 VIEWPOINT

A review of the importance of business process management in achieving sustainable competitive advantage

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Abstract

Purpose – In today’s height of competition, business process management (BPM) is regarded as best practice management principle that can assist companies in sustaining competitive advantage. The purpose of this paper is to strengthen theory building of BPM in fostering sustainable competitive advantage based on dynamic capability theory.

Design/methodology/approach – BPM owes its existence to total quality management (TQM) and business process reengineering and has gained importance as an enabler to coordinate the intricacies of the organisations. Past researches on BPM have been largely conceptual using case studies with scarce evidence for theory building.

Findings – Based on the review of literature, the study of BPM can be studied based on dynamic capability theory.

Originality/value – The outcome of this paper would add value to theory building for BPM.

Keywords Quality management, Business process management, Sustainable competitive advantage, Business process re-engineering, Dynamic capability theory

Paper type Viewpoint

1. Introduction

Current management model(s) needs to be agile, integrative and flexible in order for it cope with the ever increasing challenges of today’s business world, on top of being able to sustain and increase the level of performance of its respective organisation(s) (Paim et al., 2008). Most organisations’ primary goal is to maximise all available resources for the purpose of achieving strategic objectives and meeting customer demands. This requires an inherent and seamless symbiotic relationship organisation’s business processes are regarded as the critical enabler in driving the people and systems of any organisation. Business processes are links that integrates between systems, personnel and processes within an organisation. In this context, an the organisations’ business strategies with its operations (Richardson, 2007).

The emphasis on business processes propelled the introduction of management principles such as total quality management (TQM) and business process reengineering (BPR) to the forefront, especially in the context of creating process-centric organisations. Although researchers viewed BPR and TQM as two distinctively different initiatives,