

APPLYING ENTERPRISE MANAGEMENT STANDARDS FOR CONTINUOUS IMPROVEMENT OF BUSINESS PROCESSES

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Full automation of closely related basic management tasks (planning, accounting and control) only by means of accounting (E R R systems) and operational analysis (O nline Analytical Pro cessing - OLAP) is impossible. There is a sufficient number of control problems, the solution of which requires the implementation of several functions at once. For example, the budgeting task is a process of setting, detailing and agreeing on business goals and the financial resources allocated for this by the enterprise and needs a mechanism that brings together the efforts of a large number of users within a single information space. Indeed, in the course of budgeting, the planning phases (centralized publication of budget plans), accounting (entering detailed information on local budgets) and control (analyzing the actual execution of the budgeting regulations) inevitably overlap due to the iterative nature of the budgeting process itself. At the same time, budgeting as a whole is part of one phase of management - planning.

Keywords:

Enterprise, standards, improvement, processes, business.

Introduction

All this required the creation of applications aimed exclusively at solving management problems, which are combined into a family of BPM (Business Performance Management) - business performance management. BPM systems link together such concepts of strategic management as the mission of the enterprise, development strategy, goals, long-term plans, medium-term prospects

and specific budgets for the nearest period. The BPM system allows managers to see and use in their work the reports of related departments: plans for the supply of raw materials, production volumes, etc. Indicators adjusted and supplemented at the lower level are aggregated back to the corporate level. This entire bi-directional budgeting process is repeated until the most “realistic” budget is available.

When implementing the automation process in an enterprise, it is necessary to follow the logic of the sequence of management phases and start with the automation of budgeting and financial planning functions, and then take into account the possibilities of further development of the information system and turning it into an integrated one, using BPM applications, the data for which can be entered manually.

The use of the ERP system is aimed at optimizing the organization of production and enterprise management, that is, at improving the business processes of the enterprise - BPI (Business Process Improvement). The BPI philosophy defines that excellence is impossible, but you need to approach it all the time. Within the framework of this standard, the following five levels of improvement of business processes (Figure 1) at the enterprise are declared: dynamics-chaos, control, optimization, adaptation, world class [1].

1. Dynamics-chaos - an imbalance of commercial, production and financial goals. Chaos is characterized by the absence of a systemic view. An enterprise is viewed as a collection of individual elements.

Enterprise processes are defined, but presented as a “black box”; with the given input data, the result is unpredictable, which leads to large errors in forecasts and planning (i.e., the processes at the enterprise do not have either a qualitative or, moreover, a quantitative assessment).

2. Control - balancing the commercial, production and financial goals of the enterprise. This level implies streamlined accounting and control of the main activities at the enterprise. The business is becoming more stable, the main business processes are repeatable and manageable, the successful implementation of the planned processes becomes possible, but optimization has not yet been achieved, since their standards are not accurate. The main processes have a description, attempts are made to evaluate them qualitatively.

3. Optimization - search and simplification of the main business processes in the enterprise, leading to cost reduction. Processes in both management and production are fully formalized; processes are documented, standardized and combined into a single information flow; there is a possibility of promptly obtaining information about the quality of resource use and conducting analysis on the main aspects of management activities, i.e. rationing of processes was carried out, on the basis of which planning optimization is achieved; setting long-term goals is based mainly on the indicators of the previous period (the analytical aspect prevails); corporate knowledge management begins to develop on the basis of the formation of a system of metrics-processes.

4. Adaptation - the adaptability of business processes to environmental conditions. Priorities are shifting towards evaluating the quality of processes (leading to improving the quality of products and services); in-house standards are formed, the purpose of which is to quantitatively measure the quality of all processes; plans (strategic and operational) are quantified; making planning decisions is based on explicit knowledge possessed by the enterprise; strategic and operational plans are linked; feedback enables effective alignment between the operational and strategic levels of management.

5. World class - the ability of an enterprise to shape the market. The enterprise is able to manage the quality of processes along the entire chain, including supply, production, sales, service; optimization of business processes; monitoring is based on change management; formalization of processes and market prospects allow calculating strategic plans and optimizing the ways to achieve them.

When determining BPI levels, the following criteria for assessing the quality of finished products are declared (Figure 2).

1. Compliance with the standard - implies the quality of products that is achievable on the existing technological equipment of the enterprise and correlates with BPI- levels "Dynamic-chaos" and "Control". In enterprises, the organization of business processes of which corresponds to the BPI- level "Chaos", the quality of products is a random variable and directly depends on the abilities of individual employees. The quality of products for BP Level I "Control" is already a constant value due to the fact that the enterprise is transformed from a "black box" into a

“transparent system”, where clear production and management accounting and control is established.

2. Compliance with use - determined not only by compliance with the enterprise standard, but also by the satisfaction of operational requirements (customer needs). BPI levels such as Control and Optimization are related to this level of product quality .

3. Compliance with actual market requirements - implies high quality products at a low price. Products of this quality level can compete with the products of world manufacturers. BPI levels such as "Optimization" and "Adaptation" correspond to this level .

4. Compliance with latent needs - aims to meet future demand. This level is typical for BPI World Class enterprises .

The transition of an enterprise from one level of BPI (improvement of business processes) to a higher one is based on preliminary modeling of business processes and the introduction of a new business model into practice [2].

Moving from one BPI level to a higher one involves the use of:

□□□□ set of interrelated processes that, when executed together, lead to the achievement of a set of goals set for reaching a given BPI level (hereinafter referred to as key processes);

□□ general principles of processes that determine what the process should become in order to ensure that the set of goals set for reaching a given level of BPI (hereinafter referred to as key practices);

□□ technology for implementing the BPI cycle , i.e. a certain set of techniques included in the E R P-standards and quality management system standards; information technology (E R P-system).

Key processes can be broken down into three categories: management, organizational, and support. The BPI methodology does not focus on all processes related to the life cycle of the finished product; only those that are necessary to achieve a specific BPI level are allocated , and they will correspond to the key processes.

Thus, the transition of an enterprise from one BPI level to a higher one implies the use of a certain set of techniques included in the E R P-standards and quality management system standards.

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