

Process Maturity in the Slovenian Power Supply Industry

Aleksander Janeš

University of Primorska, Faculty of Management, Slovenia
aleksander.janes@fm-kp.si

Rajko Novak

MRR LLC, Slovenia
rajko.novak.mrr@siol.net

The results of the maturity process orientation measurement in the Slovenian power supply industry shows that, despite this long-standing preoccupation with the processes, the introduction of the process approach, certified management system and computerization of business, process maturity is not high. Measurement was carried out using a questionnaire for an expanded concept of process orientation with nine elements. Given the statistically evaluated elements of process orientation, the power supply industry is located on the second level-Defined of the McCormack's Maturity Model.

Rationale and Methodology

In the framework of an empirical study a level of maturity process orientation was measured in the 19 organizations from the production, transmission and distribution of electricity.

In order to achieve the research purpose and goal, maturity process orientation measurements of the power supply industry were performed between the February and March 2016. One important reason for performing the maturity measurement in the power supply industry is the importance of activities for the operation and development of the whole Slovenian society.

As a measuring instrument, a questionnaire with nine elements and with 7 levels Likert scale was used, allowing ample opportunity to express level of agreement between rates 1 that statement is not true through rate 7 that statement is absolutely true. To determine the level of maturity the McCormack's (2007) four development stages; maturity model was used (McCormack, 2007; Škrinjar, 2010; Novak, 2016). In doing this, the degree of Ad Hoc (including 4) Defined (4.01 to 5.5) Linked (5.51 to 6.5) and Integrated (6.51 to 7) was taken into account. Survey comprised the upper, middle and lower managers, and project managers which represented the whole population of 450 managers.

Questionnaires were submitted to respondents in agreement and with the support of the presidents of boards and directors of organizations through established channels of internal communication. Namely 240 fully completed questionnaires were received, which represented 53.33% response rate. The research was supported by the Section for quality and excellence in the power supply industry with invitation to organizations to complete the questionnaire.

The research's basic thesis is linked to the introduction of process orientation and BPM at which organizations management devote too little attention to so-called "soft or intangible factors" i.e. values, organizational culture (Wilson, 2015) and behaviour that promotes the processes functioning. Successful implementation of BPM is significantly influenced by the strategic commitment of leadership and established role of process holders (Hernaus, Vukšić, & Štemberger, 2016).

In practice, the BPM is often carried out only in certain parts of the organization with no real connection to the organization's strategy (Jeston & Nelis, 2007; Sikdar & Payyazhi, 2014). In many organizations functional boundaries between organizational units are explicit and remain significant

barriers to the effective implementation of cross-functional and inter-organizational processes and the performance of BPM (McCormack, 2007).

Findings

Based on the lowest estimated statements and process orientation elements and understanding of the break-even points, can be drawn solid improvement program for the implementation of process orientation and transition to the third stage of maturity i.e. Linked. Further impetus in this direction may also represent discussed insight into the relationship between the development level of process orientation and business performance of power supply chain organizations.

Given the observed deficiencies in the HR management perspective, especially with communication, checking the differences between the estimates of managers and employees can be an opportunity for a future research.

Keywords: business process orientation (BPO), process maturity, business process management (BPM), power supply

References:

- Hernaus, T., Vukšić, V.B., & Štemberger, M.I. (2016). How to go from strategy to results? Institutionalising BPM governance within organisations. *Business Process Management Journal*, 22(1),173–195.
- Jeston, J., & Nelis, J. (2007). *Business Process Management. Practical Guidelines to Successful Implementations*. Amsterdam:Butterworth–Heinemann.
- McCormack, K. (2007). *Business Process Maturity. Theory and Application*. South Carolina:BookSurge.
- Novak, R. (2016). *Maturity process orientation in the power supply industry*. (Unpublished master's thesis), University of Primorska:Koper.
- Sikdar, A., & Payyazhi, J. (2014). A process model of managing organizational change during business process redesign. *Business Process Management Journal*, 20,971–998.
- Škrinjar, R. (2010). *Increasing the process orientation maturity with the renovation and computerization of operations*. (Unpublished doctoral dissertation), University of Ljubljana:Ljubljana.
- Wilson, F. (2015). The Quality Maturity Model: your roadmap to a culture of quality. *Library Management*, 36,258–267.