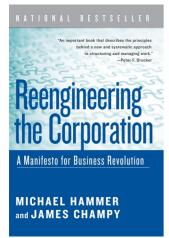# Reengineering the Corporation

By Michael Hammer
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Introduction

No business concept was more important to America's economic revival in the 1990s than reengineering -- introduced to the world in Michael Hammer and James Champy's *Reengineering the Corporation*. Already a classic, this international bestseller pioneered the most important topic in business circles today: reengineering -- the radical redesign of a company's processes, organization, and culture to achieve a quantum leap in performance.

In *Reengineering the Corporation*, Michael Hammer and James Champy explain how some of the world's premier corporations are reengineering to save hundreds of millions of dollars each year, to achieve unprecedented levels of customer satisfaction, and to speed up and make more flexible all aspects of their operations.

Now, more changes and challenges are coming to the corporation in the throes of the Internet age at the start of the 21st century. Hammer and Champy have updated and revised their milestone work for the New Economy they helped to create -- promising to help corporations save hundreds of millions of dollars more, raise their customer satisfaction still higher, and grow ever more successful and adaptive in the years to come.

Discussion Questions

1. At the start of *Reengineering the Corporation*, Michael Hammer and James Champy argue that sellers no longer have the upper hand; customers do. Can you think of some examples of this trend in today's consumer climate?

2. Hammer and Champy write: "Winning companies know how to do their work better." To what extent do you agree or disagree with this statement? What comparative examples from *Reengineering the Corporation* illustrate this theory?

3. Hammer and Champy argue that reengineering is "a close partner with information technology." To what extent do you find this to be the case in your industry? What are some of the ways that information technology has revolutionized the way you work?

4. "Reengineering must focus on redesigning a fundamental business process, not on departments of other organizational units." How is the implicit emphasis on process (rather than on individual steps) implicit in reengineering a key to reengineering's success? Discuss the examples of Ford and IBM.

5. A key component of reengineering involves combining many jobs into one. Can you brainstorm some ways that this element might be introduced successfully into your workplace?

6. Why might a customer-oriented organization of a reengineered corporation (as opposed to a more traditional hierarchical business structure that emphasizes control and past performance) lead to a change in company values?

7. How does advanced technology give companies a distinct competitive advantage? For the purposes of discussion, consider the story of Xerox's creation of the photocopy machine, or Sony's development of the Walkman.

8. Hammer and Champy explore the idea that broken processes are good candidates for processes to reengineer. Can you think of any dysfunctional processes in your company that come to mind?

9. Why do the authors recommend benchmarking with some reservations? Why might benchmarking inhibit the process of reengineering?

10. What have you learned about reengineering that you did not know when you began this book? What are some of the key themes and ideas that you would like to incorporate into your own workplace?

About the authors

Dr. Michael Hammer is the originator and leading exponent of the concept of reengineering. The author of the seminal Harvard Business Review article "Reengineering Work: Don't Automate, Obliterate," Dr. Hammer was named by Time to its first list of America's 25 most influential individuals.

James Champy is a leading practitioner of reengineering and the chairman of Perot Systems consulting practice. He works with major companies in reinventing their operations for the Digital Age. He is also the author of the *BusinessWeek* bestseller *Reengineering Management*.