They all asked confidentiality, both of their identity and firms, because of companies' policy reasons.

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In the following paragraphs will be exposed different examples obtained from the performed interviews.

4.1. Warehouse space shortage solutions - OE example

This case is referred to an Argentinean firm -founded at the beginning of 1900- that started as a chain of household goods, migrating -over time- to the sale of electrical appliances and technological items. Their motto is to be always close to their customers.

At the end of 2016 they were stocking products in a 430.000 square meters warehouse. As sales and inventories increased, they realized that they couldn't achieve past productivity levels because of the quantity of SKUs that were being managed.

A SKU A/B/C analysis was performed noticing that customers' offers were among 50-60% of what was being commercialized. After different meetings with the Sales people, they end up performing a sales plan that showed what was going to be dispatched weekly to customers. This idea allowed to storage -in a specific warehouse area- the offers that would be dispatched to customers during the following week, saving a lot of time in picking activities.

Another way to solve warehouse space inconveniences was done by a multinational company born in the midst of 1900 that manufactured footwear, sportswear and other sport and fashion products of different brands.

After year 2010, it was add a new brand to their portfolio but the warehouse did not have enough space to stock all the products that were being sold. In order to take more advantage of the warehouse, the aisles were shortened from 14 feet width to 6.56 feet, pick up machinery was changed and a mezzanine was built in order to take advantage of picking activities.

4.2. The postal service - IO example

It was studied a group of Argentinean companies - born in the 1930 decade- specialized in logistic solutions to diverse activity segments. Up to the 1990 decade, one of their most important revenues came from delivering mail letters, but after that date and at the beginning of year 2000 -in Argentina- the postal service begun to lose business momentum.

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This situation led to reconsider what to do with all the people that were working in the streets and they end up signing contracts with different organizations in which they could give opportunities to these employees. For instance: a) the Argentina Water Company for which they read the water meter of each house to report the monthly consumption; b) With local governments, to make an inventory of the shops' advertising marquees to then verify their payment to the local government; and c) National government, helping in the distribution of national census letters.

Afterwards and thanks to e-commerce, the letters were turned into packages, needing more square feet in their branches and building a web site to help entrepreneurs to sell their products.

The transformation of the last more than 80 years of existence led this firm to be a logistic solutions' provider all over the Argentinean territory with information management on urgent shipments, certificates, collection management and other related services.

4.3. Process example

The example referrers to a firm –born in 1975- that provided an integral logistic for pharmaceutical products in Argentina. It is the largest drug distributor in the country (+32%of the market), in a territory of more than 3.7 million square kilometers and a population of almost 41 million inhabitants. They provided storage, sale, billing, distribution and collection to the pharmaceutical industry, allowing the laboratory to be focused on the core of their business, and offering efficient service, reasonable cost and strict compliance to international quality standards.

In their main logistic processes they identified:

- Internal and external customers, to which service was offered. As an example and in the Reception process, the internal customers was the Warehouse area -that wanted the products in good conditions to store them in a timely manner- and the external customer was the customer who contracted the storage and reception logistic services.
- Internal and external vendors, to whom service was required. As an example and in the Reception process, an internal vendor was the Purchasing Department and the external one was the Logistic Department that brought the products or the income Security.

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4.4. Process enablers and capabilities - Example

These examples relate to the multinational company -born in the midst of 1900- that manufactured footwear, sportswear and other sport and fashion products of different brands.

4.5. Process enablers were reviewed as follows:

- The logistic processes were designed with the firm's functions, according to what the suppliers could commit and with the service level that could be guaranteed to the clients.
- The best people were assigned to each process / activity considering skills and knowledge of each one. Training plans were developed to help them to excel in their function.
- Senior Executives were assigned to the main processes in order to guarantee the intended results.
- Technology has been a fundamental pillar as well as the human resources system infrastructure. Also, the facilities and machinery were improved in order to provide security to employees and products to customers.
- Metrics and control panels were developed to allow measuring the results and evaluating processes level according to the intended objectives. Problems and deviations were highlighted and corrected in a continuous improvement process.

Process capabilities were approached in the following way:

- *Leadership*: a top executive was appointed as the owner of the total logistic process improvement and then other managers as processes' key users.
- *Culture*: Previous paradigms had to be broken with respect to how work was done and how to work as a team. The participants were convinced about the objectives, its benefits and the way to go forward. Through different brainstorming participants gave suggestions and new ideas which were used to adjust the initial plans and have feedback on what was being done. The customer focus was intensified as one of the fundamental objectives that came from new commercial modes (e-commerce) or new products. A specific program -created by the company- gave the basis to encourage new ways of

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doing business and embracing change; it offered monetary incentives, based on impact and results.

- *Experience*: different trainings have been carried out, for example in project management and in process design methodologies.
- *Governance:* this topic was not applicable to this company because there were no complex projects implemented lately.

5. CONCLUSIONS

The game is also on the Operations' field, highlighting OI, OE and processes. In addition, processes relate to better ways of doing new or existing jobs in order to boost results, to improve productivity and to have an impact on markets. OI –which proposes major changes and superior performance- plays in the long run and with lower costs than other ways that organizations utilize to drive growth. On the contrary, OE -which is not enough to win open games-, refers to the short run and is easily copied by others. As a result, OI implementation should be accelerated and inhibitors should be surpassed, rethinking what is being done.

It is stated that a PM-based approach is needed to transform every area of the organizations, concentrating the management function on priority matters and productivity. In this sense, the five process enablers, the four capabilities and the necessary supportive environments mentioned in this work help to deliver the right value over time and to discuss priority issues inside and outside organizations.

As a consequence, every area and work of an organization should have a process-based approach (including softer areas like strategy, marketing and innovation), assuring continuous improvement and desired results, and taking into consideration the key processes' elements that were discussed in this study.

The field work performed showed that there were national and multinational organizations in Argentina that made a contribution to stakeholders taking into consideration a holistic process-based perspective which is proposed in this work. OE and OI were being mostly applied as it is stated by Hammer's studies.

As a consequence, the main conclusion of this study -referred to its hypothesis, which is corroborated- says that the manager's role is supported on a relatively simple game called Process Management, (PM), studied by Michael Hammer, and that it deals with performance gaps in a given period of time. In this

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environment, OE, OI and processes' understanding should be considered important constituents of management activity.

It is referred that PM focuses on a relatively simple game; so simple, that many organizations are not paying attention to it. The reconsideration of this matter has become a managerial must in order to achieve higher performance levels and a better customer value impact. Also, it will depend on the level of confidence and acceptance of current processes and of their possibilities in the future.

In other words, a processes-based perspective not only allows a better performance levels and a higher customer value impact but additionally it can be observed as a knowledge sharing methodology inside and outside organizations, as knowledge does not belong to any individual in particular but to the organizational heritage.

6. FUTURE WORK PROPOSALS

Future investigations may be focused on different industrial sectors, countries and organizational areas; comparisons may enhance the PM perspective and results. In addition, the study of best practices on OE, OI and processes may help many more firms to drive a next level of performance and market impact.

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