Virtual Lecture Series on BPM – Customer-centric Business Process Design

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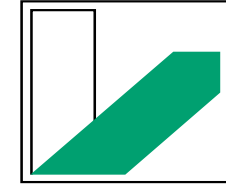
University of Bayreuth

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Research Center
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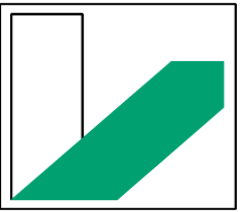
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Our BPM Research Group

Topic-Areas of our BPM Research Group

Process Deviance
Customer-centric Process Design
Omni-Channel- & Customer Journey Analysis

Digital Innovation Processes
Organizational Ambidexterity
Opportunity Management

Process Industrialization
Process Digitalization
Process Analysis & Improvement

Process Mining
Predictive Process Monitoring
Process Performance Management

Process Architectures
Process Prioritization
Process Portfolio Management

Digital Production & Smart Factory
Smart Services & Proactive Services
Context-Aware Business Process Management

INDIVIDUALS   EXPLORATION
CHANGE   DATA
NETWORKS   CONTEXT

BUSINESS PROCESS MANAGEMENT

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What do *amazon* and *Mister Spex* have in common?

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QUALITY RELIABILITY SUPPORT

CUSTOMER
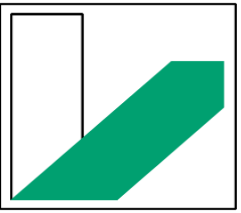
Max

PERFORMANCE EXPERIENCE SATISFAC

Customer-centric business process design

WHY is customer-centric business process design important?

WHAT characterizes customer-centric business process design?

HOW can customer-centric business process design be achieved?

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Customer-centric business process design

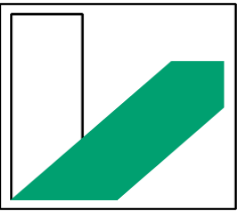**?** **WHY** is customer-centric business process design important?
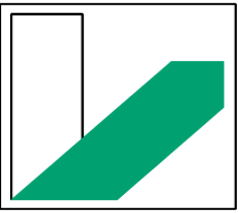
? **WHAT** characterizes customer-centric business process design?

? **HOW** can customer-centric business process design be achieved?

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Customer centricity is key in the digital age

Fast and easy access to information

Google

Customer Reviews

5 star		356
4 star		21
3 star		14
2 star		6
1 star		277

★★★☆☆ 674 reviews
3.3 out of 5 stars

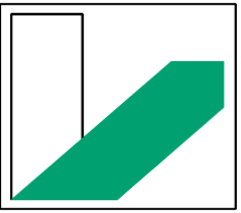Write a customer review

Low effort to compare products and services

Increasing customer expectations

Critical success factor: Customer centricity

Afflerbach et al. (2016), Galbraith (2011)

WHY WHAT HOW

Customer centricity drives corporate success

| Customer centricity | > | Customer satisfaction and loyalty | > | Corporate success and long-term growth |

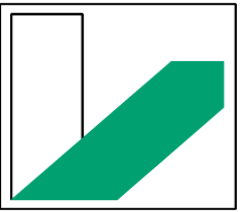This Photo by Unknown Author is licensed under CC BY-NC

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Afflerbach et al. (2016), Kreuzer et al. (2020)

WHY WHAT HOW

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Customer centricity is an important BPM capability

BPM capabilities "for the industrial age"

de Bruin and Rosemann (2007)

BPM capabilities "for the digital age"

Kerpedzhiev et al. (2020)

WHY WHAT HOW

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Customer-centric business process design

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?	**HOW** can customer-centric business process design be achieved?

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In a customer-centric world...

...current and future **customer needs** determine a company's offerings, i.e., products and processes should be designed and enacted accordingly.

From a BPM perspective, companies must obtain a profound understanding of customer processes and – if necessary – redesign both **customer-company interactions** and **customers' processes.**

Traditional process improvement focuses on quality, time, cost to increase process efficiency.

Customer-centric process improvement focuses on customer needs to increase customer satisfaction.

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Bolton (2004); Moormann and Palvölgyi (2013), Trkman et al. (2015)

WHY WHAT HOW

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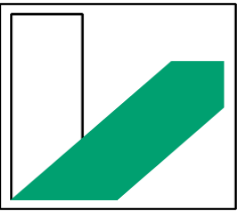
Customer needs relate to products and processes

Product features

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Customer-company interactions (process)

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Kreuzer et al. (2020)

WHY WHAT HOW

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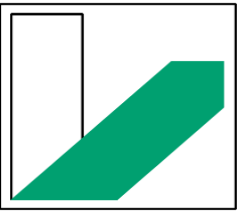
Interaction capabilities enhance customer-company interactions

Ethical interaction

Ability to act in a fair and non-opportunistic way toward the customers.

Individuated interaction

Ability to understand the resource integration processes, contexts, and desired outcomes of individual customers.

Relational interaction

Ability to enhance the connection of social and emotional links with the customer.

Customer-company interactions (process)

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Empowered interaction

Ability to enable the customers to shape the nature and content of exchange with the company.

Developmental interaction

Ability to assist customers' knowledge and competence development.

Concerted interaction

Ability to facilitate coordinated and integrated service processes with customers.

Frank et al. (2020), Karpen et al. (2012)

WHY WHAT HOW

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Customer-centric business process design

? **WHY** is customer-centric business process design important?

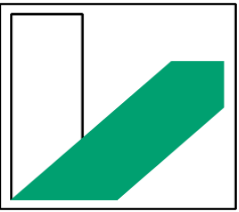**?** **WHAT** characterizes customer-centric business process design?

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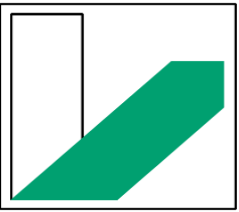
Heuristics help redesign business processes

Redesign heuristics for business process improvement

Eliminate | Replace | Insert | Improve | Delay | Pull instead of Push | Re-sequence

Consolidate | Individualise | Decouple (horizontal) | Decouple (vertical) | Integration | Specialise | Natural Order | Optional

Recker and Rosemann (2014)

Business Process	Heuristic	T	C	Q	F
Customer Heuristics	Control relocation		-	+	
	Contact reduction	+	-	+	
	Integration	+	+		-
Business Process Operation Heuristics	Case types	+	+	-	-
	Activity elimination	+	+	-	
	Case-based work	+	-		
	Triage		-	+	-
	Activity composition	+	+		-
Business Process Behaviour Heuristics	Resequencing	+	+		
	Parallelism	+	-		
	Knock-out	-	+		
	Exception	+	-	+	-
Information Heuristics	Control addition	-	-	+	
	Buffering	+	-		

Business Process	Heuristic	T	C	Q	F
Organization Heuristics	Case assignment			+	-
	Flexible assignment	+	-		+
	Centralization	+	-		+
	Split responsibilities			+	-
	Customer teams			+	-
	Numerical involvement	+	-		-
	Case manager		-	+	
	Extra resources	+	-		+
	Specialize	+		+	-
	Empower	+		-	+
Technology Heuristics	Activity automation	+	+	-	-
	Integral technology		+	-	
External Environment Heuristics	Trusted party	+	+	-	
	Outsourcing		+	+	-
	Interfacing	+	+		-

Reijers and Mansar (2005)

Design heuristics for customer-centric business processess

Category	Heuristic
Enable Customers to Shape the Interaction	Channel Flexibility
	Locational Flexibility
	Temporal Flexibility
	Customer Self-Service
	Privacy Presence
Facilitate Coordinated and Integrated Processes with Customers	First-Contact Problem Resolution
	Informed Point of Contact
	Consistent Brand Experience
	Customer Process Integration
	Customer-Friendly Control Flow
	Customer Support
Enhance Social and Emotional Links with Customers	Customer Excitement
	Personalized Interaction
	Customer Feedback
	Customer Community

Frank et al. (2020)

WHY | WHAT | HOW

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How would you redesign a...

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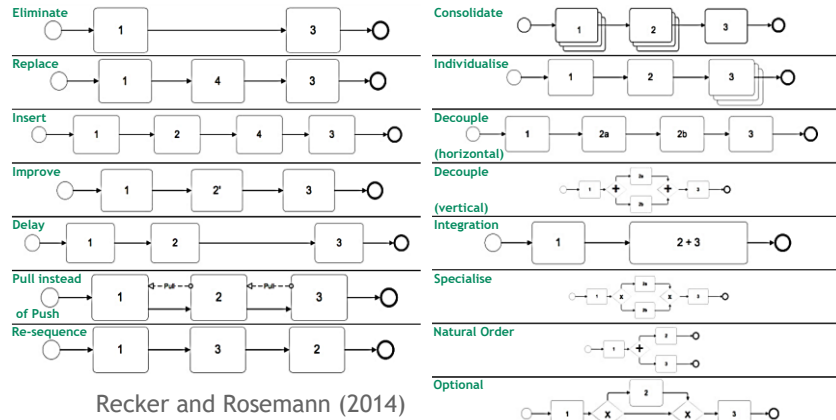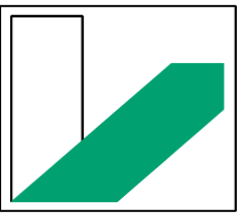

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https://deliveryandshipping.cabanova.com/

...gas station for the future?

...supermarket for the future?

...delivery service for the future?

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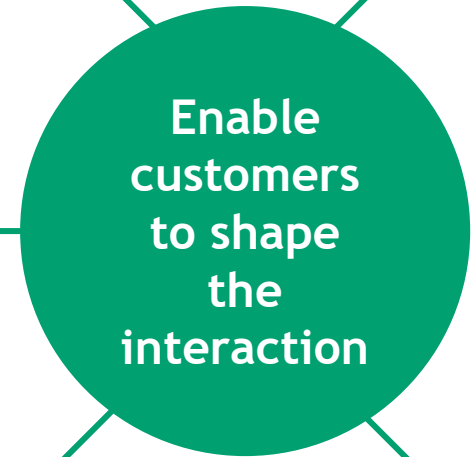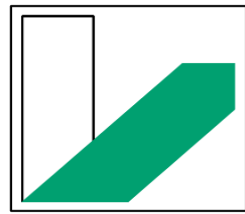
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Design heuristics for customer-centric processes

Channel Flexibility

Privacy Presence

Time Flexibility

Enable customers to shape the interaction

Location Flexibility

Customer self-service

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Frank et al. (2020)

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Design heuristics for customer-centric processes

First-Contact Problem Resolution

Customer Process Integration

Informed Point of Contact

Facilitate coordinated and integrated processes with customers

Customer-Friendly Control Flow

Consistent Brand Experience

Customer support

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Frank et al. (2020)

WHY WHAT HOW

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Design heuristics for customer-centric processes

Customer Excitement

Customer Feedback

Enhance Social and Emotional Links with Customers

Personalized Interaction

Customer Community

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Frank et al. (2020)

WHY · WHAT · HOW

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Example: Enrolment process

Download application documents from homepage → Send application by post → Receive acceptance by post → Clarify remaining questions by telephone → Send application form and required documents by post → Confirm your identity by appearing at the university → Receive e-mail with student account → Receive certificate of enrolment by post → Receive campus card by post → Read information for first-year students at homepage

WHY → WHAT → HOW

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Example: Enrolment process

Customer self-service   Customer Process Integration   Customer self-service   Customer-Friendly Control Flow   Customer self-service   Channel Flexibility   Customer self-service

```
Set up a user account in self-service using facebook ID  →  Complete application in self-service after initial approval test  →  Receive acceptance in self-service  →  Clarify remaining questions by telephone, e-mail, chat at self-service  →  Upload application form and required documents in self-service
```

```
Confirm your identity using video ident processing  →  Receive e-mail with student account and information for first-year students  →  Receive certificate of enrolment in self-service  →  Receive campus card and welcome bag by post  →  Connect with other students
```

Customer-Friendly Control Flow   Customer Process Integration   Customer self-service   Customer Excitement   Customer Community

Icons: https://www.flaticon.com/

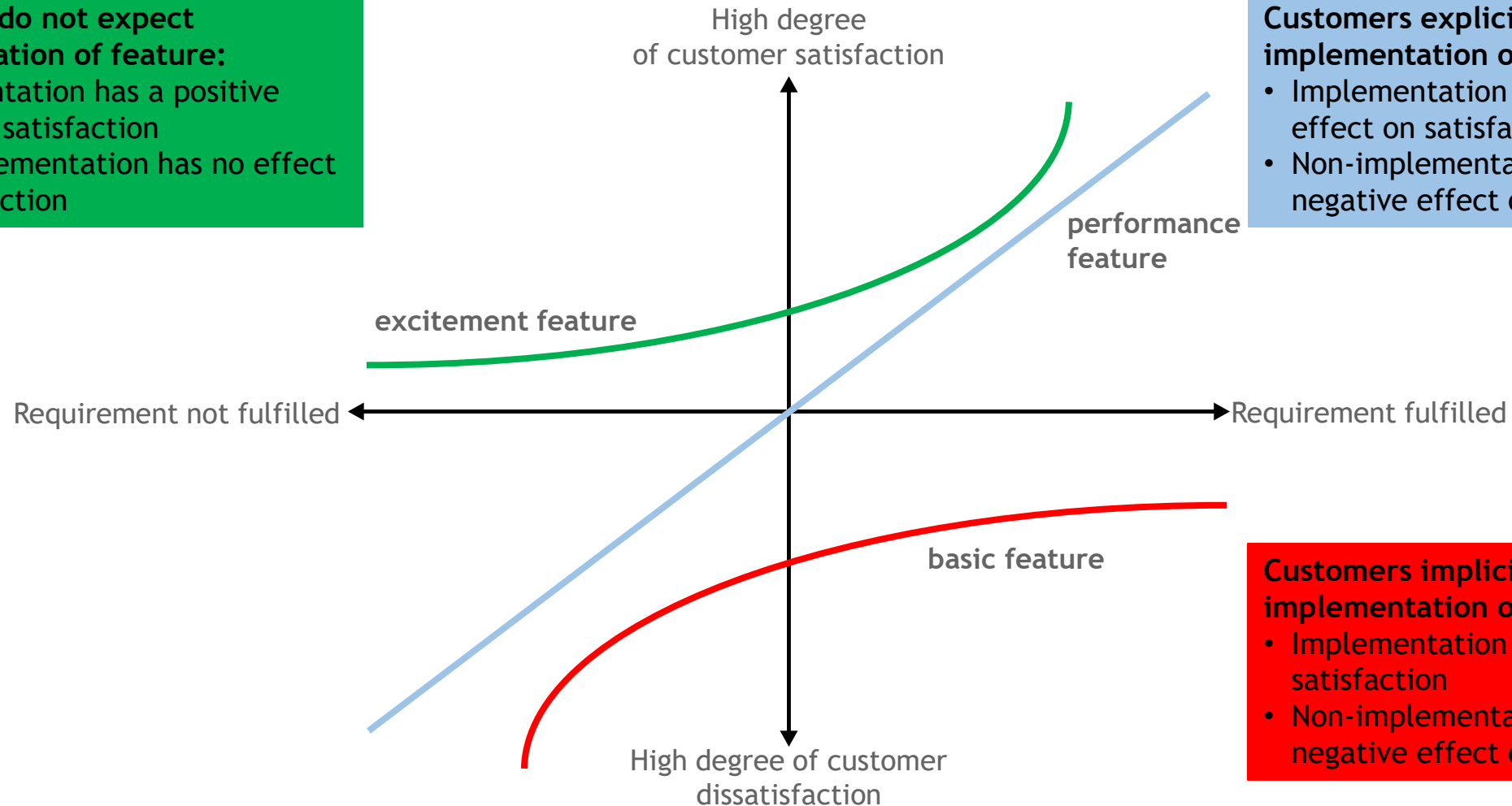WHY → WHAT → HOW

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Customer-centric process redesign ideas must be prioritized

Customers do not expect implementation of feature:
- Implementation has a positive effect on satisfaction
- Non-implementation has no effect on satisfaction

Customers explicitly demand implementation of feature:
- Implementation has a positive effect on satisfaction
- Non-implementation has a negative effect on satisfaction

High degree
of customer satisfaction

performance
feature

excitement feature

Requirement not fulfilled ← → Requirement fulfilled

basic feature

Customers implicitly demand implementation of feature:
- Implementation has no effect on satisfaction
- Non-implementation has a negative effect on satisfaction

High degree of customer
dissatisfaction

Matzler et al. (1996), Kreuzer et al. (2020)

WHY WHAT HOW

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Example: Enrolment process
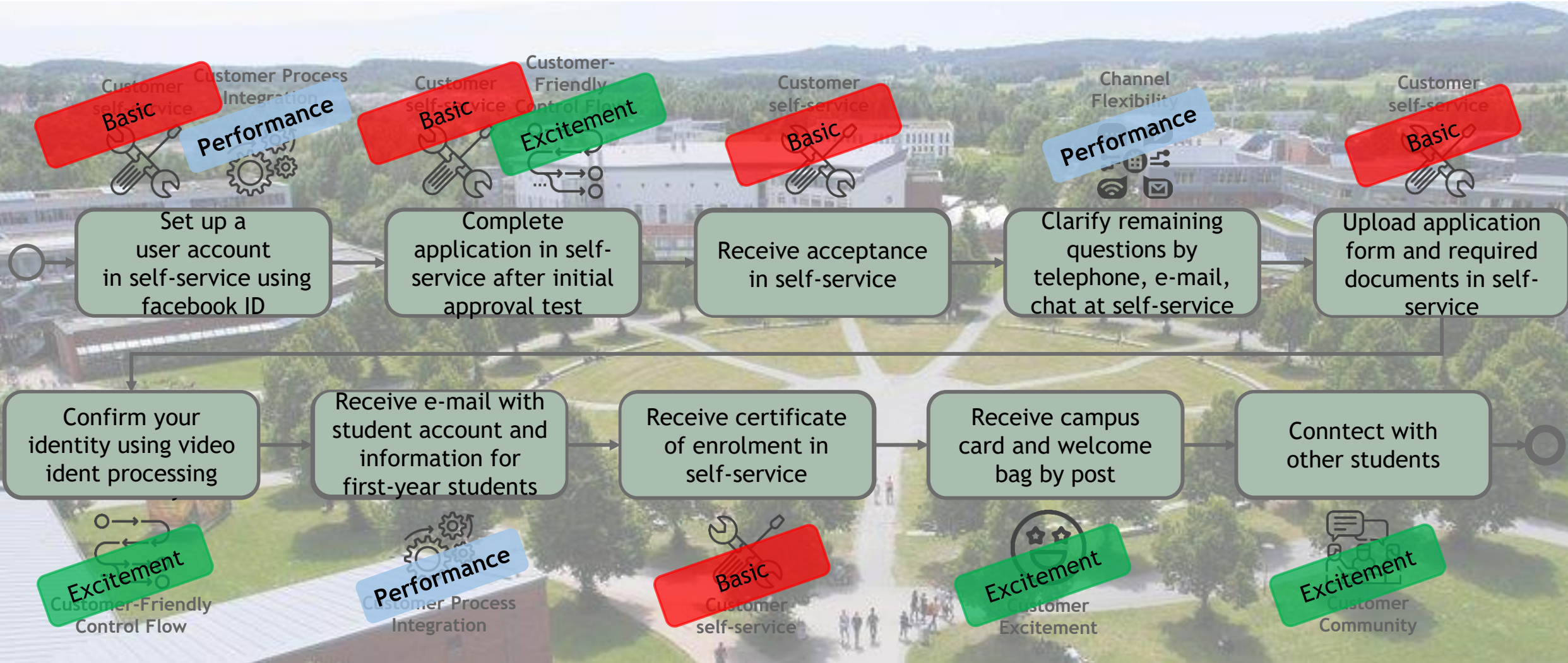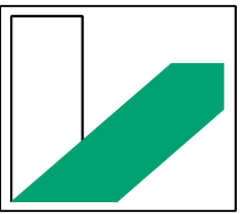
Key take-aways

Put customer needs at the center of your business processes!
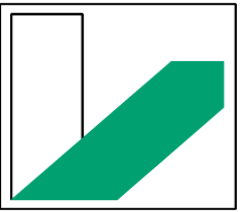
Understand customer-company interactions to drive customer satisfaction!

Prioritize customer-centric process redesign ideas according to customer preferences!

Consider the trade-off between customer- and efficiency-centric process redesign!

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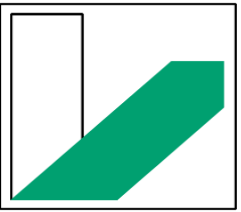© Björn Seitz - kontender. Fotografie

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