

# 國立中央大學九十學年度碩士班研究生入學試題卷

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What follows are excerpts from a recent conversation with Dr. Michael Hammer, who is an acknowledged pioneer of process re-engineering, about GTE's experience in Telephone Operations. Please summarize the main ideas of Dr. Hammer and GTE's five-point plan for change management.

*Q: What made GTE a good candidate for process re-engineering?*

**HAMMER:** Three kinds of companies undergo re-engineering. The first is companies that are in big trouble, that are being beaten by competitors, that are losing money, that are just in terrible shape. These companies turn to re-engineering as a last resort. The second group is composed of companies facing major change. Everything is pretty good now, but they see on the horizon a very different set of circumstances. These might be telecommunications companies such as GTE, electric power companies, companies in an industry now going global, businesses that are being deregulated. This is the largest group of companies that are re-engineering because almost every industry is in the throes of unbelievable change. And the third group is filled with companies that are doing just fine, that don't see major change on the horizon, but they re-engineer in order to get so much better than the competition that nobody will ever catch them.

*Q: How do you assess GTE's process re-engineering performance thus far?*

**HAMMER:** GTE is one of the best practitioners of re-engineering that I've encountered. The company is well on its way to creating an entirely new kind of organization, one that focuses on processes instead of departments and functions. And it is developing new techniques to manage that kind of organization and to help people work in that kind of environment.

*Q: What is the relationship between process re-engineering and managing by process?*

**HAMMER:** Re-engineering is a part of something larger, namely, managing your business by managing its processes. You can't re-engineer unless you focus on processes, but managing by process means more than just re-engineering. It entails a new mind-set, a new way of looking at the business, a new way for everyone in the company to understand where they fit in. So in the long term, managing by process is the bigger issue, and re-engineering is a temporary issue to help us get there.

*Q: Does process re-engineering offer the same competitive advantages that it used to?*

**HAMMER:** When I first started talking about re-engineering, only a handful of companies were doing it. And for them, it represented a clear competitive advantage. Now, every company that I know of is doing re-engineering. But it still can be a competitive advantage if you know how to do re-engineering better than other companies, if you're committed to it more intensively and if you can be more creative in its applications. The advantage is no longer to those who re-engineer over those who don't. The advantage is to those who re-engineer really well over those who do it only in a mediocre way.

*Q: What is an example of the advantage to a company that re-engineers "really well"?*

**HAMMER:** Most companies start re-engineering by focusing on what's broken and saying, "How can we do it better?" But as companies get further into re-engineering, they realize they can go beyond that. They can focus on opportunities, not just problems. Namely, what needs do customers have that we haven't even been thinking about, and how can we use our processes to create new value for customers and outcompete the other guy?

*Q: Is process re-engineering ever completed? Can a company like GTE ever say, "We're done"?*

**HAMMER:** Re-engineering will be finished when the world stops spinning. Fundamentally, re-engineering is about adapting to a new world. The need to keep up with technological change means that organizations will have to re-engineer on a recurring basis as the demands on their industries change. In the telecommunications industry, you may do a great job re-engineering today and find that, in five or 10 years, you're going to have to do it again, because the world has changed once again.



*GTE's Five-Point Plan*

**1) Present the Case for Change Again and Again.**

Long before the Telecommunications Reform Act of 1996 became law, we advised our employees that revolutionary change was coming. We told them that intense competition was on the horizon, and that we must prepare GTE to compete effectively. We made a business case for process re-engineering, demonstrating the need for significant improvements in customer service, product delivery capability and cost efficiency if GTE was going to remain a growing, successful company. We were candid about the inevitability of office consolidations and work force reductions. As process re-engineering proceeded, and employees began to experience many of the internal changes that we had predicted, we reminded them repeatedly why change was necessary, and how re-engineering would help to insure the future of the company.

**2) Create a Vision.**

Employees must understand not only the need for re-engineering, but what the company will achieve as a result. We were taking them on a difficult journey; understandably, they wanted some idea about the destination. For GTE, our vision was to build on our traditional strength in wireline services to establish market leadership in the emerging, integrated marketplace of voice, video and data services -- a vision we encapsulated in the word "ViViD." We also established a goal of delivering unmatched levels of customer service. We communicated the ViViD vision in a number of ways, from executive speeches to video presentations. But one of the most effective methods was face-to-face employee meetings. In 1994, we developed a presentation package on ViViD for executives and managers to use in small group settings over a six-month period.

**3) Link All Actions and Changes to the Vision.**

Change must never seem capricious, or come from out of the blue -- especially when jobs are on the line. That is why we diligently explained how every office consolidation, process change and new software program was going to help make GTE the easiest company to do business with. This was a daily exercise; during our re-engineering program, we announced some 650 initiatives each year through our employee bulletins, which are disseminated to Telephone Operations' employees nationwide. Work group supervisors, or "coaches," played a key role as a communications channel on a day-to-day basis.

**4) Create a Dialogue.**

One-way communication sends the message that change is being imposed; two-way communication creates opportunities for employees to respond, express concerns, ask questions, make suggestions. We accomplished this in the early stages with frequent videoconferences among team members and with employees in general. With every initiative we announced in our daily bulletins, we included the name, telephone number and E-mail address of an executive, manager or other person who was available for feedback. We also established a toll-free, automated information system providing up-to-the-minute company news, product and service announcements, job postings and other information. This system also includes a feedback mechanism that enables employees to ask questions or make comments that are then routed to the appropriate source within the company. We have recently introduced an intranet system that puts this same information, as well as the feedback mechanism, on-line. For many employees -- such as customer zone technicians, whose use of laptop computers is integral to their jobs -- on-line access is the preferred means of communication.

**5) Utilize the Five Imperatives for Process Re-Engineering.**

We followed the five requirements for successful process re-engineering: Understand the process as it exists, rather than how we believe it works. Listen to and solicit input from employees who actually do the work. Redesign processes from the customer's perspective. Look for innovative ideas and model against the best companies. Finally, deploy all new processes and systems at a test site before rolling them out company-wide. We were not out to buy our employees' commitment to our vision and strategy; we intended to earn it. And we are doing that. Every month, we track key indicators of employee commitment to our business strategies. Over the past year, the number of employees who understand and support our strategic direction rose to 75 percent, from 69 percent. While we are not entirely there yet, we are moving in the right direction.