

Evaluating Effect of Business Process Reengineering Performance of Private Banks

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Abstract : Business process reengineering is one of the most important strategies in banks in recent years that not only it increases customers' satisfaction, but also it increases performance of banks. The purpose of elementary (initial) business process reengineering is reinforcing banks abilities to obtain new customers and making long-term relationships with existed customers and increasing customers' satisfaction among service quality in global level. Banks specially the private ones are the main streams of state, because cash flow is necessary to survive a state. What guarantees survival and permanency of financial institutes' activities is providing favorite, certain, and proper services. Capital market being small and state financial system being bank-oriented needs optimum usage from banks. According to this fact and role and importance of developing banking system, the present study tried to offer a constructed model using Lisrel and also spss software to evaluate effects of business process reengineering on performance of private banks. We have one min hypothesis and four sub-hypotheses. The main hypothesis says reengineering factors have positive effects on bank performances (balanced- scores card aspects). These hypotheses were tested by structural equations modeling.

Keywords : effect, business, reengineering, private bank

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