ABSTRACT

As the business world keeps changing in its environment along with the information technology development, Information Technology becomes more and more essential means in supporting the day to day business operations.

The traditional organization allows a small number of people to coordinate large scale and complex tasks. Further, the organization management control is designed in hierarchy where the business processes will pass through multiple intersecting checks and balances. The business process, in turn, are characterized as manual operations, involve multiple bureaucracy level and redundant data entry. However, as organizational business grows in line with the changing business environment, they would start to rethink the way they do business.

At this point, IT plays role in the business process reengineering which is not only as automating or mechanizing force to redesign but also to provide wider access to information enabling more works to be done simultaneously. Through BPR, it is expected to improve performance by stripping out of the processes that do not add value and rethinking those that add value.

The purpose of the thesis is to reengineer the support business processes within procurement, mill store, accounting and finance in PT X. The methodology adopted includes develop the business vision and process objectives, identify the process to be redesigned, understand and measure the existing processes, identify IT levers and finally, design and build a prototype of the new process.

Based on the data collected from direct interview and observation, such processes determined critical to be reengineered are identified. Then, with the implementation of the corporate intranet, the new business processes are realized to be implemented. In comparison with the old processes, the new processes are considered more beneficial as they would improve the cycle time and reduce costs.

Key words: business process reengineering, PT X, existing process, new-reengineered process.