

## Master Thesis HWS 2019

# Measuring Fit Between a Firm's Competitive Priorities and Process Capabilities

Business Process Management has been long discussed as appropriate tool to manage processes within the company. Processes are first modelled, before they are implemented and continuously improved. Both the initial process definition (modeling) and the subsequent adaptations have to ensure that processes are linked to the firm's strategy and its business environment and market situations. Strategic fit between operations and strategy is thus needed to be obtained in new process definitions and maintained in adaptations to changing environments.

Companies like Apple, Southwest or Zara are said to have a strategic fit as key processes and resources are well aligned with the value proposition, although actually measuring and proving this fit is challenging. For new business model definitions, Osterwalder's Business Model Canvas, for example, helps to define the different aspects of the business model in order to achieve alignment and strategic fit of the value proposition and underlying operations. However, this definition does not guarantee that operations as truly aligned with the promised service and deliver the desired outcome. To deliver real value to firms and process managers, a method to assess and possibly even quantify this fit needs to be developed. It should be both practical and applicable in today's business environment.

The aim of the master thesis should be:

- Identify and discuss approaches and tools proposed by the literature to measure process capabilities and the strategic (mis-)fit systematically
- Critically assess the approaches identified in the literature on their practical applicability
- Identify potential differences between goods and services in these approaches
- Develop an own approach to systematically measure this strategic fit for a service company

### Basic Literature:

**Venkatraman, N., & Camillus, J. C. (1984).** Exploring the concept of "fit" in strategic management. *Academy of management review*, 9(3), 513-525.

**Joshi, M. P., Kathuria, R., & Porth, S. J. (2003).** Alignment of strategic priorities and performance: an integration of operations and strategic management perspectives. *Journal of Operations Management*, 21(3), 353-369.

**Hill, A., & Cuthbertson, R. (2011).** Fitness map: a classification of internal strategic fit in service organisations. *International Journal of Operations & Production Management*, 31(9), 991-1021.

**Johansson, Pontus; Olhager, Jan (2004):** Industrial service profiling: Matching service offerings and processes. In *International Journal of Production Economics* 89 (3), pp. 309–320. DOI: 10.1016/S0925-5273(03)00028-8.