
CROSS-FUNCTIONAL PROCESS - MAIN DIMENSION OF THE CROSS-FUNCTIONAL ENTERPRISE

Laura Dincă, PhD, University of Craiova

Abstract: The aim of this paper is to present the main characteristics of the cross-functional process, as the main element in the operating of the cross-functional enterprises. Starting from the reference literature on general organization, cross-functionality and cross-functional management, this article is an investigation of the impact of process organization on the cross-functional enterprises. Nowadays, cross-functional enterprise is not a novelty anymore. It is working best when its activity is organized by cross-functional processes, which leads to valuable results for the clients. Cross-functional processes may have various dimensions.

Key Words: *cross-functional process, cross-functional enterprise, cross-functional organization, process organization, cross-functionality*

1. The cross-functional character of the process organization

The process organization is quite frequent within the cross-functional enterprises that adopted this new organization form as a solution to cope with a more and more external turbulent environment. Cross-functionality is a new way of enterprises' operating by which they acquire fastness in actions, a plus of autonomy, suppleness in reactions and decision power allocated to low hierarchy levels.

The cross-functional organization of enterprises means that they are focused of one production process in full and not only on the achievement of one single function, as it is the case of the traditional vertical organization. Besides that, the cross-functional manner of enterprises' organization offers them a helpful perspective of the activities planned to be achieved, favours learning and information sharing, as essential elements for enterprise development (Milliot, 1999, pp. 5-18).

The process organization consists in the methodical description of activities meant to satisfy the client, brought to achievement in a cross-functional way by involving several enterprise' functions and departments based by information and communication technology. From this definition, we notice the cross-functional character of the process, that is involving several functions of the enterprise, all being activated to satisfy the client in the best way. The process organization concept is introduced to designate the coordination of activities within the enterprise. The notion is as more rightful as the process approach is given a special attention within the enterprises today.

Tarondeau (1998) considered that process organization actually means "several activities organized in network, in sequence or in parallel, using multiple resources, capacities and competences in order to produce a valuable result for an external client".

All the same, it may be more effective that one enterprise select and organize in a cross-functional way only certain creating value processes and leaving the other processes to be finalized using the traditional departments of the enterprise. This manner of organization is more specific for innovative enterprises in which the launching of new products is prevailing.

2. Main characteristics and definitions of the cross-functional processes

As the process organization becomes more and more important within today enterprises, its rules are thoroughly described in useful procedures or directives for the employees involved in its deployment. The process has two main characteristics: on the one hand it serves to satisfying the client's necessities and on the other hand it is crossing the vertical structures of the enterprise during its deployment.

Several creating value processes may exist within the enterprise and they may be cross-functional. Always, one process is asking for one information flow as mentioned by Lorino (1995, p. 55) in his definition: the process is "one group of activities inter-connected by a significant information flow combined in order to supply a material product". In a similar way, Milliot (1999, p. 9) defines the cross-functional process as "an articulated group of tasks connected between themselves by an information flow allowing to answer best to the clients' expectations". Thus, a cross-functional process becomes a value creating process even for the client, that can measure the value by costs reduction, fast answers, higher quality products and services (Tarondeau & Wright, 1995).

Catton (2000, p. 96) states that a process is defined as "an activities system using resources to transform input elements in output elements".

Brandenburg et al. (2005, p. 15) notices that the process is "the concatenation of activities in order to transform the request of one client in products or services satisfying this request". Clients' satisfaction is the reason for the enterprise's existence. Brandenburg et al. (2005, p. 27) also formulates another definition of the process, which is a series of operations that is giving added value to the inputs, transforming them in outputs".

Analysing all these definitions, we notice that one important thing must be taken into account: the inputs of one process derive either from outside or from another process, situated upstream. In a similar way, the outputs go either to the external environment or toward a downstream process.

3. Cross-functional processes - dimensions and complexity

A process, as a manner of organization of the new, cross-functional innovative enterprises, has several dimensions ensuring its specificity. At the same time, these processes are complex systems, which may vary from one enterprise to another. The dimensions of the cross-functional processes are rendered in Table 1:

Table 1. Dimensions of the cross-functional process

No.	Dimension	Content
1.	Permanence	The process is a sequence of tasks which are indispensable to the regular enterprise's activity, being different from a project, that has a temporary character.
2.	Tasks and flows interdependency	A process is a group of interdependent tasks (a task A cannot be achieved if a task B hasn't been correctly achieved and if the connecting flow between them hasn't correctly deployed).
3.	Temporal dynamics	A process is sequential by its nature, reuniting various tasks, achieved one after the other or in parallel, but as a project, a process can be defined by a beginning and an ending. The

		beginning is represented by a triggering event, and the ending is represented by a product or service satisfying an internal or external client.
4.	Stability and reproducibility	Activities composing the process remain the same, even if the process development may vary depending on the technological changes or any other change.
5.	Measurability	A process is measurable by the conformity control made on the inputs and outputs of the process, or by the analysis of indicators associated to the final process objective.

Source: adjusting from Gaubert-Macon, C., *Approche des processus organisationnels et modélisation en terminale GSI*, 2006 pp. 3-4

During their deployment, the processes may also be analysed depending on their complexity level. The first complexity level refers to the cross-functional processes taking place into the enterprise. Out of these, the most important are: ordering and distribution process (Ostroff, 1999), after sales services (Milliot, 1999), process for new products development and integrated logistics. Integrated logistics includes the management of the whole logistics chain, regarded as one entity only and not as a separated management for each individual logistics activity (available at <http://www.businessdictionary.com/definition/integrated-logistics.html>, accessed May 11th, 2013).

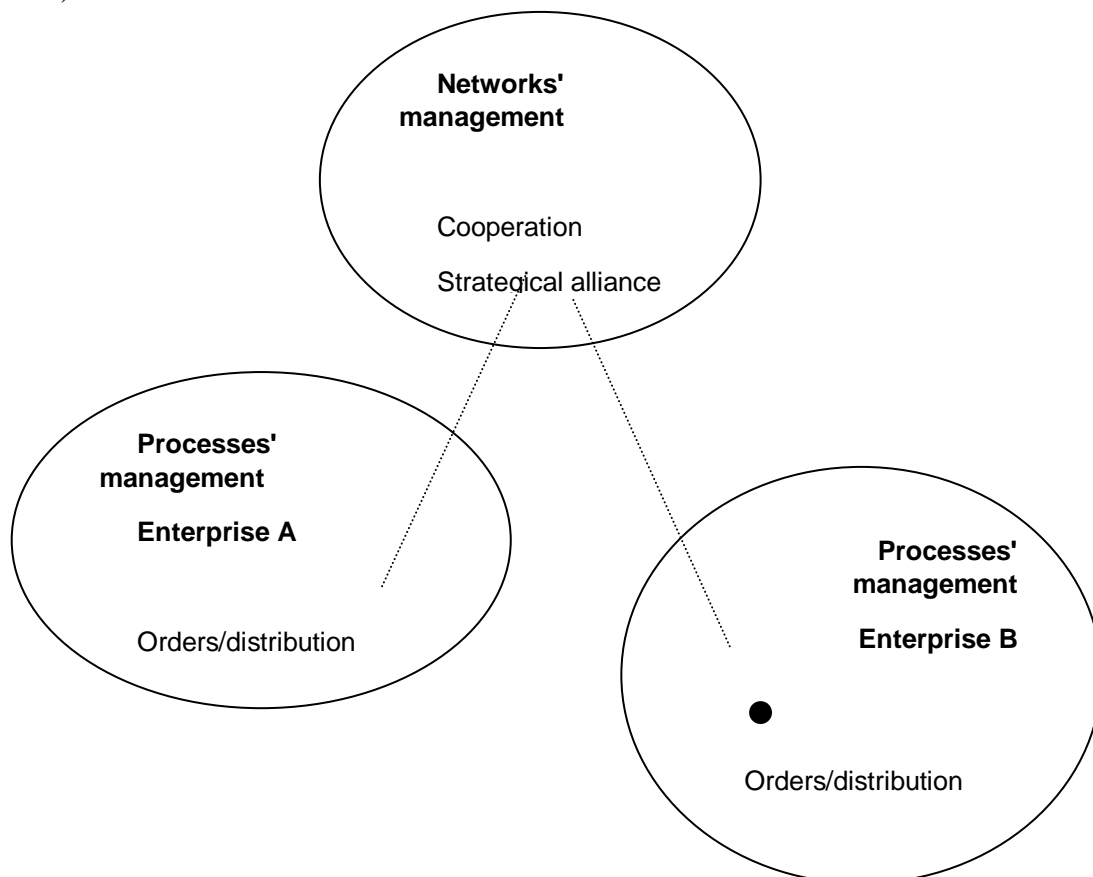


Figure 1. The cross-functional process - the second complexity level

Source: Gelinias, J., *La cohabitation d'un processus transversal avec la structure fonctionnelle en contexte de développement de nouveaux produits: élaboration d'un modèle théorique d'intégration*, 2005, p. 28

The second complexity level (Figure 1) includes the processes that can be prolonged outside the enterprise. Due to their intensity, these processes may include at the same time either suppliers and clients. Thus an enterprise network can be created outside the enterprise, independently of it. Then we can mention that a cooperation network or a strategical alliance can be formed outside the enterprise (Gerwin and Ferris, 2004, pp. 22-38) due to the fact that processes get over the enterprise's limits. The cooperation network or the strategical alliance could create an independent and autonomous hub (Poulin et al., 1994).

These networks can be formed between complementary enterprises or even between competitor enterprises. In a similar way, cooperation may include several independent enterprises (external cooperation) or several units of the same enterprise (internal cooperation). Regarding alliances, this term is used to designate the relationship with other enterprises or strategic partners of the enterprise as well (Poulin et al., 1994).

The study of the network enterprise or of the prolonged cross-functional process can be both interesting and important. Nevertheless, it is relevant to approach the cross-functional process within enterprises' limits, because only an enterprise able to manage the internal processes by itself may manage an external profitable partnership.

4. Conclusions

Cross-functional processes are effective organization manners for cross-functional enterprises. Cross-functional processes have various features, out of which permanence, interdependence, temporal dynamics, stability, reproducibility, measurability are the most important. Any cross-functional process is based on an information flow connecting several departments, with the purpose to best serve the clients' interests. A cross-functional process can be prolonged outside the enterprise forming a network that may include both suppliers and clients.

BIBLIOGRAPHY:

1. Brandenburg H.& Wojtyna J.P. - *L'approche processus, mode d'emploi*, Paris : Editions d'Organisation, 2005.
2. Catton, M. - *Management des processus, une approche innovante*, Paris: AFNOR 2000.
3. Gaubert Macon, C. - *Approche des processus organisationnels et modélisation en terminale GSI*, Réseau Certa, Juillet, 2006, pp. 3-4.
4. Gelinias, J. - *La cohabitation d'un processus transversal avec la structure fonctionnelle en contexte de développement de nouveaux produits: élaboration d'un modèle théorique d'intégration*, These, Université du Québec, 2005, available at <http://depot-e.uqtr.ca/id/eprint/1547>, accessed December 13th, 2012.

5. Gerwin, D. & Ferris, J.S. - *Organizing new product development projects in strategic alliances*. *Organization Science*, 2004, 15(1), pp. 22-38.
6. Lorino, P. - *Le déploiement de la valeur par le processus*”, *Revue Française de Gestion*, no. 104, 1995, pp. 55-71.
7. Milliot, E. - *Le mode de fonctionnement de l’organisation informationnelle*, *Revue Française de Gestion*, 1999, 125, septembre – octobre, pp. 5-18.
8. Ostroff, F. - *L’entreprise horizontale : l’entreprise du futur et sa proposition de valeur*, Paris, Dunod, 1999.
9. Poulin, D., Montreuil, B. & Gauvin, S. - *L’entreprise réseau: bâtir aujourd’hui l’organisation de demain*. Montréal : Publi-Relais, 1994.
10. Tarondeau, J.C. - *La gestion par les processus*, *Management et organisation de l’entreprise*, *Cahier Français*, no. 287, Jul. 1998, Paris.
11. Tarondeau, J.C. & Wright, R.W. - *La transversalité dans les organisations ou le contrôle par les processus*. *Revue française de gestion*, 1995, 104, juin-juillet-août, pp.112-121.
12. *** <http://www.businessdictionary.com/definition/integrated-logistics.html>, accessed May 11th, 2013