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The influence of Business Process Management on customer satisfaction: A multi-case study

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Abstract

The insurance industry is one of the major contributors in the financial sector and the economy in South Africa. However many industry experts have highlighted that the insurance industry is facing many challenges. One of the many challenges is that customers have more options these nowadays and their expectations are forever changing. And with fierce competition from Insure Tech companies, traditional insurance companies have to ensure that they keep their existing customers satisfied. Satisfied customers become brand ambassadors that attract new customers. This will make sure that insurance companies are able to keep their market share and remain profitable. The aim of this study is to get an in-depth understanding the influence of Business Process Management on customer satisfaction in the South African insurance industry. Using a qualitative, exploratory multi-case study that included 14 semi-structured interviews with the South African insurance industry practitioners and experts, the study was able to provide insights of how South African Insurers utilise BPM to attain higher levels of customer satisfaction.

Keywords:

Business Process Management, Customer value, Customer centricity, Customer satisfaction

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University.

I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Enos Ndhlovu

11 November 2019

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1 Research Problem

1.1 Research Title

The research explores the influence of Business Process Management (BPM) on customer satisfaction in the South African insurance industry.

1.2 Introduction

Customer satisfaction is a key determinant of insurers' financial performance (Ruefenacht, 2018) and it is one of the strategic pillars that lead to competitive advantage in the financial services sector (Nguyen, Nguyen, Nguyen & Phan, 2018). Because satisfied customers will remain with the organisation (Botha & Van Rensburg, 2011) and dissatisfied ones will go to its competitors (Wong, Tseng, & Tan, 2014). As revealed by Trkman, Mertens, Viaene, and Gemmel (2015) that one of the root cause of low customer satisfaction is related to business processes. Yet most business process improvements focus more on cost saving and ignore the relevance of delivering valuable products and services to the customers (Borgianni, Cascini & Rotini, 2010). It is further stated by Borgianni et al. (2010) that value is created to a customer to bring about customer satisfaction.

Insurance is one of the most important sectors in the financial market (Kaur & Negi, 2010). In South Africa it is reported to be a R684 billion business (African Insurance Barometer Market Survey, 2018) which makes it a key player in the financial services industry and in the economy. However, academics, researchers and industry experts indicate that the insurance industry is faced with many challenges which include the following; Economic instability and political unrest (Bohnert, Fritzsche & Gregor, 2019), frequently and fast changing customer expectations (Crawford, Russignan & Kumar, 2018), more products and channels that customers can choose from (Botha & Van Rensburg, 2011) and fierce competition from new entrants like Insure Tech companies (African Insurance Barometer Market Survey, 2018). According to Thomas (2017) the World Economic Forum has identified the insurance sector as the most vulnerable sector to digital disruption in the financial services industry.

Kaur and Negi (2010) indicated that customer satisfaction will result in an organisation retaining its existing customers and attracting new ones, which will increase profitability and market share. For insurance companies to survive these challenges they will have to retain their current customers while attracting new ones. Trends show that Insurers are focusing more on the customer agenda in order to deal with these challenges (KMPG, 2017). Reesink (2014) stated that insurance companies that want long-term success need to establish and maintain a strong and stable relationship with their customers. Van de Hemel and Rademakers (2016) summarised it in the following, "Placing

value creation for the customer at the heart of key business and organizational processes—an approach known as customer centrality” (p. 211). Customer centrality is the magnitude to which an organisation is concentrating on comprehending its customers and delivering customer-oriented solutions . It reveals the management assumptions about what customers want, how they want it and how an organisation can best deliver those needs and wants (Vlašić & Tutek, 2017)

Customer centrality is the skill of forming and solidifying unique customer relationships, and it is the foundation of fundamental value creation processes (Van de Hemel & Rademakers, 2016). An organisation is able to formulate its value proposition based on the identification of its customers’ needs and requirements (Martelo, Barroso, & Cepeda, 2013). The value proposition that creates value to its customers will provide an organisation with a competitive advantage (Martelo et al., 2013). Customer centrality is the organisation’s pledge to attain customer satisfaction. (Vlašić & Tutek, 2017).

Customer value creation requires a passion for customer service and satisfaction (Weinstein & McFarlane, 2017). Van de Hemel and Rademakers (2016) stated that customer centric organisations must adopt formal and informal systems that encourage employees to prioritise great customer experience. Great customer experience can be achieved through business processes that provide cost effectiveness, short turn-around-time and quality customer service (Buh, Kovacic, & Stemberger, 2015). All business processes have a direct or indirect impact on customer experience (Van de Hemel & Rademakers, 2016).

De Pádua, Da Costa, Segatto, De Souza and Jabbour (2014) stated that “According to Association of Business Process Management Professionals (ABPMP, 2009), BPM is a method for identifying, designing, executing, documenting, measuring, monitoring, controlling and improving automated or non-automated business processes to achieve results more aligned to organisation strategies” (p. 248). It is a management approach that has become important for many organisations in the last decade (Vom Brocke, Zelt & Schmiedel, 2016) and most organisations are treating it as an imperative (Alotaibi & Lui, 2017) . BPM is used by organisations to achieve their objectives by improving, managing, and controlling vital business processes (Buh et al., 2015). It assists many organisations to be innovative and continuously improve their business processes (Vom Brocke et al., 2016).

BPM is a multifaceted phenomenon and its success is dependent on many elements (Buh et al. 2015) such as operational, strategic, technological, and organisational factors (Bai & Sarkis, 2013). In practice, a large number of projects fail because of these BPM complex factors (Trkman, 2010). Narrowing down these factors will simplify decision making and management of BPM initiatives.

These complex factors are the reason why organisations have to pay attention to Critical Success Factors (CSF) (Bai & Sarkis, 2013).

Various academic researchers have highlighted that Business Process Management (BPM) can be used to increase customer satisfaction (Alotaibi & Lui, 2017; Buh et al. 2015; Vom Brocke et al., 2016). This assertion has been acknowledged by Gabryelczyk and Roztockki (2018) when they stated that BPM also leads to higher customer satisfaction in transitioning economies. BPM is a concept that is utilised by organisations in the service industry to attain sustainable competitive advantage (Wong, Ahmad, Mohd, Nasurdin & Mahamad, 2014) by taking a process approach which focuses on processes from a customer's point of view (Buh et al. 2015). The aim is to meet customer requirements and therefore warrant their satisfaction (AlShathry, 2016; Škrinjar & Trkman, 2013).

This connection between business processes and customer satisfaction was established in the early 1960s (Botha & Van Rensburg, 2011). Customer satisfaction can be improved using business processes to provide great customer experience (Buh et al, 2015). Customer Satisfaction is one of the main factors in the sustainable development of organisations (Nguyen, Nguyen, Nguyen & Phan, 2018). It is an indication of how an organisation's perceived service exceed customers' expectations (Ruefenacht, 2018). Customer satisfaction will result in an organisation retaining its existing customers and attracting new ones (Botha & Van Rensburg, 2011). Therefore it is important for organisations to prioritise customer satisfaction by offering quality products and services (Botha & Van Rensburg, 2011).

1.3 Background to research problem

Insurance is a service oriented business. Marjonovic and Marthy (2016) define service as "the application of competence and knowledge to create value between its providers and receivers" (p.48). They explain that service is made up of a combination technology, people, processes, and shared information, for example legislation, norms and assumptions (Marjanovic & Murthy, 2016).

The KPMG South African Insurance Industry survey highlights that winning customer in the 21st century, insurers need an approach that links the internal processes (front, middle, and back offices) to the customer needs. This will allow Insurers to treat customers as people with many and varying insurance requirements and not just as policy holders of a certain class of business (KMPG, 2017). Alhassan and Biekpe find that most service organizations still follow a product centric approach to address customer centricity (Alhassan & Biekpe, 2019). This notion is confirmed by the KPMG report that compares the insurance industry's customer agenda to other industries. It revealed that the insurance industry is lagging behind considerably in understanding its customers needs.

1.4 Research Problem

The South African Insurance industry is a key player in the financial services sector and in the economy. However, the industry is facing many challenges. It is important for organisations to prioritise customer satisfaction by offering quality products and services (Botha & Van Rensburg, 2011). The aim of these insurers is to create customer satisfaction which is a result of the difference between good customer experiences and the less good ones (Botha & Van Rensburg, 2011). Misalignment between the customer's needs and the business processes creates a value gap (Pyon et al., 2011). The value gap will result in unhappy customers as customer value is created to bring about customer satisfaction (Borgianni, Cascini & Rotini, 2010). Unhappy customers will result in high cancellation rates and low acquisition rates (Ruefenacht, 2018) which will in-turn put a burden on the bottom line that is already being threatened by many challenges. Lambert (2009) stated that retaining customers can affect an organisation's profitability significantly.

1.5 Scope of research

In an effort to answer the research question, how does Business Process Management (BPM) influences higher customer satisfaction levels in the South African insurance industry, the study's aimed to

- Get an in-depth understanding of how BPM is defined in South African insurance companies.
- Explore how South African Insurers ensure that they implement BPM initiatives that deliver superior value to their customers.
- Gain a thorough comprehension of the perceived features of a customer centric organisation in the South African insurance industry.
- Combine insights gained from the three questions above and use the Botha, Kruger, & De Vries, (2012) ECEF framework as a guideline to determine how South African Insurers ensure that they implement business processes that lead to higher customer satisfaction levels.

1.6 The theoretical need for the study

Literature statistics depict that there has been a lot of research conducted on the subject of Business Process Management (BPM) (Roeser & Kern, 2015). Most of the studies in top journals were conducted in Europe, America, and Asia. Roeser and Kern (2015) indicated that future research should be carried out in other regions like Africa because of the effect context that is rooted in BPM. Their view was also emphasised by Vom Brocke, Zelt and Schmiedel (2016) who stated that there are various factors that provide context to BPM namely organisational size, industry, market and available resources. Trkman et al. (2015) distinguished practices in service and product organisation, therefore illustrating that industry is a significant contextual factor.

There is a considerable amount of literature that assessed the relationship between BPM's predecessors (i.e. Total Quality Management and Business Process Re-engineering (BPR) and customer satisfaction. However, research that reviewed this relationship in the insurance industry is very limited. Alotaibi & Lui (2017) defined BPR as "A basic rethinking and a radical redesign of BPs that aims to improve business performance, quality, cost, and services" (p. 1121). This means that BPR aims to fundamentally change business processes in order to improve services and attain customer satisfaction, while BPM aims to improve, manage, and control vital business processes (Buh et al., 2015). Therefore there is a need to understand how BPM can lead to customer satisfaction.

In South Africa, Botha, Kruger and De Vries (2012) developed a model to enhance customer experience in the telecommunication company. The aim of the framework is to enhance business processes and determine the impact on customer satisfaction. They recommended that this framework has to be applied in other industries such as banking and insurance. This study will add to the body knowledge by exploring the critical success factors that are necessary for BPM to deliver value to customers and therefore leading to higher customer satisfaction in a developing economy within the insurance industry. The study will also make use of the framework to analyse the methods that companies in the South African use to improve their business processes.

1.7 The business need for the study.

Eling and Lehmann (2018) mentioned that digitalisation will amend the value chain of the insurance industry with assorted new ways of customer interaction and new business processes. They defined digitalisation as "The integration of the analogue and digital worlds with new technologies that enhance customer interaction, data availability and business processes." However Trkman et al. (2015) asserted that business process improvement by itself will not deliver value to customers. They further elaborated that despite customer centricity being declared as important by most organisations, most process improvement projects and tools do not consider customer needs.

Škrinjar and Trkman (2013) also highlighted that IT without effective business processes will not lead to organisational success. This means that digitalisation by itself will not deliver customer value if it is not supported by business processes that consider customer needs. Klun and Trkman (2018) said, "BPM is at an important crossroad: with all the hype about digital transformation/ Internet of Things (IoT)/ social networks and related concepts, the question is whether the field will be able to re-invent itself to be a cornerstone of the research of the processes in these areas." (p. 800). This study will assist organisations in practice to drive their digitalisation strategies with the consideration of delivering customer value that leads to higher levels of customer satisfaction.

As indicated above, most of the research in BPM is quantitative which has advantages and disadvantages for practitioners. The advantage is that some of this research provides practitioners with a starting point for BPM implementation . The disadvantage is that some results found are reliable but not usable, which doesn't provide practitioners with more knowledge and insight into practice (Roeser & Kern, 2015). The study by Trkman et al. (2015) reported that in practice most practitioners still apply a one-size-fits-all method to BPM projects. This study will assist practitioners to gain a thorough understanding of the influence of BPM on customer satisfaction.

2 Literature Review

2.1 Introduction

Randolph (2009) defined literature review as “Information analysis and synthesis, focusing on findings and not simply bibliographic citations, summarizing the substance of the literature and drawing conclusions from it” (p. 2). It is a means of representing a researcher’s understanding about a particular topic, the history of the topic and its theories (Randolph, 2009). Boote & Beile (2005) point out that “a thorough, sophisticated literature review is the foundation and inspiration for substantial, useful research” (p. 3), while Cronin, Ryan, & Coughlan (2008) added that a decent literature review will have information that has been collected from various sources. The objective of this literature review was to conduct such an in-depth review assessing various sources on the topic of Business Process Management and its influence on customer satisfaction.

The focus of the literature review was on journals and conference publications, as Vom Brocke & Sinnl (2011) highlighted that these data sources are where fundamental BPM research is deliberated and peer reviewed. The review of the existing literature is broken down into four sections.

The literature review will first concentrate on the concept of Business Process Management. It will review the definition of BPM; followed by the evolution of BPM - from its inception when people started trading with each other, to the current state that the BPM concept finds itself in. Critical success factors of BPM will be analysed in order to reveal the factors that literature deems necessary for BPM success. The second concept that the literature review will concentrate on is customer value. The definition of customer value will be assessed. A review of the role that BPM plays in delivering customer value will also be conducted.

Customer centricity is the third theory that the literature review will focus on. The review will pay attention to the definition of customer centricity and how BPM assists organisations to be customer centric - particularly in the insurance industry. Finally, the literature review will look into BPM and its impact on customer satisfaction by improving business processes that enhance customer experience through providing superior value to the customer. Customer complaints management and its role as a feedback mechanism for organisations to enhance business processes will be reviewed, and net promoter score will be assessed as a benchmarking tool that can be used to measure and monitor customer satisfaction.

2.2 BPM

BPM has been around for more than 20 years but there are still disagreements and ambiguity amongst both academics and practitioners with regards to its definition, usage and scoping (Buh et al., 2015). It was underlined by Buh at el. (2015) that BPM has three interpretations “BPM as a software solution to automate and manage processes; BPM as a lifecycle approach to managing and improving processes; and BPM as an approach to managing an organisation that takes a process view” (p. 244)

The above claim by Buh at el. (2015), that BPM is understood and interpreted differently by different people is supported by the different definitions that were found in literature. Five definitions by different authors for the last five years (between 2014 and 2018) are provided to illustrate the difference.

Table 1: BPM Definition

Authors	Definition
(Wong, Ahmad, Mohd, Nasurdin, & Mahamad, 2014)	All efforts in an organization to analyze and continually improve fundamental activities such as manufacturing, marketing, communications and other major elements of company’s operations. (p.125)
(Buh, Kovacic, & Stemberger, 2015)	BPM as a management approach that takes a process view and is dependent on strategic and operational elements, the use of modern tools and techniques, the involvement of people and focuses on effectively satisfying customer requirements.” (p. 244).
(AlShathry, 2016)	“A vital approach for keeping business process in control by implementing continuous analysis, optimization and improvement activities the thing that results in clearer business visibility and better performance. (p. 508)
(Alotaibi & Lui, 2017)	“Business PM is a management discipline that provides support to organisational processes using different methods, techniques and software tools in order to control and analyse organisational processes and activities, which include people, organisations, applications, documents and other related information.” (p. 1119).
(Van Looy & Van den Bergh, 2018)	“The business process management (BPM) discipline aims at managing and improving the business processes of an organization to achieve, among others, long-term sustained competitive advantage and compliance for organizations. It does so by combining specific technologies (e.g., designing, automating, and monitoring business

Authors	Definition
	processes) and management principles (e.g., organizational structure, leadership styles and cultural readiness)” (p. 479)

There are common themes in the definitions above pertaining to organisations’ processes (activities, functions). However, there are also fundamental differences. But *et al.* (2015), Alotaibi and Lui (2017), and Van Looy and Van den Bergh (2018) agree that it is a management approach that uses tools and people to achieve the organisation's objectives. However, Buh *et al.* (2015) and Alotaibi and Lui (2017) do not mention business process improvement in their definitions of BPM. They regard BPM as a discipline that manages and controls the business processes, whilst AlShathry (2016) and Wong *et al.* (2014)’s definitions are silent on BPM as a management approach, and do not touch on the people and tools aspect. Buh *et al.* (2015) are the only authors who mentioned customers in the above definitions.

For the purposes of this study, the focus was on the definitions that concentrated on the customer, and definitions that were provided in financial services and insurance BPM articles. Daines (2014) stated that BPM centres on bridging the organisation with the needs and wants of their customers through enhancing the organisation’s processes, utilising knowledgeable employees in cross-functional teams, where tasks and activities are viewed horizontally across different teams instead of vertically within a team (Nadarajah & Kadir, 2014). Roeser & Kern (2015) defined BPM as “A management approach that focusses on business processes” and they defined Business Process as “Horizontal sequence of activities that transform an input (need) to an output (result) to meet the needs of customers or stakeholders” (p. 693). It is a process of transforming customer requirements into goods and services that will deliver value to the customer (Lau, Nakandala, Samaranayake & Shum, 2016).

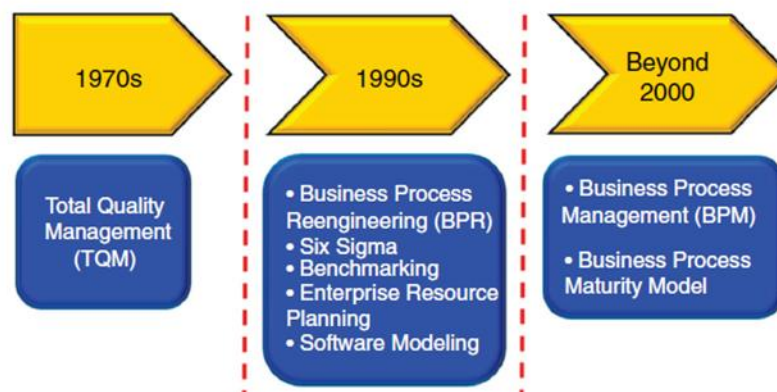
Teodoru (2009) in his article about BPM solutions in Financial Services defined Business processes as ” A collection of related, structured activities or tasks that produce a specific service or product (serve a particular goal) for a particular customer or customers” (p. 48). Coric & Bara (2014) defined it as “ A sequence of logically related activities and companies resources, with the ultimate aim of which is to achieve customer satisfaction with their products or services of appropriate quality and price, within a reasonable time and the pursuit of added value” (p. 867) in their article that looked at BPM in an insurance company.

In conclusion a set of BPM rules by Pyon, Woo, & Park (2011) were looked at, namely; It must be centred on the customers, each process must be measured to assess its performance, it must be applied throughout the organisation and it must incorporate best practices that lead to superior

competitiveness. These BPM rules, together with the above definitions that focused on the customer, necessitated the review of the evolution of BPM literature to present how customers became the heart of BPM.

2.2.1 Evolution of Business Process Management (BPM)

The concept of processes began in ancient times when people stopped being both the producers and consumers of all their products, and started to specialise in producing specific types of goods (Alotaibi & Lui, 2017; AlShanthry, 2016). This concept matured over time through the work of Adam Smith in the 1700s and Frederick Taylor in the dawn of the 21st century (Jeston & Nelis, 2014; Van der Aalst, 2013) The ultimate goal of Taylor’s theories was to produce more goods to meet customer’s expectations (Lindsay, Downs & Lunn, 2003). Nadarajah & Kadir (2014) illustrated the evolution of BPM from 1970 onwards in Figure.1 below. In the 1970s and 80s, various concepts that dealt with the process of producing goods were introduced, namely Total Quality Management (TQM), Six Sigma and Lean Management. These concepts focused on producing quality products quicker and cheaper (Alotaibi & Lui, 2017).



Figures 1: The evolution of BPM

Adapted from Nadarajah, D. & Kadir, S. (2014). A review of the importance of business process management in achieving sustainable competitive advantage. *Tqm Journal*, 26(5), 522-531. doi:10.1108/TQM-01-2013-0008

Michael Hammer presented Business Process Re-engineering (BPR) in the 1990s (Ko, Lee, & Lee, 2019). Business process Re-engineering was the first concept to focus on non-production processes such as customer service (Jeston & Nelis, 2014). BPR was defined as a way for organisations to evaluate, rethink, restructure, and redesign their business processes. The main purpose was to increase quality, cost, service, and consumer satisfaction. It was designed to radically alter business processes. It applied an ‘all-or-nothing’-approach that often led to the creation of new processes across the organisation (Alotaibi & Lui, 2017). BPR was criticised and labelled as a myth that did not encourage practical methods by the research community and it ultimately faded out because of the misunderstanding of the concept and lack of tools to support it (Klun & Trkman, 2018).

The term Business Process Management (BPM) was first coined by S. Willams in the field of Systems Engineering in the 1960s, but only gained popularity after the introduction of Business Process Re-engineering (Alotaibi & Lui, 2017). BPM manages the technological innovations that can be used in business process improvements through BPR (Anand, Fosso Wamba & Gnanzou, 2013; Klun & Trkman, 2018). Nadarajah & Kadir (2014) summarised it well by stating that “BPM integrates the incremental, evolutionary and continuous improvement nature of TQM with the radical, revolutionary and big bang approach of BPR, for the purpose of performance sustenance while ensuring activities involving customers are executed efficiently and effectively” (p. 525)

The evolution depicts that customers have always been at the centre of BPM. Anand et al. (2013) indicated that there is a direct correlation between business process management and business success. However, Wong et al. (2014) argued that BPM implementation can produce inconsistent results, and that it regularly resulted in failure. Bai and Sarkis (2013) supported their point of view by revealing that the failure of many BPM initiatives makes it necessary to identify, analyse, and evaluate Critical Success Factors (CSF) for BPM.

2.2.2 Critical Success Factors

In 1979, Rockart introduced the theory of Critical Success Factors (CSF) (Škrinjar & Trkman, 2013). Over the years it has been one of the most researched topics (Trkman, 2010). Gabryelczyk and Roztockki (2018) defined CSF as the limited number of areas in which results, if they are satisfactory, will ensure the successful competitive performance of an organisation. It was further elaborated that CSF are a small number of situations where things have to occur in a correct and precise manner for a business to thrive (Škrinjar & Trkman, 2013). BPM has not been any different. The topic of BPM's critical success factors has been an area of interest for both researchers and practitioners (Gabryelczyk & Roztockki, 2018).

Approximately twelve different CFS were identified in literature studies, but for the purposes of this study the focus will be on the six CFS that were common amongst different researchers, namely alignment to strategy, people, performance measure, project and change management, information technology and culture. A number of studies (Bai & Sarkis, 2013; Ravesteyn & Batenburg, 2010; Skrinjar & Trkman, 2013; Trkman, 2010) reported that BPM that incorporates all these factors will lead to competitive advantage. However, Trkman et al. (2015) suggested that customer satisfaction is actually what leads to competitive advantage.

The CFS in this study are viewed from the contingency theory point of view. Contingency theory states that there is no optimal way of gaining success in business, and that what one organisation does to gain competitive advantage might not yield the same results for another organisation. The

best way of managing an organisation is dependent on external and internal factors (Trkman, 2010; Vom Brocke et al., 2016). This view is also supported by Gabryelczyk and Roztocki (2018), who mentioned that BPM success is not the same in different environments. Vom Brocke et al. (2016) suggested that contingency theory does not just apply to organisations, but that it is also applicable to processes.

2.2.2.1 BPM alignment to strategy

Alignment of BPM to the strategic goals has been identified as one of the critical success factors for implementation and adoption of BPM (Buh et al., 2015; Gabryelczyk & Roztocki, 2018; Vom Brocke et al., 2014). It was stated by Škrinjar and Trkman (2013) that one of the central reasons for failures in BPM is the lack of linkage between the organisational strategy and BPM. Bai and Sarkis (2013) agreed with this view when they highlighted that the most prevalent motive for BPM project failure is misalignment between organisational strategy and BPM. However, Trkman (2010) pointed out that the adoption of BPM alone will not automatically translate into implementation and execution of a good corporate strategy.

BPM should not have a silo view where organisations are working in functional isolation and focusing only on specific areas of an organisation. It should have an enterprise view and focus on the whole value chain (Trkman et al., 2015; Vom Brocke et al., 2014). Various parts of the organisation should work harmoniously to achieve common organisation goals (Botha & Van Rensburg, 2011). BPM initiatives will be the most successful if they are tied to a strategy that is aimed at attaining a competitive advantage (Balanescu, Voicu & Beliciu 2014; Tarhan, Turetken & Reijers, 2016). This will provide an organisation with long-term business success (Škrinjar & Trkman, 2013; Vom Brocke et al., 2016). Wong, Tseng and Tan (2014) concurred by highlighting that executives who align strategic goals with BPM are more likely to improve and sustain the success of an organisation. However, not only should strategic goals be linked to BPM initiatives, but they should also align to the results of such initiatives (Bai & Sarkis, 2013).

Wong et al. (2014) point out that strategic alignment consists of two viewpoints, i.e. process alignment and customer service. The purpose of process alignment is to organise the various parts of the organisation to be effective and efficient, while customer service includes activities that are undertaken to manage customer-related issues such as managing customer information, complaints and feedback. Any company that invests in both these viewpoints could improve their performance with ease (Wong et al., 2014).

2.2.2.2 Performance Measurement

Processes should be tracked and monitored at critical points to ensure that they meet customer requirements, improve turnaround times, and increase productivity (Trkman, 2010). Danilova (2018) added process reliability, process consistency, process flexibility, quality of output and customer satisfaction as other metrics that should be monitored in a process. Bai and Sarkis (2013) concurred by indicating that “you cannot manage what you cannot measure” (p. 283). Organisations should set clear target process goals (Škrinjar & Trkman, 2013). Results from these performance measures should be used as feedback to support continuous improvement of processes, thereby leading to BPM successes (Škrinjar & Trkman, 2013). Gabryelczyk & Roztocki (2018) agreed by stating that “process measurement of time, costs, quality, productivity and customer satisfaction, forms a feedback for continuous improvements.” (p. 240).

Continuous monitoring and measurement of the targets provide an organisation with more efficient and effective control over its processes (Bai & Sarkis, 2013). Wong et al. (2014) emphasised that both objective and subjective measures should be monitored. Objective measures use quantitative measurement, while subjective measures use feedback from stakeholders. Škrinjar and Trkman (2013) highlighted that most organisations have set performance measurement goals for their processes, but employees are often not aware of these goals, which makes it difficult for them to change their behaviour in order to meet those goals.

2.2.2.3 People

2.2.2.3.1 Top Management involvement

Top Management is considered to be one of BPM's CSF (Bai & Sarkis, 2013; Buh et al., 2015; Trkman, 2010). It was considered by Trkman (2010) as the most important CSF. Various authors have indicated that BPM projects have a high probability of success if Top Management members support, comprehend, and actively participate in BPM initiatives (Bai & Sarkis, 2013; Buh et al., 2015; Škrinjar & Trkman, 2013; Wong et al., 2014). Wong et al. (2014) added that Top Managers have to collaborate and work together to come up with business solutions through BPM. They can encourage the whole organisation in the adoption of BPM (Wong et al., 2014). This reinforces the view that there should be a fit between the strategic goals of an organisation and BPM (Bai & Sarkis, 2013).

Senior management are responsible for the design and implementation of the corporate strategy (Bai & Sarkis, 2013). They set the vision and the mission and develop policies that govern the organisation (Chin, Chan & Lam, 2008). They rubber-stamp all the decisions that are taken in the organisation, and are also responsible for distributing and prioritising the company resources (Bai &

Sarkis, 2013; Balanescu et al., 2014). They lead the teams and inspire employee involvement (Bai & Sarkis, 2013). Top management is responsible for prioritising business processes that will result in competitive advantage for the organisation (Botha & Van Rensburg, 2011). They are also responsible for gathering information about customer needs and disseminating it in the organisation (Saarijärvi, Kuusela, Neilimo & Närvänen, 2014). They are able to examine weaknesses in business processes and proactively improve such processes to moderate risk and live up to customer requirements (Wong, et al., 2014).

2.2.2.3.2 Employees

Employees have to be involved in BPM projects from the beginning (Alotaibi & Lui, 2017). They must have a comprehension of the overall process and how sub-processes interact with each other. Employees must understand that, irrespective of their role, they are part of a collection of integrated activities that create value to the customer (Van Assen, 2018). They must identify core processes and understand their role in those processes. Employees should recognise how processes align to the organisational goals (Škrinjar & Trkman, 2013). Trkman (2010) illustrates that there is a link between employee training and BPM success; hence, employee training is a requirement.

Employee training and education will inspire process thinking and process ownership (Buh et al., 2015). BPM projects fail when employees are unable to appreciate the process thinking and process change (Wong et al., 2014). This approach of thinking is necessary when enhancing business processes to align to customer needs (Botha & Van Rensburg, 2011), and it promotes formalisation of processes (Van Assen, 2018). The process owners' capabilities and training requirements should be defined with precision by the organisation (AlShathry, 2016)

2.2.2.3.3 Process Owners.

Having process owners ensures that BPM is not an informal concept in organisations (Vom Brocke et al., 2014). All processes in an organisation must therefore be assigned a dedicated process owner who will be responsible and accountable for the process performance and its continuous improvement (Trkman, 2010). Danilova (2018) regards a process owner as “a leader, an entrepreneur and a negotiator”, a “change agent” and an “evangelist” for customer interests” (p. 153). Process owners ensure that processes are effective and consistently performed (Danilova, 2018).

Process owners must gather customer requirements and promote customer interest. They must be able to liaise with and influence all the stakeholders, especially executives and business units heads. They must ensure that business process performance is linked to strategic goals (Danilova, 2018). To succeed in their role, process owners must be permanent senior employees who will have

authority to make changes on the processes and to train front line employees who work on the processes (Trkman, 2010). Developing a BPM centre of excellence or BPM office increases the likelihood of process owners to succeed in their roles (Vom Brocke et al., 2014).

2.2.2.4 Information Technology support

IT provides an organisation with many opportunities to automate and transform their business (Rahimi, Hvam & Moller, 2016). The role of Information Technology (IT) has therefore changed from supporting to developing and influencing the business objectives (Anand et al., 2013). IT impacts on how organisations carry out their tasks (Mendling, Decker, Reijers, Hull & Weber, 2018). It improves process efficiency and effectiveness (Vom Brocke et al., 2014). Therefore, an organisation that aligns its corporate strategy to its IT will have long-term business success (Alotaibi & Lui, 2017; Rahimi et al., 2016). This view is supported by various authors (Bai & Sarkis, 2013; Buh et al., 2015; Trkman, 2010; Wong et al., 2014).

IT is a pillar of processes (Wong et al., 2014) as it maintains and automates business processes (Alotaibi & Lui, 2017). It is the usual partner to BPM (Bai & Sarkis, 2013), hence it is important in BPM implementation. Wong et al. (2014) emphasised the symbiotic relationship between IT and BPM. Managers have to redesign their main processes from a customer's viewpoint utilising IT (Bai & Sarkis, 2013), since IT assists in increasing customer satisfaction when it is used to support business processes (Vom Brocke et al., 2016).

Trkman (2010) also highlighted that, due to many failed IT projects, some hold a view that IT is unable to provide an organisation with a competitive edge. This failure can be attributed to the lack of alignment to the business strategy. Another reason for the failure can be attributed to the conflict between IT managers and senior business managers. IT managers interpret BPM from a technical point of view, whilst senior managers interpret it from a business point of view (Alotaibi & Lui, 2017). Škrinjar & Trkman (2013) maintained that, when there is no correlation between costs spent on IT and customer service performance (i.e. IT without effective business processes), it will not lead to organisational success. Their view was supported by Mendling et al. (2018), who stated that organisations have to change their business processes if they want to reap the benefits from IT investment.

2.2.2.5 Culture

Bai & Sarkis (2013) stated that "Organizational culture incorporates the collective values and beliefs in regards to the process-centred organization." (p. 284). There is still divergence in whether BPM should fit the organisational culture, or whether culture should change to fit BPM initiatives. Vom Brocke et al. (2014) alluded that to be successful, BPM has to be embedded into the organisational

culture. Ruževičius, Klimas and Veleckaitė (2012) added that it is because it takes a very long-time to change organisational culture, while Wong et al. (2014) pointed out that the organisational culture has to be conducive for BPM to be effective. However, there are no disagreement to the fact that culture is of paramount importance in BPM. Culture is the reason for failure or success of BPM (Wong et al., 2014). Nevertheless, it will be successful only if there is consensus amongst all stakeholders about why and how it is implemented (Wong et al., 2014), and employees at all levels should welcome and participate in the change (Buh et al., 2015). Both managers and other employees have to comprehend the notion of BPM and move away from traditional functional style thinking to business process orientation thinking (Buh et al., 2015).

Employees should work horizontally across functional departments and cross-functional communication is required to ensure a mutual understanding of what is to be achieved (Bai & Sarkis, 2013). This communication is needed to create awareness and successful BPM adoption (Buh et al., 2015). Managers utilise the organisation's communication channels to ensure that its vision is communicated at all levels of the organisation (Bai & Sarkis, 2013), and that the strategic intent of BPM initiatives is understood by each and every employee in the organisation (Wong et al., 2014). This ensures that employees at all levels are aware that all BPM initiatives must be designed and implemented with the organisation's strategic goals in mind (Buh et al., 2015; Wong et al., 2014). Camgöz Akdağ, İmer and Ergin (2016) concluded by pointing out that process communication has a strong correlation with customer centricity.

Documentation (i.e. standard operating procedures, work manuals and process maps etc.) is another artefact that contributes to organizational culture (Van Assen, 2018). Saarsen & Dumas (2013) indicated that process documentation should meet the following aspects.

- Completeness – The documentation should cover all processes at different levels of the activities.
- Consistency – The documentation should be uniform and standard across the different processes.
- Comprehensibility and updatability – Documents should be relevant with the most recent changes always included in the documents

As an organisation is a system of interconnected business processes, mapping business processes is vital in BPM (Lau et al., 2016) and up-to-date process documentation assists in integrating processes and making sure that process performance is stable (Van Assen, 2018)

2.2.2.6 Change and Project Management

Many authors have identified change management as one of the critical success factors. A literature review that was conducted revealed that the topic of change management is not covered in detail by a number of these authors. This might be due to the fact that many of these factors that were identified as influencers of BPM change management are also critical success factors themselves. These factors include management commitment, employee buy-in and effective communication (Rosemann & Vom Brocke, 2010).

According to Sikdar & Payyazhi (2014), for BPM initiatives to be successful, organisations are required to change with regards to structure, culture, politics, and management of processes. The change would require different employees to relate differently, as the execution of business processes might require their roles to change. Employees are expected to put the interest of the process first (Rosemann & Vom Brocke, 2010). How organisations respond and accept these changes will lead to BPM success (Rosemann & Vom Brocke, 2010).

Effective project management plays an important role in BPM implementation. Since BPM projects are complex, risky and involves employees from different departments, they have to be planned and managed effectively (Bai & Sarkis, 2013). Buh at el (2015) stated that BPM projects must have a clearly defined aim, project plan, and deliverables that are well communicated.

The CSF mentioned above are evaluated in relation to their role in ensuring that BPM delivers value to the customer. The next section of the literature review will look at customer value.

2.3 Customer Value

Customer value arose as one of the most important influences in an organisation's success in the 1990s (Martelo et al., 2013). Khosravi (2016) defined customer value as "a set of benefits and attributes in a property, product or service that persuades a customer to pay the price, take possession of it, and enjoy taking benefit from it." (p. 122). To fully understand customer value, organisations have to ask: "what do customers really want and how do we meet their demands" (Weinstein & McFarlane, 2017, p. 2).

Customer value can be an instrument that organisations can use to acquire and retain clients, and it assists organisations to develop their value proposition (Martelo et al., 2013). Customer value can improve customer experience by means of products and services that meet customer requirements (Botha & Van Rensburg, 2011). Kumar et al. (2019) defined customer experience as "customer activity chain, extending before and after the purchase instance" (p, 139), while Homburg, Jozić, &

Kuehnl (2017) defined it as “ the evolvement of a person’s sensorial, affective, cognitive, relational, and behavioural responses to a firm or brand by living through a journey of touchpoints along prepurchase, purchase, and postpurchase situations and continually judging this journey against response thresholds of co-occurring experiences in a person’s related environment.” (p. 384). Customer journey mapping is used to analyse customer experience (Pavlić & Ćukušić, 2019).

Service experience is the total customer experience that emanates over time out of all forms of customer dealings and communications. Service is a process that is made up of an aptitude and know-how to create value for the customer (Marjanovic & Murthy, 2016). Botha and Van Rensburg (2011) regarded customer satisfaction and customer loyalty as the ultimate goals of good customer service. This was confirmed by Nguyen et al. (2018) when they suggested that there is correlation between service quality and customer satisfaction. Nguyen et al. (2018) highlighted that service quality in insurance measures the extent of customer perception of the terms and the clause of the insurance contract, keeping promises, and customer services of the insurance company.

2.3.1 Role of BPM in delivering customer value

BPM provides an organisation with the opportunity to get detailed insights on their customers’ needs (Wong et al., 2014). The goal is to create value for the customer (Trkman et al., 2015). It focuses on delivering customer value that leads to business success (Ruefenacht, 2018). However, when the internal business processes do not align with customer needs, a negative value gap is created. In Financial Services negative value gaps are mostly attributed to business processes than single transactional interactions with the customer (Pyon et al., 2011). The customer’s view of value must be placed at the centre of business processes (Van de Hemel & Rademakers, 2016), but organisations first need to understand value from the customer’s perception. Organisations have to involve customers (co-create) in designing processes, since co-creation is a core attribute of value creation (Ruefenacht, 2018). Pavlić and Ćukušić (2019) concurred by stating that customers must be involved in business transformation initiatives - and not just as providers of customer requirements - but through involvement in workshops with internal teams.

BPM can be used to enhance and manage business processes that can deliver great value to the customer (Trkman et al., 2015). However, the customer experience should be considered first before the start of every BPM project, instead of only considering it when customers are complaining (Pavlić & Ćukušić, 2019). It was further revealed by Pavlić and Ćukušić (2019) that there are many advantages of starting a BPM project by first understanding the customer experience, such as reduced silo mentality, upsurge in innovation levels, meeting customer expectations and reduced business processes that just focus on internal benefits. Organisations must not assume that internal back office process improvement by itself will bring a perception of improvement or value to the

customer (Trkman et al., 2015; Pyon et al., 2011). Yet, most practitioners still take an inside-out approach that focuses more on re-engineering and enhancing intra-organisational processes that do not take into account customer value creation (Trkman et al., 2015). Borgainni et al. (2015) echoed the same sentiments by stating that most business process improvements focus more on cost saving and ignore the relevance of delivering value to the customer.

Alignment of an organisation's functional activities to customer value leads to customer centricity (Bonacchi & Perego, 2011). This highlights the relationship between customer value and customer centricity. Customer value is the aptitude of organisations to build something that will be worthwhile to the customer in their goods and services, particularly to services they render to customers (Weinstein & McFarlane, 2017). The next part of the literature review will focus on BPM's impact on customer centricity, which in turn influences customer satisfaction. Borgianni, Cascini and Rotini (2010) stated that value is created to a customer to bring about customer satisfaction. Customer value creation is connected to business processes (Pyon et al., 2011), and customer centricity is a significant paradigm in BPM (Trkman et al., 2015; Wong et al., 2014).

2.4 Customer Centricity

The concept of customer centricity has been in existence for more than half a century. Peter Drucker laid the foundation of customer centricity as a business concept in the mid-1950. He stated that customers are the reasons why business exist, they dictate which products/services the business must produce, and also have a major impact on the success of any organisation (Ambaram & Maram, 2014). This concept was re-emphasised by Leviitt in the 1960s when he stated that an organisation should focus on customer needs instead of just producing and trading products (Shah, Rust, Parasuraman, Staelin, & Day, 2006). Customer centricity is sometimes referred to as customer focus or customer orientation (Marjanovic & Murthy, 2016).

Customer centricity has many definitions in the literature, but the definition by Van de Hemel and Rademakers (2016) was found to be all-inclusive. It stated that customer centricity is "A business approach that places the value perception of the customer at the centre of attention and takes it as the starting point for all organizational activities. Strategy development starts consistently at the customer and flows back to the organization (as opposed to inside-out thinking; that is, from the organization to the customer). The aim is to create an optimal and distinctive fit between the value perception of the customer and the products/services offered. In this way, superior value is created for the customer, and superior value is captured by the organization." (p. 214).

Core features of customer-centric organisations include exceptional customer collaboration and being at ease with the market and customer needs (Saarijärvi et al., 2014). This view was supported

by various authors who indicated that a customer-centric organisation puts the interest of the customer first, where every aspect of the organisation revolves around customers' needs and preferences (Ambaram & Maram, 2014; Kim, Beckman & Agogino, 2018; Marjanovic & Murthy, 2016; Vlašić & Tutek, 2017). It focuses on comprehending the customers, what they want and what they are expecting (Vlašić & Tutek, 2017). This fact was emphasised by Van de Hemel and Rademakers (2016) when they stated that "customer-centric organisations master the art of deeply understanding customers' needs first" (p, 213). Understanding customers enables the development of trust and partnership between a customer and the organisation (Ambaram & Maram, 2014). The best approach to understand what customers want is to ask them and listen to them (Reesink, 2014). Other valuable information can be collected by an organisation at customer touchpoints, including queries and complaints (Van de Hemel & Rademakers, 2016).

A customer centric organisation aims to meet and exceed customers' needs and expectations (Vlašić & Tutek, 2017). All its products and services are developed and improved with a deep understanding of customers' needs and wants (Van de Hemel & Rademakers, 2016). A customer centric organisation puts customer knowledge at the forefront to segment its customers and create bespoke products and services for specific customers (Ambaram & Maram, 2014). However, an organisation has to be agile in order to respond to the frequently changing customer needs (Bonacchi & Perego, 2011; Van de Hemel & Rademakers, 2016). It has to respond to these needs quicker and more proficiently than its competitors (Van de Hemel & Rademakers, 2016). Reesink (2014) indicated that understanding the customer journey can assist an organisation to respond better to customers' needs.

A customer centric organisation concentrates on creating superior value for the customer (Van de Hemel & Rademakers, 2016). It provides customer-focused solutions (Vlašić & Tutek, 2017) that are reliable (Van de Hemel & Rademakers, 2016). Ambaram and Maram (2014) added that a customer centric organisation creates a multi-channel environment to provide their customers with options. It gets the right equilibrium between customer experience and company profit (Bonacchi & Perego, 2011). Customer experience must be a central focus in a customer-centric organisation (Homburg et al., 2017). It uses the customers' insights to create an enterprise-wide alignment of organisational activities and tasks that supports the customers' needs (Ambaram & Maram, 2014; Bonacchi & Perego, 2011).

A customer centric organisation includes customer metrics such as customer satisfaction in their employees' Key Performance Indicators (KPIs), and measure and report on them regularly (Bonacchi & Perego, 2011; Van de Hemel & Rademakers, 2016; Reesink, 2014). Vlašić and Tutek (2017) concurred that "this requires companies to provide resources and support for employees to meaningfully engage in relationships with customers." (p. 4). It will ensure that there is employee

buy-in, and that employees put the customer first in everything they do (Van de Hemel & Rademakers, 2016).

Customer centricity provides an organisation with a competitive advantage that is unique and difficult for other organisations to emulate (Van de Hemel & Rademakers, 2016; Botha, Kruger & De Vries, 2012; Saarijärvi et al., 2014). However, Vlašić and Tutek (2017) cautioned that customer centricity can also lead to a firm being narrow-minded, where organisations stop coming up with innovative solutions. They further illustrate this notion by using Henry Ford's words, who said: "If I had asked people what they wanted, they would have said faster horses" (Vlašić & Tutek, 2017, p. 7). This means that by concentrating a lot on customers' needs, organisations run a risk of not developing innovative solutions that cannot be extracted from customer requirements.

2.4.1 Role of BPM in Customer Centricity

In order to be customer centric, an organisations' strategy, structure, systems and processes must be adjusted to improve the customer's perception of value creation (Van de Hemel & Rademakers, 2016). BPM can be utilised to assist an organisation to evolve from a functional to a business process-oriented organisation that prioritises customer needs (Buh et al., 2015). It was summarised by Saarijärvi et al. (2014) who stated that building customer centricity is a step-by-step methodology that focuses on business processes instead of functional structure. How these business processes are managed will result in an organisation structure that is customer centric; hence BPM is one of the core values of customer centricity (Trkman et al., 2015).

The philosophy of BPM is to meet customers' requirements and to satisfy their needs and wants (AlShathry, 2016; Botha & Van Rensburg, 2011). This view overlaps with the statement of Trkman et al.'s (2015) that BPM can be interpreted as a means of converting customer requirements into tangible products and intangible services. Lau et al. (2016) added that the starting point of re-engineering in BPM is meeting customer's need and delivering value to them. Prioritising customers' needs is a core feature of customer centricity (Saarijärvi et al., 2014). All the above mentioned points support the notion that business processes are at the heart of customer centricity, as stated in the literature by various authors (Bonacchi & Perego, 2011; Kim et al., 2018; Van de Hemel & Rademakers, 2016; Vom Brocke et al., 2016).

BPM initiatives should be started with an outside-in approach (i.e. with understanding customers' needs first before making changes to internal processes) (Trkman et al., 2015; Wong et al., 2014). The outside-in approach to strategy was advocated by Van de Hemel and Rademakers (2016) in their definition of customer centricity above. Earlier in the literature, the alignment of BPM initiatives to strategy was identified as one of BPM's critical success factors. This further signifies the link

between BPM and customer centricity.

Most organisations claim to be customer centric. However, research indicates that for a majority of these organisations, customer centricity is just a wish, something that they aspire to, or merely lip service (Marjanovic & Murthy, 2016; Mehraramolan, 2016; Van de Hemel & Rademakers, 2016; Vlašić & Tutek, 2017). Bonacchi and Perego (2011) succinctly explained that many firms do not operationalise a customer-centric strategy well. Marjanovic and Murthy (2016) and Mehraramolan (2016) concurred by illustrating that most organisations are still struggling to fully incorporate customer centricity standards, and that at close inspection most organisations' structure and processes confirm that these organisations are not customer centric. Trkman (2010) emphasised that even financial service institutions are not customer centric. They still have processes that are designed along product lines instead of customer lines. The different teams still operate in silos and fail to understand end-to-end customer processes well. This includes insurance companies, as they are part of financial service institutions.

2.5 Customer Satisfaction

Customer satisfaction started gaining relevance as an area of business interest in early 1970 (Kaur & Negi, 2010). There are many different definitions of customer satisfaction in the literature, and based on the literature review that was conducted, most of the definitions were found to have the notion of "exceeding customer expectation" as a common theme. This included the definition provided by Ruefenacht (2018), who researched the role of satisfaction and loyalty for insurers. He indicated that "satisfaction judgments are based on the expectancy-disconfirmation paradigm. Prior to purchase, customers form expectations of a particular product or service. In a post-purchase phase, they compare their expectations with the perceived performance, which leads to satisfaction judgments." (p. 1036). The definition by Terpstra and Verbeeten (2014) and Botha (2013) are one of the few definitions that do not make reference to "exceeding customer expectation". Terpstra and Verbeeten (2014) defined customer satisfaction as "a customer's response to consumption experiences" (p. 499), whilst Botha (2013) defined it as "result of a series of customers' experiences and the net result of good and bad customer experiences". (p. 7).

Customer satisfaction can be classified into two categories, namely transaction-specific and cumulative satisfaction (Ruefenacht, 2018; Terpstra & Verbeeten; 2014). The latter is a customer's overall experience with a service over a duration of time (Ahmed, Vveinhardt, Štreimkiene, Ashraf, & Channar, 2017). Satisfaction applies to people who are employed by the organisation (internal customers) and people who are not employed by the organisation (external customers) (Camgöz Akdağ et al., 2016). For the purposes of this study customer satisfaction refers to cumulative satisfaction, and it is defined for external customers.

A satisfied customer can be a brand ambassador for an organisation (Ahmed et al., 2017). They can be a source of positive word-of-mouth and thereby attracting new customers for the organisation (Terpstra & Verbeeten, 2014). On the contrary, dissatisfied customers will be a source for negative word-of-mouth, which can do much harm to an organisation. Kaur and Negi (2010) illustrated by stating “make a customer happy, he would tell two of his friends about it, make a customer unhappy, he would tell everyone he knows about it.” (p.13).

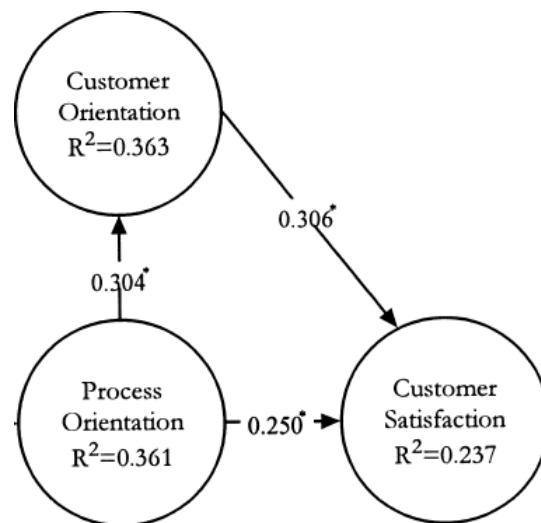
Kaur and Negi (2010) indicated that customer satisfaction can provide an organisation with differentiation in market. They further elaborated that customer satisfaction will result in an organisation retaining its existing customers and attracting new ones, which will increase profitability and market share. Their sentiment is shared by Ruefenacht (2018), who indicated that in insurance the persistency of satisfied insurance clients is higher and their cancellation rates are lower at renewal (Ruefenacht, 2018). Customer satisfaction is a key determinant of insurers’ financial performance (Ruefenacht, 2018), and it is one of the strategic pillars that lead to sustainable development and competitive advantage in the financial services sector (Kaur & Negi, 2010; Nguyen et al., 2018). Botha and Van Rensburg (2011) concluded by stating that organisations should follow a systems methodology to customer satisfaction by forming clear connections that start from internal processes, resulting in positive customer perceptions, and eventually in customer satisfaction.

2.5.1 BPM in customer satisfaction

The connection between business processes and customer satisfaction originated in the early 1960s when a technique to achieve an association between customer requirements and business processes was discovered (Botha & Van Rensburg, 2011). In figure 2 below, Nilsson, Johnson and Gustafsson (2001) also tested the relationships between process orientations, customer orientation - also referred to as customer centricity (Marjanovic & Murthy, 2016) and customer satisfaction in their research. Their study indicated that there is a significant relationship between process orientation and customer satisfaction - especially in services organisations. It also suggested that there is a significant relationship between customer centricity and customer satisfaction, although the relationship was stronger in product organisations. This signifies that customer satisfaction can be improved using business processes (Buh et al., 2015).

Botha et al. (2012) established a framework, they highlighted that “The main goal of the framework is to improve business processes and to measure the impact on customer satisfaction and consequently on customer experience” (p. 42). Buh et al. (2015) alluded that customer experience can be achieved through business processes that provide cost effectiveness, short turn-around-time and quality customer service. The framework provide seven steps that organisations can follow in order to improve business processes that will lead to customer satisfaction (see Appendix A). The

study reviews this framework in conjunction with other authors who have researched the customer in relation to BPM



Figures 2: Process, customer centricity & customer satisfaction relationship

Adapted from Nilsson, L., Johnson, M. & Gustafsson, A. (2001). The impact of quality practices on customer satisfaction and business results: Product versus service organisations. *Journal of Quality Management*, 6(2), 5-27. doi: 10.1016/S1084-8568(01)00026-8

Alotaibi and Lui (2017) stated that organisations have to use BPM to increase customer satisfaction. Improved customer satisfaction has been identified as one of the measures of successful BPM implementation (Buh et al., 2015; Gabryelczyk & Roztocki, 2018; Vom Brocke et al., 2016; Wong et al., 2014). Lau et al. (2016) argued that BPM must not only be used to increase customer satisfaction, but it must also serve the financial interest of an organisation.

2.5.2 Enhanced Customer Experience Framework

2.5.2.1 Step 1: Market Segment

Firstly, the organisation has to have a purpose that is driven by its strategy for improving business processes. The organisation will need to determine where there were service failures and where the enhancements are needed to improve customer experience. The strategy has to identify the targeted market segment based on customer needs (Botha, 2013). Epetimehin (2011) stated that “Market segmentation involves the grouping of customers with similar needs and buying behaviour into segments.” (p. 63).

Not all customers contribute to the organisation’s success. The aim of segmentation is to identify those customers that contribute more and tailor products and services that meet their needs (Ambaram & Maram, 2014; Lambert, 2009). Segmentation can be based on demographics, behavioural, geographic and benefit research (Epetimehin, 2011). However, Ambaram & Maram

(2014) argued that the use of non-demographic characteristics such as values and preferences add more value to an organisation than traditional segmentation that are based on demographics. Segmentation can assist organisations with improved comprehension of customer needs (Epetimehin, 2011).

2.5.2.2 Step 2: Detect Core Business Processes

Anand et al. (2013) revealed that business processes can be classified into two kinds of processes, namely operational processes (i.e. tasks or activities concerning the organisation's value chain and management process (i.e. tasks or activities for regulating, organising, and communicating and overseeing the overall organisation). Gibb, Buchanan, & Shah (2006) then divided the operational processes into two, namely

- Core processes – Tasks and activities for servicing external customers, e.g. administering insurance policies, etc.
- Support processes – Tasks and activities for servicing internal customers and core processes, e.g. managing finances, purchasing,

Process-oriented organisations focus on processes that place emphasis on customer satisfaction (Škrinjar & Trkman, 2013). These organisations have to identify their core processes that lead to differentiation and customer satisfaction (Botha & Van Rensburg, 2011; Camgöz et al, 2016; Vom Brocke et al., 2016;). Trkman (2010) indicated that “Core processes are those that deliver value to the customers” (p.128). In order to identify core processes, organisations should have a “helicopter” view of their own processes and their customer processes (Botha & Van Rensburg, 2011). Organisations have to find a connection between their business processes and the customers' own processes (Botha & Van Rensburg, 2011; Trkman et al., 2015; Vom Brocke et al., 2016). They have to understand how customers use their products and services in the customers' own processes. This can be achieved by developing an organisation's value chain analysis and grouping together all the business processes that deliver value to the customer (Botha et al., 2012), and all the customer processes used when consuming or utilising the value (Trkman et al., 2015).

2.5.2.3 Step 3. Collect customer information.

To find out whether an organisation's value proposition will results in good customer experience, the organisation should evaluate and quantify the significance that customers place on the product or service features (Botha & Van Rensburg, 2011). The organisation must first know and measure the voice of customer (Lau et al., 2016) as the ultimate goal of BPM is to create value for them (Trkman et al., 2015). Camgöz et al, 2016 indicated that this can be achieved by means of market research, surveys, interviews and observations. This information must be collected at customer touch points (i.e. where customers directly interact with the organisations through its product, services,

employees, or representatives) (Botha & Van Rensburg, 2011). According to Botha et al. (2012) face-to-face interviews yields the most valuable results when gathering customer requirements.

Data obtained from the customers should be transcribed and sorted (Botha, 2013). The consumers' product and service needs and preferences must be defined and broken down into categories called customer requirements (Botha & Van Rensburg, 2011). Borgianni et al. (2010) identified that there are three types of customer requirements. Must-Be customer requirements are services or product features that are expected by the customer. They provide no differentiation because every organisation will provide those features. However lack of these features will lead to high customer dissatisfaction. One Dimensional customer requirements are services or product features that are directly correlate with customer satisfaction. If done well they improve customer satisfaction and if done poorly they results in customer dissatisfaction. Attractive customer requirements are services or product features that are not expected by the customer and their absence does not results in customer dissatisfaction. These customer requirements must then be assembled into benefit clusters. (Botha, 2013)

2.5.2.3.1 Complaints Management

Customer complaints can also be used as a method to gather customer information (Pyon et al., 2011). Pyon et al. (2011) further elaborated that complaints management can be used to continually improve customer service. Complaints provide an organisation with a chance to gain customer information on how to enhance its processes. They provide an organisation with a comprehension of root causes of customer dissatisfaction (Yilmaz, Varnali & Kasnakoglu, 2016).

Knox & Van Oest (2014) define complaints as “customer-initiated expressions of dissatisfaction to the company” (p. 47). Customer complaints is an early warning sign that points to challenges and failure in internal processes (Filip, 2013) and how they are handled becomes a conclusive test of an organisation's customer centricity (Knox & Van Oest, 2014). However, handing customer complaints in a well-organised and competent manner will results in customer satisfaction (Yang, Xu, Yang, & Chen, 2018).

Filip (2013) defined complaint management as “The process of dissemination of information aimed at identifying and correcting various causes of customer dissatisfaction” (p. 272). Complaints management is used to allow dissatisfied customers to send communication to an organisation regarding an unpleasant experience instead of just withdrawing from the organisation and stop being a customer. The customer gives an organisation an opportunity to offer a solution to the experienced challenge and take remedial actions (Yilmaz, Varnali, & Kasnakoglu, 2016).

Yilmaz et al. (2016) indicated that having a Complaint Management System can be an advantage for an organisation. The Complaint Management System should not just be used for guideline and procedures for handling customer complaints. It should take into account the following

- Customer perception on justice (i.e. do customers view the complaints management to be fair)
- Learning from the complaints (i.e. determining which customer response path offers the most benefits in the organisation learning path).

Filip (2013) concurred by stating that the concept of justice is influential in the complaints management process, whilst Lee, Wang and Trappey (2015) stated that customer complaints should be regarded as critical organisation knowledge, as they lead to valuable intelligence and produce knowledge that can be utilised to improve business processes (Yilmaz et al., 2016)

2.5.2.4 Step 4: Link business processes to customer requirements.

The customer value proposition must be linked to business processes, capabilities, and technologies (Botha & Van Rensburg, 2011). This value proposition is expressed as customer requirements (Botha & Van Rensburg, 2011). The degree of significance and the weighting of the customer requirements must be calculated (Camgöz Akdağ et al., 2016). Then the customer requirements must be mapped to the core business processes that deliver customer value (Botha, 2013).

There are many tools that can be used but tools that can deal with various relationships are preferable. The relationship is established by how much a business process can have an impact on the customer requirement (Botha et al, 2012). Then the organisation must measure the experiences delivered by the current processes. These current value add must be quantified with regards to cost, quality and service (Botha & Van Rensburg, 2011).

2.5.2.5 Step 5: Prioritise Processes

Trkman et al. (2015) emphasised the significance of assessing the priorities of customers' needs when implementing BPM, and modifying the processes to the needs. The organisation should rank customers' requirements according to importance, and should therefore focus first on business processes that will drive customer satisfaction (Camgöz et al., 2016). Priority will be given to business processes that have a high impact on the customer and are also not performing well (Botha & Van Rensburg, 2011). The strategic satisfaction matrix can be used to split the processes into four different categories displayed in Figure 3 below.

<p>Low impact and strong performance Maintain or reduce investment or alter target market</p>	<p>High impact and strong performance Maintain or improve performance - competitive advantage</p>
<p>Low impact and weak performance Inconsequential - do not waste resources</p>	<p>High impact and weak performance Focus improvements here - competitive vulnerability</p>

Figures 3: Process Prioritisation

Adapted from Botha, G. & Van Rensburg, A. (2011). Proposed business process improvement model with integrated customer experience management. *The South African Journal of Industrial Engineering*, 21(1). doi:10.7166/21-1-65.

Low impact and weak performance processes should not be prioritised, as improving those processes will not have an impact on customer value. High impact and strong performance processes should be maintained and improved, as they provide an organisation with a competitive advantage (Botha, 2013).

2.5.2.6 Step 6: Benchmarking

According to Gibb et al. (2006) benchmarking is “a management technique to improve business performance. It is used to compare performance between different organisations—or different units within a single organisation—undertaking similar processes, on a continuous basis.” (p. 53).

Benchmarking ensures that the desired level of performance is determined before enhancing the business process. The most accurate method is to examine how the performance of similar services in similar organisations fulfils customer satisfaction (Botha, 2013). Gibb et al. (2006) indicated that there are three areas where benchmarking can be utilised. Process focuses on how effective or efficient is the process. Performance concentrates on evaluation of products and services. Strategic focuses on how successful is the organisation and the enablers that make it successful.

2.5.2.6.1 Net Promoter Scores

Net Promoter Score (NPS) can be used to assist organisations to determine their customer value, and also assists an organisation to evaluate its customer centricity (Florea, Tănăsescu, & Duică, 2018). NPS was introduced by Fred Reichheld in 2003, and most organisations are using it as a method of determining the satisfaction of their customers. NPS summarises how satisfied customers

are with the product or service of the organisation (Krol, Boer, Delnoij, & Rademakers, 2015). Customers answer a question related to whether they would recommend the product or service to friends and family. The answers range from 0 (not at all likely) to 10 (extremely likely). Customers who answer 9 and 10 are the promoters of the organisation and are satisfied with the organisation's product and services, while customers who answer 0 to 6 are detractors and are dissatisfied with the products and services of the organisation (Zaki, Kandeji, Neely, & McColl-Kennedy, 2016). Some authors indicate that NPS is used to measure customer loyalty, but Eger and Micik (2017) clarified that customer satisfaction describes 93% of customer loyalty.

2.5.2.6.2 C-SAT

Roy, Mariappan, Dandapat and Srivastava (2016) stated that C-sat analyses feedback from post interaction with customers to determine their satisfaction levels. Customers are surveyed via a telephonic interview and asked to rate their interaction on a five-point Likert scale.

2.5.2.7 Step 7: Improve business process

Workshops must be held with all the relevant stakeholders to discuss the business process enhancements. The best solution to increase customer satisfaction and improve on the customer experience must be chosen (Botha, 2013).

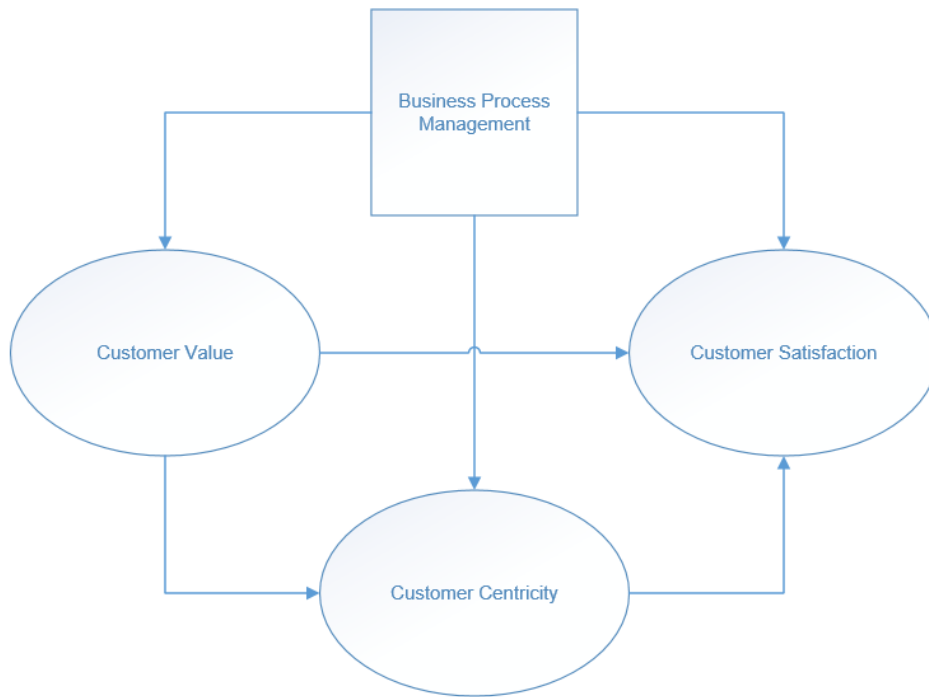
2.6 Conclusion

The literature highlighted that different authors define BPM differently. There is no agreement amongst both practitioners and researchers on what BPM is and how BPM projects should be run. Hence, there have been many BPM failures in the past. However, it was also established that there are common themes in the understanding of BPM - both in practice and in research. One of those common themes is that BPM's role is to deliver some sort of benefit to customers. This fact was emphasised when the history of BPM was assessed. Various authors indicated that the idea of delivering benefits to the customer has always been part of BPM's objectives, from the inception of the concept. The literature also highlighted that there are fundamental factors that the organisation have to get right for BPM to achieve its objectives.

Authors indicated that one of BPM's objectives is to deliver value to customers, meaning that BPM can be implemented in order to deliver customer value. Literature further highlighted that one of the features of a customer-centric organisation is to deliver value to customers, and delivering customer value can contribute towards making an organisation customer centric, symbolising that BPM through business processes can lead to customer centricity. Finally, authors stated that customer centricity leads to customer satisfaction and managing processes that deliver customer value results

in satisfied customers. When an organisation delivers value to its customers, the customers are satisfied. This literature analysis can be depicted in Figure 4 below.

Figures 4: BPM's relationship with customer value, customer centrality & customer satisfaction



3 Research Objectives

3.1 Introduction

Subsequent to a comprehensive literature review, the following research questions were developed in order to understand elements that are deemed necessary for BPM success, and how BPM can lead to customer-centric organisations that focus on business processes, which prioritise customers' needs in an effort to attain higher customer satisfaction.

3.2 BPM

Research Question 1: How is BPM defined in the South African Insurance industry?

In chapter 2 it was indicated that the literature highlights that there is still ambiguity amongst both academic researchers and practitioners on BPM. There is no consensus on its definition, how it is used and on its goals, features, deliverables, and costs. The aim of this question is to gain an in-depth knowledge of how managers understand the concept of BPM, and in the process discover how they define it.

3.3 Customer Value

Research Question 2: What are the elements that are necessary for BPM success that delivers customer value in the South African insurance industry?

The literature in chapter 2 revealed that, despite the fact that BPM is supposed to satisfy the needs and wants of customers and provide value to those customers, most companies still implement business processes improvements that are focused more on cost saving, and ignore customers' needs. The purpose of the question is to attain a detailed understanding of how managers in South African insurance companies implement BPM initiatives that deliver value to customers.

3.4 Customer Centricity.

Question 3. What are the perceived characteristics of a customer centric organisation in insurance companies in South Africa?

It was presented in chapter 2 that a customer-centric organisation is an organisation that delivers value to its customers by transforming their needs and wants. A customer-centric organisation aims to meet and exceed its customers' expectations. However, research also indicates that most organisations are not customer centric. For most organisations, customer centricity is something that they talk about, but never practice, especially in the financial services sector. The objective of

this question is to identify the features that managers in South African insurance companies consider to represent a customer-centric organisation.

3.5 Customer Satisfaction

Research Question 4. How do South African insurance companies ensure that they implement business processes that lead to higher customer satisfaction levels?

The review of theory in Chapter 2 indicated that there is a number of authors who indicated that BPM leads to improved customer satisfaction. The aim of this question is to determine how insurance companies utilise BPM to attain higher levels of customer satisfaction

3.6 Conclusion

These set of research questions were formulated following the literature review that was conducted, as discussed in Chapter 2. The questions follow and build on each other, and it is envisioned that answering these questions will provide an in-depth understanding of how BPM influences higher customer satisfaction levels. The next section of the study will focus on the research method and design.

4 Research Methodology and Design

4.1 Introduction

The influence and relevance of management research is dependent on the appropriateness of the research method and design. A correct research method and design are important for the researcher to arrive at the correct conclusion (Scandura & Williams, 2000). The choice of the research method and design was influenced by the gap in the literature that was identified in Chapter 1, and as explained in Chapter 2. The literature review, the ethical clearance guidelines, and some of the collected documents were used as parameters to frame the research questions. This section will describe and explain the research method and design that were deemed fit for the study. It will cover the research design, unit of study, the sampling method, the data collection, data validation, and it will conclude by discussing the research limitations.

4.2 Research Assumptions

This study was based on the ontologically subjectivism research assumption. Saunders (2009) explained that “ontological assumptions shape the way in which you see and study your research objects. In business and management these objects include organisations, management, individuals’ working lives and organisational events and artefacts.” (p. 127). This study is socially constructed, and based on the researcher’s and the social actors’ (management and employees) understanding of Business Process Management and customer satisfaction. The social actors give multiple meaning and have multiple realities about both concepts based on their own background, culture, experience, and perceptions. The regulation perspective was applied in this research, as the objective is to discover and describe how higher customer satisfaction levels can be attained by improving the current BPM implementation, instead of radically challenging it and its critical success factors.

4.3 Research Philosophy

The study is conducted using the interpretivism philosophy, which promotes comprehension of humans in their roles as social actors (Saunders & Lewis, 2012). The study focused on the meaning of BPM and customer satisfaction, and it uses multiple methods to dissect these concepts. The study illustrates the unique and specific challenges that executives and managers face when trying to attain higher levels of customer satisfaction via BPM, and how they deal with those challenges. The researcher observes the normal actions of the social actors in their organisations in order to comprehend how they apply BPM and attempt to obtain customer satisfaction

4.4 Research Approach

Thomas (2003) highlighted that “the primary purpose of the inductive approach is to allow research findings to emerge from the frequent, dominant or significant themes inherent in raw data, without the restraints imposed by structured methodologies” (p. 2). The collected data was summarised into themes and categories. The study forms connections between BPM’s influence on customer satisfaction and the results obtained from the data. This approach also ensured that the connections are clear and unambiguous and can be defensible. Suanders (2003) summarised that an in an inductive approach theory tracks data.

4.5 Type of study

This research is a qualitative, exploratory study which focuses on reviewing events and concepts in order to establish relations between two independent variables. Reesink (2014) indicated that “qualitative research enables the researcher to concentrate on the why and how of a phenomenon” (p. 19). Qualitative research’s objective is to shed light on the meaning of situations, processes or entities from an individual’s perspective (Reesink, 2014).

The study focused more on understanding the conceptions of BPM and customer satisfaction than on generalising to a targeted population (Daniel, 2012). The researcher explored the meaning that executives and managers have given to these two concepts and observe how they interact with the concepts in their environment (organisation, processes and customers). The researcher collected, organised and interpreted textual information in order to find out why and how BPM leads to higher customer satisfaction.

4.6 Research Strategy

This is a case study research which investigate a current research topic in real-life setting (Saunders & Lewis, 2012). “Case studies typically combine data collection methods such as archives, interviews, questionnaires, and observations. The evidence may be qualitative (e.g., words), quantitative (e.g., numbers), or both.” (Eisenhardt, 1989, p. 534). According to (Steenhuis & Bruijn, 2006) case studies are used “especially when the boundaries between phenomenon and context are not clearly evident” and “situations in which the experimenter cannot manipulate behaviour” (p. 3). They permit the researcher to collect in-depth data (Reesink, 2014).

The research used multiple-cases to study how BPM leads to customer satisfaction in the two different entities, as Steenhuis and Bruijn (2006) specified that multiple cases provides an insightful understanding of ideas. The research was conducted using multiple data sources to ensure that the

BPM and customer satisfaction were looked at from various points of view, which ensured that multiple sides of both BPM and customer satisfaction are comprehended (Baxter and Jack, 2008). The differences between and within the cases were explored and compared. The cases are from the same organisation which enables the researcher to be able to make predictions (Baxter & Jack, 2008). The boundaries between BPM and customer satisfaction in organisations were complex and not clear. The behaviour of the executives and managers cannot be manipulated.

4.7 Unit of study

Zikmund, Babin, Carr and Griffin (2013) stated that, because the unit of study is what and who will provide the data for the study, it has to be identified correctly. This study aims to understand the influence of BPM on customer satisfaction in the insurance industry. Executives and managers from two autonomous business units in a South African insurance company were chosen as research participants. For the purposes of this study, the business units will be referred to as business unit A (BU-A) which was assessed in case A and business unit B (BU-B) which was assessed in case B. A detailed description of the business units is provided in Chapter 5.

4.8 Sampling method and size

There are five factors that a researcher has to consider before choosing a sample. A researcher has to ask these following questions “What are the objectives of the study? How is the target population defined? What is the nature of the population (i.e., its size, heterogeneity, accessibility, spatial distribution, and destructibility)? What resources are available to conduct the study? What type of research design will be implemented? What ethical and legal issues should be taken into account?” (Daniel, 2012, p. 7).

The researcher considered those five factors when choosing the sampling method. The study was an exploratory, qualitative which focuses on the quality and richness of large sets of qualitative information. The population was homogenous as it includes people who are in the same industry and fall under the same group company. The researcher had limited resources (time & cost) to schedule and conduct interviews with the whole population. Therefore non-probability, purposive sampling was chosen for this study. Saunders and Lewis (2012) stated that purposive sampling is used when selecting small samples for purposes of collecting qualitative data. They further elaborated that purposive sampling is done when the researcher uses his own prerogative to select the participants utilising a variety of selection criteria. Based on the answers provided to the five factors proposed by Daniel (2012), this sampling technique was a good fit for this study.

Seven participants were selected from each business unit consisting of executives, senior and mid-level managers. All of the participants have many years of experience within the insurance and financial services sector, and they are all committed and ensure that their business units attain higher customer satisfaction levels. The selected sample are on different job grades and levels of responsibility. This enabled the researcher to gain different viewpoints that were used to establish themes (Saunders & Lewis, 2012). A detailed description of the participants is provided in Chapter 5.

4.9 Data collection tool

Multiple data sources will be used, including:

4.9.1 Documents

Bowen (2008) explained that document analysis is “a systematic procedure for reviewing or evaluating documents - both printed and electronic (computer-based and Internet-transmitted) material.” (p. 27). He further elaborated that documents are produced and shared in organisations to promote a common understanding. The data in documents should be studied and translated into meaningful knowledge (Bowen, 2008). Documents provide more stable data, as they are not prepared for research purposes. In this research the following documents were reviewed: strategy documents, customer journey maps and customer surveys results.

4.9.2 Interviews

Interviews are used to get in-depth information from the respondents. They are used when the research topic requires much enquiring through multifaceted questioning (Easwaramoorthy & Zarinpoush, 2006). Interviews are the best data gathering method for the why and how of a phenomenon (Reesink, 2014). The data collected in this study entailed the use of one-on-one semi-structured interviews. The interview question list in Appendix B was used as a framework to provide structure and direction. Saunders & Lewis (2012) highlighted that semi-structured interviews are methods of data collection where the researcher asks about certain topics using predetermined questions. The researcher can change the sequence of the questions and may ask additional questions, or leave out some questions.

The initial plan was to interview 10 participants from each business unit, which included lower level employees such as complaints consultants and claim assessors. However, after interviewing one consultant from each business unit, the researcher was not able to obtain quality data at this level, given the participants’ level of understanding of the BPM concept. The researcher deemed this unit

of study to be inappropriate for the study, and all the lower level employees were subsequently excluded from the study.

4.9.2.1 Piloting interview questions.

Figures 5: Pilot interview steps

Adpted from Ismail, N., Kinchin, G. & Edwards, J. (2017). Pilot study, does it really matter? Learning lessons from conducting a pilot study for a qualitative PhD thesis. *International Journal of Social Science Research*, 6(1), 1-1.



Adapted from (Ismail, Kinchin & Edwards, 2017)

The steps for pilot interviews, as proposed by Ismail, Kinchin and Edwards (2017), were used. The sample criteria as described above were used for the pilot interviews. One executive, two managers and a complaints consultant (i.e. head of operations, customer experience senior manager, claims team junior manager, and complaints consultant) were chosen for the pilot interviews. The participants were from a business unit that was not used in the study. The questions were checked and assessed before the pilot to make sure that they are not leading, and that they are simple, clear and understandable (Ismail et al., 2017). The recording device was tested before, during and after the pilot interviews to make sure that the voices and tones were clear and audible (Saunders & Lewis, 2012).

The pilot interviews were scheduled in the same venues as the actual interviews to determine whether the respondents would be comfortable. The shortest interview took 34 minutes, and the longest interview took 75 minutes. The pilot confirmed that the researcher needed three sets of questions, one for executives, one for managers and one for lower level staff. The questions needed to be at the correct level in order for the researcher to gain the participants' in-depth understanding of the subject matter, and to avoid speculation from the participants. Some of the questions were deemed to be leading by one of the participants. The researcher rephrased and adjusted the

questions after revisiting the literature review.

The researcher then discussed the questions with the participants after refining them. The participants gave their professional opinions and deemed the questions appropriate for the purpose of the research. The final step of the pilot involved personal reflection from the researcher on how to approach the interviews, since the participants were the researcher's colleagues, and the researcher was acquainted with some of them.

4.10 Data Collection

The data below was collected after being granted ethical clearance by the Gibs Ethical Clearance Committee. The letter to grant permission to continue with the study is in Appendix C

4.10.1 Documents

The strategy documents were collected before the interviews. These documents provided historical and background information, and were used to provide context for the interviews. The other documents were received after the interviews with the relevant participants. Where there were multiple versions of the documents, all versions were analysed to track the changes. The researcher determined the accuracy, relevance and legitimacy of the documents (Bowen, 2008).

4.10.2 Interviews

The interviews were scheduled in advance, and the respondents were informed of the estimated duration of the interviews. The researcher explained in detail the purpose and the format of the interviews. Face-to-face interviews were conducted in the insurer's boardrooms, and some interviews were conducted in the participants' offices. All the respondents were comfortable, because they were familiar with the venues where the interviews were conducted. The respondents were assured of confidentiality, and contracts between them and the researcher were signed before the interviews started. The template of the consent letter is available in Appendix D.

The researcher had a list of questions and controlled the flow and the focus of the interviews. All interviews were recorded after the respondents had given their consent. The questions were clear and simple to understand. However, the researcher clarified the questions in instances where the participants did not understand them. The interview was conducted in simple language without any use of jargon.

The researcher asked the respondents questions in an open, natural, and casual discussion. As already indicated, the shortest interview took 32 minutes, and the longest 70 minutes. The

researcher took notes during the interviews, and listened to the recording of each interview shortly after it was conducted. This assisted the researcher to improve for the next interviews. The researcher was able to probe and get clarification on the answers provided by the respondents, and was able to obtain a thorough understanding of the respondents' knowledge, experience, and opinions on BPM and customer satisfaction. The results from the data collected from the interviews were analysed and discussed in detail in the following chapters.

4.11 Data Analysis

Data from the interviews were converted from audio to text using a transcribing application. Sutton & Austin (2015) suggest that "once the transcription is complete, the researcher should read it while listening to the recording and do the following: correct any spelling or other errors; anonymize the transcript so that the participant cannot be identified from anything that is said (e.g., names, places, significant events); insert notations for pauses, laughter, looks of discomfort; insert any punctuation, such as commas and full stops" (p. 228). While correcting the errors, the researcher started to gain familiarity with the data. Firstly, the researcher read through all the interviews twice to understand the details of the interviews. The researcher read between the lines and interpreted what the participants said and what they did not say before starting with the coding process.

Sutton & Austin (2015) described coding "the identification of topics, issues, similarities, and differences that are revealed through the participants' narratives and interpreted by the researcher." (p. 228). They further pointed out that this process assists the researcher to understand the participants' views on the topic of the study. The researcher then used Excel spreadsheets to disassemble the data into codes using different colours for the different participants. The codes minimised the data into small pieces of meaning. The codes were used to formulate constructs (i.e. group of code that represents one idea or notion), and the initial themes were searched for from the constructs. Some of the constructs already represented themes. Castlebury and Nolen (2018) explained that "a theme captures something important about the data in relation to the research question, and represents some level of patterned response or meaning within the data set" (p. 809).

The researcher then reviewed the themes that emerged to determine if they made sense, as proposed by Moira and Brid (2017). The researcher then repeated the process of creating the group of codes using the research questions in Chapter 3 as a guideline. This was an iterative process that included reflexion and interpretation. An audit trail of this iterative process was recorded to ensure that each theme can be traced back to the code and vice versa.

4.12 Data Validation

Mays and Pope (2000) stated the following: “There are no mechanical or “easy” solutions to limit the likelihood that there will be errors in qualitative research. However, there are various ways of improving validity, each of which requires the exercise of judgment on the part of the researcher and reader” (p. 51). They suggested that a researcher can use triangulation and participant validation to validate the research results (Mays & Pope, 2000). The researcher used triangulation to authenticate the accuracy and to affirm credibility of the research results. This method involves cross-checking the data and research methods from different points of view (Mays & Pope, 2000). The researcher cross-checked the results between the two cases (i.e. between BU-A and BU-B). The researcher then compared the results of the interviews to the documentation where it was possible. The results of the analysis were sent to the supervisor to check if the data and the findings are reasonable.

Saunders & Lewis (2012) indicated that, when a participant misrepresents the truth, it results in biasness and it reduces the reliability of the data collected in an interview. However, they also stated that the correct sampling method can overcome this. To mitigate this risk, the researcher selected participants in different managerial levels. The researcher also checked the credibility of the participants. The list of questions during the interviews assisted the researcher to make sure that all the topics were covered. All the interviews were recorded and transcribed, and the analysis was assigned codes for transparency. The data and the conclusions that were drawn by the researcher can be validated by others.

4.13 Limitation

The philosophy of the study is interpretivism, meaning that the researcher is part of the role players, as the researcher works for one of the business units. The type of research conducted was qualitative research, which is subjective by its nature. Another limitation is that the unit of measure is participants from business units that belong to one group company, which makes it challenging to generalise the results.

4.14 Conclusion

This chapter presented the research method and design. It also highlighted that a multi-case, qualitative study was conducted, which included one-on-one semi-structured interviews of seven participants from each case. It indicated the methods that were followed to validate the data collected from the study, and specified the limitations of the study. The next chapter entails an analysis of the data that were collected using the methods stipulated in this chapter.

5 Analysis of Research Results

5.1 Introduction

This chapter begins with a detailed description of the business units used in the study cases, and is followed by a brief description of the participants. After the description of the participants, results from the one-on-one semi-structured interviews are analysed. The qualitative data from the interviews were first coded and then aggregated into constructs. These constructs were grouped into themes. The themes were mapped to the research questions that were discussed in Chapter 3.

5.2 Description of sample unit

5.2.1 Case A

BU- A is a partner model business that partners with non-insurance organisations who would like to offer insurance products to their existing customer base and to differentiate in their different industries, which will attract new customers. Most of their partners are in retail, banks, dealerships and motors industries. They have aspirations to grow into the telecoms, education and health industries. It is the smallest of the three business units in terms of head count, with only 180 employees. However, they are the second biggest in term of Gross Written Premium (GWP) and Net Earnings Before Tax (NEBT). The small head count is as a result of their outsourced-based model. The company has more than 10 administrative partners.

The participants from BU-A are presented in Table 2 below. The company consists of two Executive Members: a Chief Executive Officer and the Customer Solution Executive. They have more than 16 years of working experience, and more than 10 years' experience in financial services. They both possess postgraduate qualifications. The remainder of the participants is made up of senior and middle management managers. All the participants have over 10 years working experience, and they all have more than five years' experience in the insurance industry.

Table 2: List of participants from BU_A

Participant	Position	Experience	Highest Qualification
P1	Chief Executive Officer	25 years	B.Com Hons Accounting Sciences, CA(SA)
P2	Head of Customer Solution	16 years	Bsc Eng: Mechanical Engineering, PMD
P3	Customer Experience Manager	16 years	B.Com Hons in Economics, CCXP – Certified Customer Experience Professional
P4	Head of Operations	10 years	B-tech: Information technology, Green belt six sigma

Participant	Position	Experience	Highest Qualification
P5	Claims Manager	15 years	Long term insurance FAIS level 4 , RE 5 , Middle management certificate
P6	Business Process Specialist - Ops support	28 years	Matric
P7	Policy Servicing and complaints manager	27 years	Media Management Certificate, Management Principles Certificate, MBA

5.2.2 Case B

BU-B is a short-term insurance company. It sells commercial, corporate, and personal lines short-term products. The biggest part of the business is intermediated (i.e. it is distributed via the broker market). BU-B has 21 branches spread across all of the nine provinces. They are the biggest amongst the three business units in terms of revenue, NEBT and headcount.

The participants from BU-B are presented in Table 3 below. They consisted of two Executive Members namely the Chief Executive Officer and the Chief Operating Officer, as well as the Personal Lines Executive. They all have over 16 years' working experience, and more than 10 years' experience in financial services. Furthermore, they all possess postgraduate qualifications. The remainder of the participants is made up of senior and middle management managers. They all have more than 13 years' working experience and more than 4 years working experience in the financial services industry.

Table 3: List of participants from BU_A

Participant	Position	Experience	Highest Qualification
P1	Chief Executive Officer	28 years	Fellow of the Faculty of Actuaries, B.Com (Honours) Cum Laude, B.Com Cum Laude
P2	Managing Executive: Personal Lines	37 years	B.Com Hons Financial Management, MBL
P3	Chief Operating Officer	25 years	Bachelors degree in Business Economics, Logistics Management, Purchasing AMP
P4	Customer Experience Manager	10 years	BEng Industrial Engineering, PGDip Management Development
P5	Claims Manager	27 years	B.Tech degree Police Management, NQF 6 Insurance qualification, NQF5 Management qualification
P6	Head of Continuous Improvement	14 years	BEng Chemical Engineering
P7	Operations Manager	13 years	Bvets sciences, High diploma in Business Management, CIMA certificate

5.3 How is BPM defined in the South African insurance company?

In order to understand the influence of BPM on customer satisfaction in the insurance industry, there is a need to first establish how BPM is defined and understood by the participants from the two cases. As highlighted in Chapter 2, both authors and practitioners still have not reached consensus on the definition of BPM. Therefore, the main purpose of this research question is to get an in-depth comprehension of what BPM means to the different managers. To understand exactly the participants' comprehension of BPM from their own view, analysis of this question is solely based on the replies that the participants provided to the question related to their understanding of BPM.

5.3.1 Case A

Charts 1: Case A - Themes for BPM



When asked to explain their understanding of BPM, four constructs were mostly covered in the definition by participants in BU-A. The high frequency symbolised what most participants deemed to form part of the BPM definition. It does not symbolise what the participants considered as the most important.

5.3.1.1 Managing tasks and activities

Many of the participants mentioned that BPM is the management of tasks and activities that BU-B does, and how these tasks and activities have to be managed to work together in order for the organisation to meet its objectives. Responses from some of the respondents will be provided. These responses may contain grammatical errors, as they are the direct words of the research participants.

"How are you running the intricacies of the system? The system not the technical system, but the

system meaning there are multiple kind of parties in making something happen. So in our environment, we can't work without finance. Finance can't work without operations. Operations can't work without the relationship team etcetera. So that's our system" (P2)

P4 suggested *"business process management as literally understanding your inputs and how you use those inputs to get to your outputs.... What is it that you're doing,...cause remember this line is your day to day."* The response was based on the fact that BPM is as simple as understanding and managing the work that the organisation is doing on a daily basis..

5.3.1.2 Delivering to customer

Delivering to customer was one of the most mentioned constructs when participants from BU-A defined BPM. P3 highlighted the importance of improving the processes that deliver the most customer value.

"It is about fine tuning your processes that are delivering value to the customer as efficiently and as effectively as possible. So you want to maximize the value you give to the customer" (P3)

P3's views were supported by P1's definition, who stated that processes have to be informed by customer needs and wants, and these needs and wants are constantly evolving. P1 further elaborated that organisations that are not aligning their processes to the frequently changing needs and wants of its customers will not be able to have sustainable success. Organisations that lack the nimbleness to adjust to customer requirements will not be able to deliver the customer experience to customers that they intend to offer.

"My view from the perspective of what matters to the customer now, unless you've designed your business to constantly learn how to do that. You sit with a one hit wonders processes that force a particular way of doing things. So the idea here is to create agility of how you compete by being able to reinvent your processes to enable the customer experience that you're looking for." (P1)

5.3.1.3 Efficiency and effectiveness of processes

P2 suggested that the BPM is about ensuring that the business processes are well-organised and run smoothly. Some participants agreed with P1, indicating that it is about making the process to deliver quicker and seamlessly.

"in order to make sure that the ultimate business process is more efficient and more effective."(P2)

"It's all about can make things faster and more efficient. You can do more" (P3)

5.3.1.4 Other

The other concepts that were dominant in the definitions of the participants were impact on people, management of business processes and process methodology. One participant mentioned that BPM impacts on how people work, stating that BPM can make an organisation more productive by ensuring that employees do not spend their effort on manual things, but are moved to do more meaningful work for the organisation. P1 stated that it is not just about the process itself, but about how the process is managed in an ever-changing and dynamic environment. P1 emphasised that if processes are not managed well, they can make some of the organisation's customers unhappy. P6 stated that BPM mentions process improvement methodology such as Six Sigma, Total Quality Management (TQM) and Business Process Re-engineering (BPR).

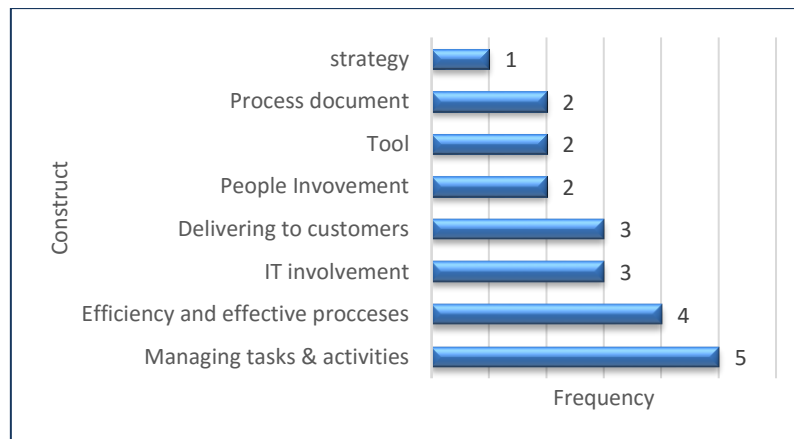
“Basically you want to take whatever manual processes you've, you've had or you find in your area and re-engineered them to such an extent that two things happen. One that employee that the automation of that manual process is now found jobless as such is moved on to do something more meaningful. So there's an added value there.” (P6)

“So what I was saying is for me it's not so much about the process in itself because you can have processes that actually lead to customer dissatisfactionSo, you know I'm not big on terminology like that. I think the way I understand what you're trying to get at is that having good processes leads to better achievement of whatever the desired outcome is. And for me it's a complete management of it. It's not so much talking about the process itself, it's around how do you manage a process and that's what I was actually saying. You've got to actually pull yourself away from the traditional way of saying, okay, we've got a process. We've developed it. It's really about how do you create a learning organization and build such that it's able to adapt. Without being without feeling like it's got cancer every time it needs to change.” (P1)

All the participants gave more than one concept in their definitions, meaning that their understanding of BPM is that all these concepts do not exist or operate in isolation. It is their combination and how they interact with one another that completes what BPM is. P2 summarised it by stating: *“It's quite all-encompassing to be honest”*.

5.3.2 Case B

Charts 2: Case B - Themes for BPM definition



When asked to explain their understanding of BPM, participants from BU-B mostly included four constructs.

5.3.2.1 Managing tasks and activities

Most participants indicated that the management of tasks and activities is core to the concept of BPM. P5 mentioned different tasks that happen within the insurance value chain, and that BPM has to manage all of them. P3 added that all these tasks and activities have to be managed in order for them to connect and harmonise with one another.

“If you look at a business process and you look at it from all its elements, all the way from sales to collection of premium to sending out documentation to servicing the customer, to paying out the claim, business process management includes the whole spectrum” (P2)

“Business process management is managing and having a capability of having a clearly defined pieces of work that synchronize and link with one another” (P3)

5.3.2.2 Efficiency & effectiveness of Processes

The participants from BU-B mentioned that BPM is about efficiency and effectiveness of the processes that assist an organisation to optimise the delivery of its intended output. P3 asserted that being efficient and effective are some of the goals of BPM, and that processes have to be designed in such a way that all the interactions are operating in a well-organised manner that delivers organisational goals quickly with minimal effort.

“My understanding of business process management is to design a process that's efficient at every single piece of the process and engagement....It also then goes into how efficient and effective it

works....to achieve your goal of being efficient and effective” (P2)

P5 mentioned that processes should be able to seamlessly cater for all customer options. P5 was specifically referring to the fact that all processes should be efficient and effective, irrespective of the channel that the customer chooses to engage with the organisation.

“So the clients, I just want to click a button, they can enter the process and go stay through all those that would prefer to speak to a person, have that option.... The process should be smooth enough for both, whichever way they prefer” (P5)

5.3.2.3 IT involvement

Participants highlighted the use of Information Technology in BPM. P5 elaborated that some customers only want to engage with the organisation through a digital platform, and that BPM enables the digital transaction. While P2 stated that organisations that don't use things like robotics will struggle to improve their business processes.

“You document your processes and the idea is that you obviously show systems that are involved” (P4)

“We have clients that are fully into the IT thing. They want to log on to a website, they want to do all their business in” P5

“So if our process improvement and we are not getting ahead with digitalization, automation, robotics workflow and, and finding better ways then we're going to be left behind.” (P2)

5.3.2.4 Delivering to customers

Some participants were found to focus on the customer in their definition. Their definition highlighted that BPM's ultimate goal is to fulfil the customer's need and wants. One way of ensuring that the customers are fulfilled is to use customer feedback to understand the customer journey. Firstly, understanding the customer journey allows an organisation to identify gaps that exist in their processes. Secondly, it assists an organisation to comply with legislation related to the fair treatment of customers. Lastly, the information gathered from the feedback ensures that the organisation's processes are in sync with customers' needs; therefore enabling the customers to conduct business with an organisation with ease.

“So by, by constantly reviewing the comments and the feedback that we get from our clients, what is the things that is a pain point for them? So the TCF (Treating Customer Fairly) principles also,

you know, what is it that making it easier for them to do business with us to buy our products and ultimately when it gets to claiming, how can we make it easier for them? So our processes should be aligned with what the clients want.” (P5)

P6 highlighted that different processes must not be viewed in isolation. They should be a holistic view of an organisation’s processes and their impact on the customer’s own processes when the customer is engaging with an organisation. P6 concluded by indicating that organisations have to continuously enhance processes that deliver value to the customer.

“you always want to look at end to end from a customer experience point of view.... So you always want to like look at how you improve the processes that impacts the customer value.” (P6)

5.3.2.5 Other

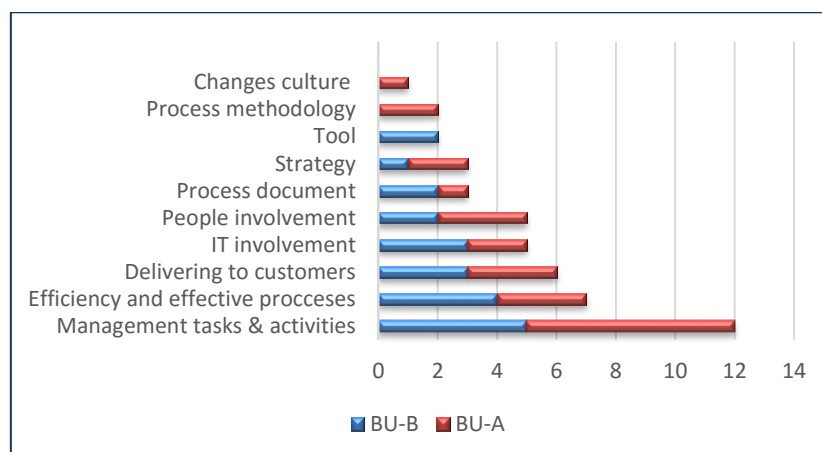
Other concepts that emerged were people involvement, BPM being a tool, and process documentation. One participant indicated that people are an integral part of BPM, and how they are compensated and rewarded determines if BPM will meet its intended objectives.

“but it also goes further to look at what type of person do you need to handle each part of the value chain. Lastly, how do you then remunerate the specific individuals to get the correct and desired outcomes to achieve your goal.” (P2)

Other participants highlighted that up-to-date documentation is part of BPM. There should be a central repository where all the process documentation has to be stored and version-controlled. P4 concluded by saying: *“so it’s really a tool to help you improve.”*

5.3.3 Conclusion

Charts 3: Conclusion - Themes for BPM definition



Their overall understanding of the concept of BPM was almost similar, with participants from both cases regarding managing the organisation’s tasks and activities as a key feature of BPM. Participants from both cases were in agreement that the management of the task and activities will be done through efficient and effective business processes. They specified that these optimally working business processes must fulfil the customers’ needs and wants, and deliver value to the customer. It involves people, information technology (IT) and processes. All of these features should align to the organisational strategy. The differences between the two cases were that participants in case A deemed BPM as a methodology, while participants in case B regarded it as a tool. Furthermore, participants in case A stated that BPM requires an organisation to move away from the traditional way of thinking, which is a cultural element.

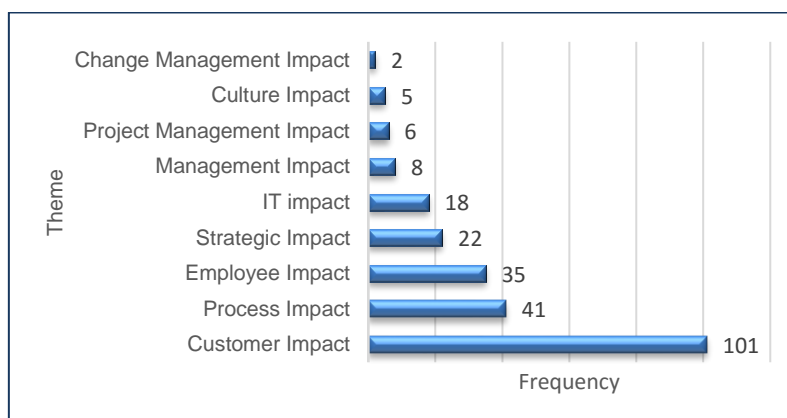
5.4 What are the elements that are necessary for BPM success that delivers customer value in the South African insurance industry?

5.4.1 Introduction

As indicated in Chapter 2, most BPM initiatives fail to deliver on the intended goals. Hence, it is important that BPM’s critical success factors are evaluated, analysed and applied to ensure that BPM initiatives are able to deliver on their intended goal, one of the intended goals being delivering superior customer value in order to attain higher customer satisfaction. It was also revealed that industry has to be taken into account when the CSF are evaluated. The purpose of the question is to gather the elements that participants from the two cases consider to be enablers for BPM initiatives to deliver customer value in the insurance industry.

5.4.2 Case A

Charts 4 Case A: Themes for delivering customer value



Participants from BU-A came up with nine themes in their replies in the overall interviews. The frequency does not represent what participants deemed as the most important, but it signifies the most mentioned themes by the participants. These themes will be explained and broken down into separate constructs where necessary in the analysis below.

5.4.2.1 Customer Impact

Customer impact was deemed the key theme in the factors that determine if an organisation is able to implement BPM initiatives that provide value to customers. Four constructs were developed under the customer impact theme.

Charts 5: Case A - Constructs for customer impact theme



5.4.2.1.1 Customer Feedback

Participants indicated that feedback from the customer is used to determine if the process is delivering value as intended. Participants indicated that they use feedback from complaints, and customer satisfaction surveys such as NPS scores, C-SAT and Echo.

“...feedback from the customers is essential because that's when the customer would tell you, yes, I like it or not. And that's how we've also gauged ourselves against the processes here. Are we doing the right thing or not?” P5

“But to, to the other parts of it, we'll look for things like your NPS scores, we've got C_SAT scores and obviously complaints.” (P7)

5.4.2.1.2 Customer Needs and wants

Participants indicated that customer needs have to be determined before process improvements are implemented. An organisation must understand what the customer wants for it be able to meet its target of delivering customer value. Participants highlighted that it included knowing the customer's expectations, customer education and understanding the customer promise that the organisation

gives to the customers.

“So the fixing requires a different kind of thinking. You said, okay, let me understand first what is going on. Right. And then you then say, okay, I understand, okay, this is what we're doing. And then you then say, but what is the customer looking for? The customer's looking for that. So how do I achieve that?” (P1)

“We need to first of all understand what are the requirements for us from the customer. What does it require for the customer to actually get that paid?” (P5)

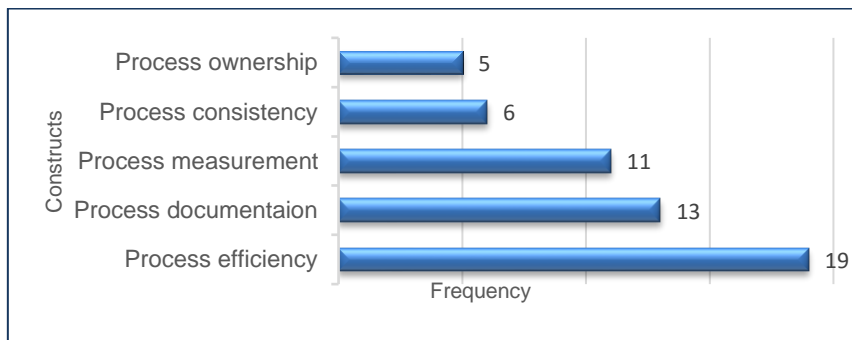
“So I think understanding not only from a customer's perspective, but also how are you, it doesn't help you say to the customer, I'm going to do this for you. So you making that promise, but you coming back and this is what I said in the beginning. You come back to do your space where you have to process whatever this need is and it, and it's just not sustainable” (P6)

5.4.2.1.3 Other

Other constructs that the participants mentioned are designing business processes for the customer and the customer journey. Some participants mentioned concepts such as customer-oriented thinking, looking at things from a customer perspective, and solving customer problems.

5.4.2.2 Process Impact

Charts 6: Case A - Constructs for process impact theme



There were four notions that BU-A participants mentioned often in their responses. The breakdown of those notions are provided below.

5.4.2.2.1 Process Efficiency

Participants indicated that the process should be efficient in order to deliver superior customer value. Most of the participants mentioned that turnaround times (TAT) are a determinant of whether an organisation is providing customer value or not, and if the TAT is great, then an organisation knows

that it is meeting is objective.

"I think for as long as there's activity, there is a process that supports it and the question becomes have you got an effective process that enables you to achieve the objectives that you've set out?" (P1)

"If your turnaround times are good, you know that things are working" (P6)

5.4.2.2.2 Process Documentation

Participants indicated that they have process maps and standard operating procedures that are not up to date.

"But they're not updated. I don't even want to lie. They're not updated. The ones that updated there were recent ones that we did for a funeral." (P4)

"So we've started the claims framework that's been documented" (P6)

5.4.2.2.3 Other

Participants indicated that processes need to be measured and monitored on a regular basis to make sure that they are delivering value to customers. Each point of delivery has to be identified and monitored.

"I need to make sure that when I deal claims that what matters to my customers is dealt with. And this is critical because you have to have matrix and data points that take this information so that you can actually start seeing whether you're achieving or not." (P1)

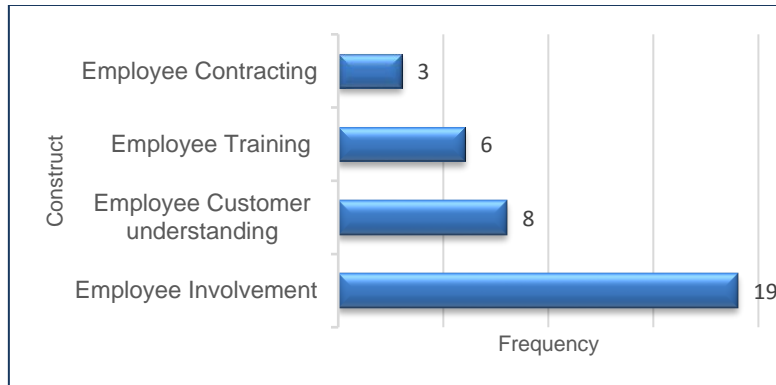
"You need to take measurements. You need to quantify things." (P3)

P6 alluded *"So I'm going to refer to the McDonald's model. McDonald's puts out the same burger. In every branch in every country. And that speaks to business process management. I mean, if you, if you don't create consistency and predictability, then, I mean, how is your customer supposed to know what's going to come out of the sausage machine at the end?"* Most participants agreed with P6, that a process has to be consistent for it to deliver value the customers.

The last construct that participants spoke about was process ownership, and it was clear that the responsibility of the processes lies with the manager of each department (i.e. the Claims Manager is responsible for the claims process).

5.4.2.3 Employee Impact

Charts 7: Case A - Constructs for employee impact theme



Four constructs emerged on the theme around employee impact during the interviews with BU-A participants. They are explained in detail below.

5.4.2.3.1 Employee Involvement

Employee involvement was the most mentioned concept throughout the interviews with participants from BU-A. They indicated that employees are important to make sure that the process actually delivers customer value. Even a great process will not deliver customer value without the employees. It is necessary to include them in the design of the BPM initiatives from the onset, as they provide great insights. They also highlighted the importance of making sure that employees can see the benefits of the process enhancement even before the project starts (employee buy-in).

“...then you can have the greatest process in the world, but you don't have the right people who are operating or delivering that process. So you need to make sure you have the people to deliver that process.” (P3)

“And even when we, I am creating this whole a very journey they provide their own input on it and we just actually look quite valuable. So it's always important that when we, what we did to be involved with them throughout the process” (P5)

5.4.2.3.2 Employee understanding

P6 said: *“I think that to a degree they do, they do understand the role and the value to a customer probably more so than for example a claims assessor because they feel the customer, they actually had direct interaction with the customer. And I think the further away you are from that interaction with the customer the less value you find in their customer's life.”* P3 argued that even though the

employees know what they do on a day-to-day basis, they still are not aware of their contribution in making sure that BPM delivers value to the customers. Most participants agreed with P3.

“I think they understand what they need to do on a day to day basis and how they function is we're getting better at helping give everybody the context of why that particular activity or task that they have to do is important and where fits into the bigger picture and the bigger puzzle. We're not there yet.” (P3)

5.4.2.3.3 Other

Other constructs that were mentioned by participants were the importance of employee training in delivering superior customer value and linking customer measures to employees' performance contracts.

5.4.2.4 Strategic Impact

Participants in BU-A deemed strategic alignment as one of the elements that will lead BMP to deliver customer value. P4 indicated that BPM goals have to be aligned to the organisation's objectives, standards, and purpose. P3 supported those views by revealing that business process improvement must be connected to BU-A's four strategic objectives.

‘...it needs to link to your strategic objectives and your values as a business. What is it that you're doing, what is your propose. If those are not linked to what you are doing...If that is not linked to objectives, clearly you are missing the boat again. (P4)

“Four points, they are around growing new partners, growing existing partners, building stronger teams in building a better things. So you need to hold all four of those in balance when you're looking at or which processes to optimize and how to optimize them....” P3

However, P1 added that BPM will only deliver customer value when an organisation has clearly identified areas that need improvement, and those areas have to be aligned to a good strategy. If not, the organisation will not be able to achieve its BPM objectives.

“So, and for me it's really just being clear to the problem you're trying to solve. And if the problem is informed by a terrible strategy, you will get what you have. Even with a great BPM you will have the wrong outcomes.” (P1)

5.4.2.5 Information Technology impact

P5 stated the following: *“Customers actually expecting us to pay that claim. They wouldn't really know how we get that done. But eventually the customer it needs to receive that final payout on their side. Systems play an important role in us getting money to the customer.”* All the participants shared the same point of view that IT is a contributing factor in BPM projects that deliver customer value. It ensures that services are delivered quicker, and it enhances the customer experience.

“So the benefit of having that kind of automation are definitely valued to be value to the customer because it allows us to assess and pay the claim.” P3

“The actual design of the kind of back end digital processes naturally the more efficient that you are, the more efficient you're able to be in handling your customers. So a customer calls in, you then are able to quickly answer the phone calls. The system is up and running that's got all the information. I mean, how many times have you found a call into where, you know, like, Oh, sorry, I'm just waiting for my computer to catch up so it has an actual impact on my experience.” P2

Nevertheless, participants also pointed out that IT can also contribute to BPM project failures. One participants stated that IT cannot be used to correct wrongly designed processes, as it has a potential to expand the impact that the incorrect processes has on customers. P1 elaborated that IT must only be introduced once the processes have been tested to determine if they do add value to the customer.

“That's why IT needs to come last in terms of when you read design process, because you've got to see and test that it works, when you built it in, it scales a mess. So what we have at the moment, in many of the instances it's scaled up mess. So when systems don't work, that's exactly what it is. So when things, when systems don't work, when you get incorrect things, you're not sure what this is. That's scaled up mess.” (P1)

5.4.2.6 Project Management Impact

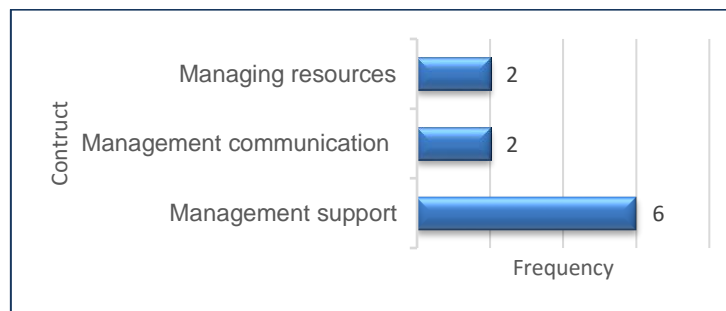
A few participants indicated that a project office has to be put in place to manage BPM deliverables. This office will track the timelines for project delivery, the cost of the project and put in place the project governance. Each and every BPM projects starts with a business case document.

“And how we do that is through the project office. So we've got a very strong project office that tracks all of these deliverables.” (P1)

“I think that specifically we'll come into the new project management office that we've created where the governance project governance is very strict. And, and our scorecards specifically speak to delivery of our of the business case. So if we fail on the business case, and I mean that's product, that's process, that's cost, encompasses everything and, and we've become very strict around what the requirements are to deliver on a project with standard templates so that, everyone is on the same page and we sing on the same song sheet” (P6)

5.4.2.7 Management Impact

Charts 8: Case A - Constructs for management impact theme



There were three constructs that came through when participants were addressing the issue of delivering customer value.

5.4.2.7.1 Management Support

Participants indicated that for BPM to be able to deliver value for customers, management have to support all levels in the organisation. Management have to make sure that everyone in the organisation is working towards the same objectives.

“[CEO] talking about as being better and we have no mechanism of delivering it, cause then it just creates friction. You can't have, you know, the, the team leader kind of wanting to do things differently when there's no support from the senior leaders in the organisation.” P2

“You've got to galvanize them against one singular goal.” (P1)

However, P4 pointed out that management often focus on the financial impact and neglect the impact that BPM initiatives have on the employees.

“No, Nope. I think from, from the top it's a new topic because all that they wanted was we've got a budget we did to kill this budget. We need to attain this thing otherwise we are in trouble. You know, the impact of that into the bottom people was never really, you know, considered so much.” (P4)

5.4.2.7.2 Managing resources

P1 stated the following: *“You've got to galvanize them against one singular goal and force them to actually deliver that through incentives, through culture change, through all of those things. It's a nice things.”* This symbolises the amount of influence that managers have on the organisation's resources in order to drive BPM initiatives to deliver value to customers. They are able to provide incentives that motivate employees. P5 emphasised the following: *“I've seen instances whereby the agents would actually go the extra mile for a customer to ensure that they actually received those benefits.”*

P4 indicated that it is challenging to manage BPM projects with a small staff complement, as the same people who have to be involved in the process improvement that will deliver customer value, have to make sure that the organisation continues providing customer value.

“And it's a bit difficult because there's, it's a minimal structure here. There's BAU that needs to happen. On top of that, we need to look at improvements. The same people that are at BAU, are the same people that are supposed to run this project that looks at improvements and improvements. It needs focus. It needs time.” (P4)

5.4.2.7.3 Management communication

P1 highlighted that management have the responsibility of making sure that every employee in the organisation understands what delivering customer value is, in order for them to work towards delivering it. P2 indicated that they make use of management meetings to filter through the BPM objectives to the lower levels in the organisation. P2's views were supported by P5, who indicated that the sessions that the top leadership has with the team filters the organisation's strategic and BPM goals.

“It's making sure that the heart of the thing you're trying to solve is properly articulated. Clearly understood to make sure that you solve for it.” (P1)

“I think, through the sessions that, Angela and team may have been contributing to having there been better filtering, through that there is a vision that they see and through that they are able to make to identify with the, with the vision and ensure that, what they do on the ground and they

execute on and ensure that the customer is actually sorted.” (P5)

5.4.2.8 Culture Impact

Only a few participants mentioned culture in their interviews. One participant revealed that delivering customer value through BPM has to be the culture of the organisation, just having business processes will not deliver value to customers. It is more about the mindset in the organisation. The other participant indicated that the culture of the organisation dictates how employees respond to customer needs. P1 concluded by suggesting that delivering customer value is not a destination that an organisation will get to, but that it is dynamic and forever changing, similar to the organisational culture.

“...but is a definitely a sort of mind shift change, being intentional around understanding who the other stakeholders are in this ecosystem, and then collaborating with them more closely.”(P3)

“Lexi, Daisy culture....Huge impact. Because for example, if I am a customer that needs an insurance quote now, Because the dealership won't let me take the car until I get proof of insurance and you want to give it to me tomorrow and I'm standing on the dealership floor now. That's a huge problem.” (P7)

“So it's a journey. It's the culture.” (P1)

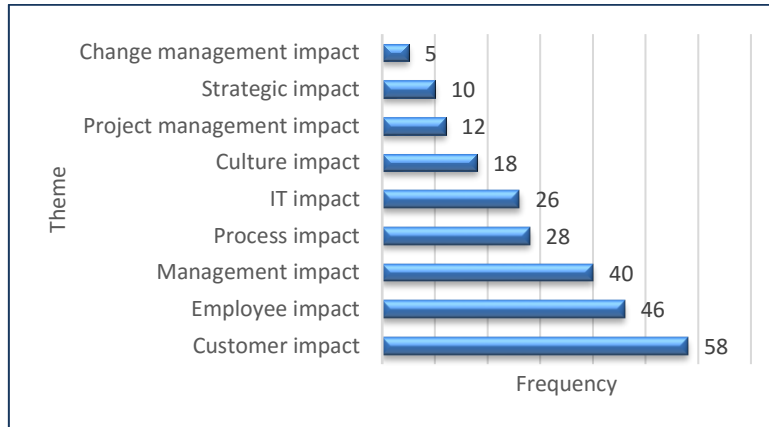
5.4.2.9 Change Management

Only one participant talked about change management. The one participant proposed that BPM needs proper change management for it to work seamlessly and to meet its objectives.

“.....this is going on quite a significant change management program at the moment to try and get us to work more effectively as the system that I'm talking about.” (P2)

5.4.3 Case B

Charts 9: Case B – Themes for delivering customer value



Nine major themes emerged from the interviews with the participants from BU-B. Each of them will be clarified below, and where necessary, the themes will be categorised into different constructs as described by the participants during the interviews.

5.4.3.1 Customer Impact

The customer impact arose in most replies from the BU-B participants. They covered three notions that will be described below.

Charts 10: Case B – Constructs for customer impact theme



5.4.3.1.1 Customer Feedback

Customer satisfaction was the most dominant construct from the interviews with the participants from BU-B. Some participants highlighted that customer satisfaction levels are measured on a regular basis and fed back into the organisation, where they are used to improve processes, identify training needs and to rate individual performance.

“Customer satisfaction levels get measured across our business where team members are exposed to it on a continuous basis. So this is not an organisation where you just arrive and think that you can’t deliver on certain measures. So it gets checked, measured on a continuous basis. We report

on it on a monthly basis. It's a, it's become part of a vocabulary. And I think that's a critical part to our business.” (P3)

Participants indicated that there are two types of feedback that they get from clients, namely compliments and complaints. P7 asserted that *“people don't compliment very often. I mean in general people they are quicker to complaint”* but *“compliments help, so that's what often made me make a change”*. Complaints assist to pinpoint overall challenges with business process. They are used to measure if the business processes are delivering value to customers, and the information gathered from the complaint is fed back to the business for process improvements.

“So, so we trying various things now. So like with the complaints, we've gone this tool called power BI. So it's a tool for business to have real time complaints information. And that's been kind of, they're not too reliant on us or they don't have to come to the us and the feedback.” (P4)

5.4.3.1.2 Customer Experience

P7 stated that delivering customer value is about comprehending the customer requirements and making sure that these requirements are congruent to the customer's experience. Business processes are designed to make sure that they provide value to the customer. This value is felt by the customers through their experiences when dealing with the organisation.

“So I think it's about understanding what the clients want and trying to align the experience of the client that what they want and what they getting match.” (P7)

“And I think everything that we designing ultimately is going towards that goal of ensuring that [customer value], it's not just the opex achievement, the broker and the client needs to experience as differently.” (P3)

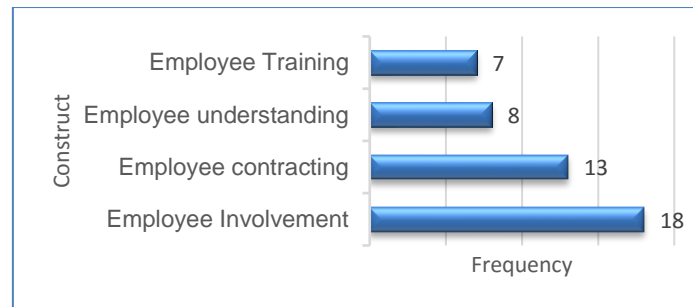
Customer journey maps provide an organisation with an understanding of the steps that customers go through when they are interacting with the organisation's business processes. P4 suggested that an organisation has to understand both the back-end and front-end processes in order to provide value to the customers.

“And I think, you know, as part of our team and kind of our focus for the next two to three years, we wanting to bring in this concept of customer journey maps. You know, walking in the shoes of the customer, understanding the steps they're going through and, and bringing that into the business along with the business process..... You need to use the customer journey and you need to use

a business process because this is the back end. And this [**customer journey**] is what the customer is experiencing on the front end. And the two need to need to work together to deliver an improved customer experience. So looking at the business process alone is not necessarily going to add value in terms of customer. So you have to try and look at both together and in Insure we don't do that.” (P4)

5.4.3.2 Employee Impact

Charts 11: Case B – Constructs for employee impact theme



5.4.3.2.1 Employee Involvement

Employee involvement was a very dominant theme from the participants. P3 stated that employees have to co-design the business processes with an organisation, and they have to be included in BPM projects from the start. P7 further stated that an organisation should get employee buy-in before the start with any BPM projects. If employees do not feel part of the BPM initiatives, then these BPM initiatives will not be successful.

“But you have to translate what you're doing for the user at the end of the day. Because as the user interface, how they experience the system, how they do things differently tomorrow and they need to be part of the journey. You have to do it with them and not it to do them, there is a difference. Because if it something fell, it feels like it's done to me, the resistance is very different to saying I'm gonna do it with you and see the end goal or what we're trying to achieve.”(P3)

“So I guess it would need to start before even the process is changes you've got to try get the buy in from everybody” (P7)

“They need to feel that they've been involved in the design because that's also part of the success. I mean, I can tell you that even the well-designed stuff but not invented here will fail.”(P1)

5.4.3.2.2 Employee Contracting

Some participants specified that linking employee remuneration to measures such as customer satisfaction will motivate the employees to have process-oriented thinking that puts the customer first in all they do.

“...you need a specific fixed component of pay and then there needs to be a variable component, which I call outcomes based remuneration. Whereby certain measures are put in place so that people get measured on how many cases they can go through every day, how efficient and effective that is, what the customer satisfaction is of each case, and then close that with customer feedback loop at the end and then link that to the individual's performance and remuneration” (P2)

5.4.3.2.3 Other

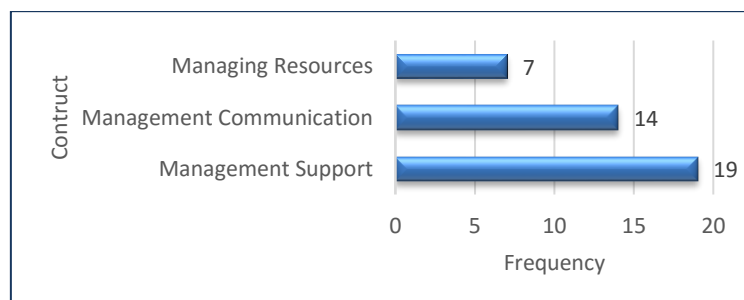
P4 stated the following: *“Some people might understand it completely. Some might not even have a clue if you ask them what it is”*. Some employees are committed and they make an effort to comprehend their roles in different processes and the impact that it has on customer service, while others are only interested in the financial benefits at the end of the month.

“So I would like to tell you that they all know and understand it exactly. However, dealing with humans. I do think that some of the do and some of them really come here in the morning to do that, to give the client a superior service and some arrive so that they can get a pay check at the end of the month.” (P5)

Employee training was also regarded as one of the enablers of BPM to deliver value to customers by the participants.

5.4.3.3 Management Impact

Charts 12: Case B – Constructs for management impact theme



5.4.3.3.1 Management Support

P6 stated “*And the key is leadership, you [Management] should keep on driving all the time. And I think only once that's done, everyone will kind of understand the impact on the customer.*” P4’s views were supported by various participants who highlighted that the organisations’ leadership should drive BPM initiatives and make sure that they deliver value to the customers.

“Management is a huge, hugely important part around this journey.” (P3)

“The second one is clear ownership and accountability of achieving that from a leadership perspective.” (P1)

However, some participants reported that the Exco members do not understand what the people do on a day-to-day basis in order for them to drive BPM initiatives. They indicated that the Exco members are more concerned about achieving the financial targets than they are about ensuring that the BPM delivers a customer experience that will make customers happy.

“I mean they have no idea what we do day to day. Well maybe you've told them a little bit too. But I think there's very, there's a very wide gap between their understanding of what we do versus what we actually do.” (P7)

“ people [top leaders] think of financial impact a lot. So that's where the product's coming. You know, what's the impact on the bottom line? not so much what's the impact on the customer, but in essence, you know, if you don't have customers, you're not going to have the financial elements.” (P4)

5.4.3.3.2 Management Communication

Most participants mentioned management communication during the interviews. They indicated that leaders of the organisation should take charge of communicating BPM goals in the organisation. They are responsible for making sure that all the employees understand the strategic objectives of the organisation. The organisation’s top managers should lead by example, and they should communicate how BPM will be implemented and clearly define how it will deliver value to the customers.

“You take the purpose of the company roll it down into the key strategic targets for the year and then those targets you've converted to key strategic metrics and drivers. And you can cascade it down to every single level. So you can say for this ex-co person that is your key drivers. And he goes to his managers and say these are your key drivers and essentially the value driver tree. And then what ends up happening is like every single person has like three or four key that you achieve”(P6)

“Clear communication starts with leadership that takes the responsibility and the ownership because all leaders should be change agents. So as you adopt your strategy and design your change of certain processes within your BPM or your operating model or fixing the key burning pain points in your business to transform and get you to that level [delivering customer value]” (P3)

The participants stated that meetings is one of the most used forms of communication in BU-B. Management uses town halls, meet-and-greet sessions, monthly and quarterly meetings, and different forums to inform employees about BPM initiatives, and to ensure that there is cross-departmental collaboration.

“....we tried with the Town Hall sessions to try and align various areas to work closely together and to get an understanding of how the business fits in. We also have that meet and greet sessions so that people understand what we do and how we do it” (P2)

5.4.3.3 Managing resources

Most participants indicated that top management is the correct level to drive BPM initiatives, because they control the company’s resources. P1 indicated that the organisation’s leadership also manages the rewards to drive BPM, and are responsible to put in place programmes that motivate employees to deliver customer value.

“....one setting priorities is a vitally important piece of that because you [Management] have only so many resources to depend on, to invest in and deliver and synchronize that ultimately hits the targets and the objectives.” (P3)

“I do think we recognize people, whether it is shoutout [employee recognition programme] or any other way to actually encourage people that does it and give them that recognition course that could inspire others to do the same.” (P1)

5.4.3.4 Information Technology Impact

There was consensus amongst all the participants that IT is an enabler for BPM success. P4 indicated that IT assists an organisation to meets its customers’ expectations. Participants all reported improvement in turnaround times, customer satisfaction, efficiency, and cost saving. Some also indicated that IT has improved their customer experience.

“is a system supporting what the customer wants or what they expect.” (P4)

“So by us improving the claims and payment process as it allowed us to do two runs a week as opposed to one run a week because it used to take too long and doing it twice a week was too time consuming.... So that improved customer service.” (P7)

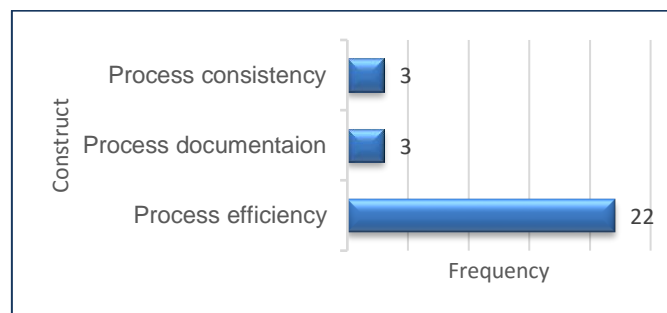
The participants mentioned that IT is utilised in all of their BPM projects, but they also highlighted that it comes with its own set of challenges. Thus, IT must be embedded into the business process for it to deliver superior customer value.

“It is all technology driven, we use it to a large degree, it is complex to do, but we use it a lot.” (P2)

“You can automate, it can bring you consistency and it can help you to communicate better to client. But if that's not built into the process is not going to achieve it.” (P1)

5.4.3.5 Process Impact

Charts 13: Case B – Constructs for process impact theme



5.4.3.5.1 Process Efficiency

Process efficiency was by far the most mentioned construct. The dominant code was turnaround time (TAT). P3 stated that having clear turnaround times on all the business processes enables an organisation to provide value to its customers.

“So what that means ultimately is that whatever we do to deliver our product, service , channel or how we get to the client whether it's face to face contact with a broker whether it's through a hub or calls centre into whether it's digital. We have clear deliverables around turnaround times.” (P3)

Participants highlighted that by providing quick TAT the BU-B is able to fulfil the needs of its customers. They also provided many examples of how improved TAT have delivered value to its customers.

“And for example turnaround time, you know, so it doesn't help if we have a turnaround time of two

weeks, if they wanted in two days. So by knowing what they want, then we try match the two.” (P7)

5.4.3.5.2 Process Consistency

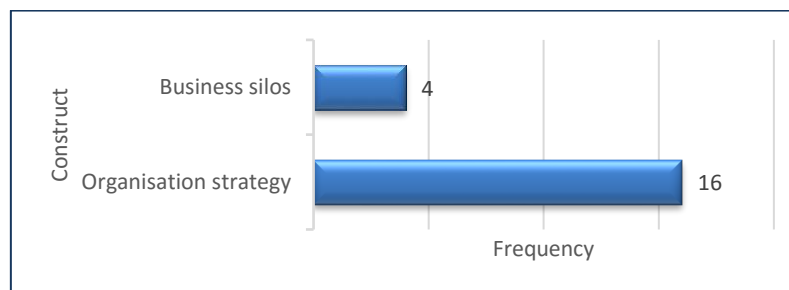
The next construct that participants focused on, was making sure that the process is consistent. However, P1 argued that consistent processes alone will not deliver value to the customers. It is the personal touch that makes the difference.

“if we deal with clients more or less the same way and we have systems that operate more or less in the same way. And we have our processes aligned to more or less the same way I think. I think it would be better.” P5

“I do think that you could get consistency and clients know what to expect. But that doesn't mean necessarily, that is great. And that also doesn't necessarily mean that that's what clients expect. Still need a culture where individuals can exercise it bit of judgment with their client to bring personal touch to the service outcome within a business process.” (P1)

5.4.3.6 Strategic Alignment

Charts 14: Case B – Constructs for strategic impact theme



5.4.3.6.1 Organisation strategy

P6 stated: *“I think it's, first of all it's got to align to the overall strategy”*. P6's sentiments were shared by many participants. An organisation that does not link its BPM goals to its strategic goals, will not be able to achieve its objectives. Participants further elaborated that customers and brokers at the heart of the business is one of BU-B's strategic goals, and that BU-B has a number of strategic projects aimed at improving this imperative.

“So obviously we've got this discussions when we meet as Exco and you can see it's all driven by the strategy.”(P1)

“So that is critically linked to that strategic imperative and those two have to work hand in hand.”

(P3)

Participants also argued that it is not always possible to align BPM to organisational goals, as one goal is sometimes more important to the organisations' survival than the other. Organisations will sometimes choose growth, although there are no business processes in place to support the growth.

"That is a complex one because sometimes these things are not mutually exclusive. Sometimes you have a very strong business process strategic goal, but you also have a very strong growth strategic goal. To get the growth, your distribution channel might do deals that don't fit into the process. It's a very complex thing to do. And it's very difficult to inform growth and then also want to remain very process efficient." (P2)

5.4.3.6.2 Business Silos

Participants stated that it is also important that there is inter-department alignment in an organisation, and that all the departments in the organisation should implement BPM that is aligned to the organisation's strategy as opposed to merely the departments' goals. P2 agreed with this view, and also made reference to the fact that if the departments are not working towards one goals, customers feel the impact (i.e. the misaligned customer experience), resulting in high cancellation rates.

"If one department is not aligned to the other, you're going to get like big silos and this one departments can optimize for themselves and the other part department to decide in the end you're gonna have like customer experiences completely misaligned." (P6)

"I think the alignment is still an issue at BU-B. I think the understanding that we all work for the end customer still isn't as clear and in many instances, people believe that they only work for that department and they don't understand that they are actually a service department and if they don't service the other department, then the customer suffers and we lose the business." (P2)

5.4.3.7 Culture

The theme around people was very dominant when participants were discussing the impact of culture on BPM initiatives. Participants indicated that organisational culture dictate how people behave in an organisation. They indicated that an organisation that entrusts its people with autonomy to try new things will be successful in their BPM initiatives, as it will lead to continuous improvement. Participants emphasised that an organisation must have a culture of open communication where people are able to highlight when BPM initiatives are not delivering customer

value as expected. Participants indicated that this requires a different kind of thinking from everyone in the organisation. They further indicated that failure to make the mind shift will result in an organisation being uncompetitive.

“And I think we need to work with peoples and I think that's a cultural issue. The freedom to be happy to fail, happy to try, happy to know where their pain points are. Because they're all directed towards that [BPM success]. I think that's the first bit of culture. I think the second is, if you don't have people that'll tell you that you getting it wrong and it should be stopped and this is not working and back it out. And that's also part of openness of culture and being able to give feedback.” (P1)

P4 agreed that having a culture where BPM delivers customer value is a mind shift and it requires long-term commitment from the organisation.

“So I think there's going to be a long journey. It is definitely not a quick thing and of course then again it is a mind shift. I spoke about that thing with culture change that we trying to drive now. So for the next, probably two to three years, we're going on a journey to start getting people to think about the customer in everything they do” (P4)

P3 concluded *“It's not just about pushing paper and satisfying other things ultimately it is about the culture and what we believe in our hearts.” (P3)*

5.4.3.8 Project Management

Participants emphasised that it is less complicated to implement BPM initiatives if an organisation is using formalised project management principles. They stated that using a project management approach allows all teams to work together towards common BPM deliverables. Some participants also mentioned the importance of having a person who will be responsible for coordinating BPM projects end-to-end - a person who will take accountability for the whole project, including managing the project team, managing budgets and setting and tracking project milestones.

*“I think what we have though done to try and alleviate that kind of silo mentality is to introduce a new methodology where your business, your BIO, business integration officer will now take control of delivery all the way from requirement to final implementation. We've now re structured teams whereby all the way from concept business plan, approval of the capital, business analysis, IT development testing and then UAT [**User Acceptance Testing**] and eventually taking it into operations now sits under that one BIO and that person will have full control of those elements.” (P2)*

The participants explained that having a well-coordinated team will ensure that the project is scoped correctly and that the correct resource are allocated to the project.

“Rightly scoped, rightly resourced” (P1)

5.4.3.9 Change Management

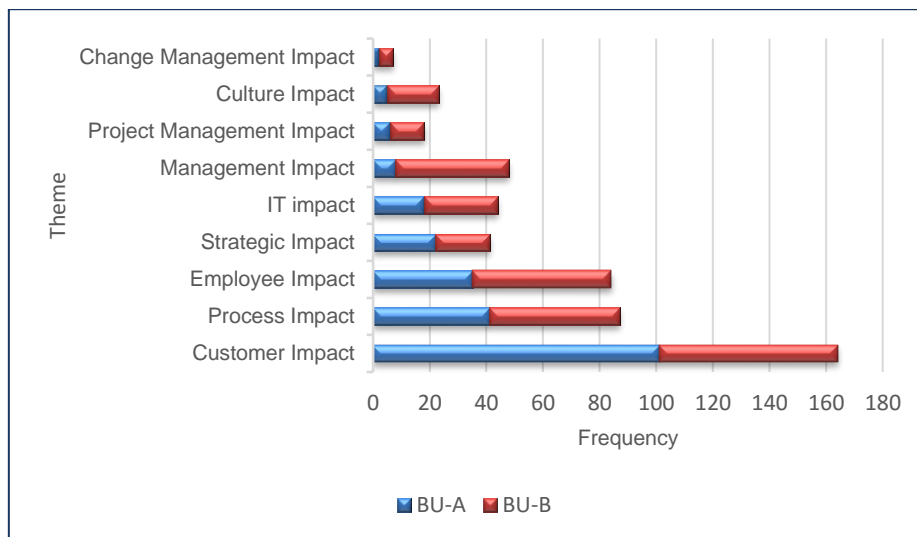
Some participants touched on the theme of change management indicating that for each BPM projects to be successful it has to be followed by a change management journey that will highlight the reasons and the benefits of the change to the end users.

“So it's a whole change management philosophy journey that you have to take people on.” (P3)

“We then try and do the change management through each program and do enough communication via the specific programs to hopefully get the end user to understand the reason why and to understand the process.” (P2)

5.4.4 Conclusion

Charts 15: Combined themes for delivering customer value



Similar themes were established from the interviews with the participants from both cases. However, the order of the most mentioned themes were different. The theme of customer impact emerged stronger than any other theme from the responses provided by participants in both cases. They also have similar constructs around the customer impact theme, with customer feedback as the most dominant enabler of BPM initiatives that provide customer value. In both case A and case B the participant focused much on getting employee buy-in and involving employees before the start of a

BPM project. Both cases regarded process efficiency, process documentation, and process consistency as constructs that lead to customer value in BPM initiatives.

In case B management impact was the third most mentioned theme, while in case A it was the sixth most mentioned theme, implying that participants in case A did not focus much on the impact that management has in their BPM implementations. Project management, culture and change management were mentioned less in both cases, with change management coming up only twice in case A.

5.5 What are the perceived features of a customer centric company in an insurance company?

5.5.1 Introduction

The purpose of this question is to gain an understanding of what participants in the two business units regard as a customer-centric insurance company. It was indicated in chapter 2 that a customer-centric organisation is an organisation that deliver value to its customers by transforming their customers' needs and wants. A customer-centric organisation aims to meet its customers' expectations, therefore resulting in higher customer satisfaction levels. However, it also indicated that most organisations are not customer centric. For most organisations, customer centricity is something that they just talk about, but never practice, especially in the financial services sector. The questions asked aimed to highlight the features or elements that an insurance company should possess for it to be customer centric.

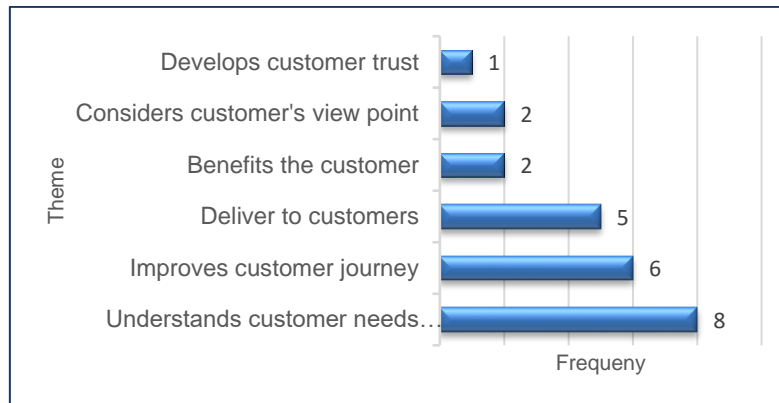
5.5.2 Case A

One of the strategic pillars of BU-A as indicated in Appendix E is to put the customers at the heart of everything they do. However most participants highlighted that BU-A is in a transition phase, moving from a product centric organisation to a customer centric one.

"I think a right now, right now we caught up between the two but we yearning to be customer centric." P4

"I think we're slowly winning the battle and some of those partnerships. But I think there's still quite a lot of room to grow and move beyond kind of being product centric into more customer centric" (P2)

Charts 16: Case A – Themes for a customer centric organisation



There were six themes that developed when participants were answering questions about a customer-centric organisation. The frequency does not symbolise what the participants regarded as the most important, but it shows the number of times the concept was mentioned in the interviews by the participants.

5.5.2.1 Customer Needs & wants

One participant indicated that a customer-centric organisation is an organisation that listens to its customers. P2 pointed out that a customer-centric organisation will always ask itself: “what is it about the customer that is not making them buy the products?”, as opposed to designing and pushing a new product into the market. It comprehends the needs and wants of its customers, and ensures that those needs and wants are met. P4 concurred with the above statements, and concluded by saying: “I’ll say bending backwards for the lack of a better word, to give the customer what they want.”

“We want to listen to the customer. It’s the only way that you can maintain any business” (P4)

“it’s understanding what their customers are looking for and solving for that.” (P1)

“...to make sure that the products that we produce are going to meet customer needs” (P3)

5.5.2.2 Improves Customer Journey

Participants explained that customer-centric organisations know and understand what customers go through when they are dealing with them. They concentrate on improving the customer experience through the use of customer journey maps. This ensures that the organisation designs and implements business processes that enhance the customer’s experience and reduce the customer’s effort.

“So we're doing customer journey maps across the number of our kind of moments of truth..... So we're now kind of specifically focusing on how do we improve the experience” (P2)

“And the reason behind our re-engineering of our business processes is to make the insurance experience at [BU-A] so much more pleasurable and easy to do than you would find at any other insurance company” (P7)

5.5.2.3 Deliver to customers

Successful delivery of the promises that an organisation made to its customers contributes to making an organisation customer centric. That includes making sure that the value delivered to the customer is of such a standard that the customer will appreciate it. Customer-centric organisations are cognisant that it is not just about the product they offer to their customers, but it is more about how an organisation delivers value to those customers.

“we make promises and we try and deliver it, then we don't deliver it as effectively or as customers centric as we should wish” (P6)

“But also after that, how would that servicing look and can it be really professional enough and efficient enough to make sure that the client is happy” (P7)

“But the design around how we do it, how we charge for it, how we deliver it. How we, all of those things, those are the nuances that make whatever we give so much more special. Right. So the idea here is to get into that space, which is the sweet space for creating value.” (P1)

5.5.2.4 Other

Participants indicated that a customer-centric organisation produces products and services that benefit the customer. Such organisations always operate from the customer's perspective. A customer-centric organisation establishes trust between itself and its customers.

“Cause you want people to buy something that they actually going to use it. They don't see the benefit of it, they're not going to buy it.” P3

“We are actually taking a customer lens on a lot of activities now.” (P2)

“how do improve the kind of trust ability” P2

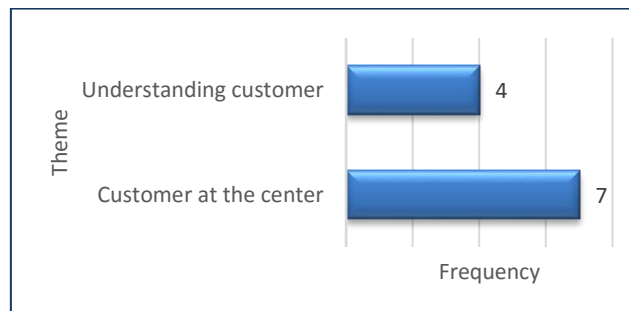
5.5.3 Case B

Participants from BU-B indicated that their business unit is still product centric but there is a move towards customer centricity. As a results one of their strategic pillars is about putting the customer as the center of everything they do as illustrated in Appendix F.

“So for now I'd say product I think it's just the whole concept of the customer being at the center everything, you know, we always talk about it. It's also a big drive now for [BU-B] as part of our culture journey to bring in their customer first thinking in the culture” (P4)

“We're moving towards more becoming far more customer centric in the, in the environment that we are today. It's all about customer, customer choice, customer promise, making sure that the customer comes first” (P3)

Charts 17: Case B – Themes for a customer centric organisation



5.5.3.1 Customer at the centre

P3 indicated that in a customer-centric organisation “it's all about customer, customer choice, customer promise, making sure that the customer comes first.” P3’s sentiments we shared by P2, who indicated that a customer-centric organisation is one “that's more centred to deal with the end customer.” Hence, when prioritising the customer is part of the organisation’s culture, customers’ needs and wants are met.

“..as part of our culture journey is to bring in the customer first thinking in the culture” (P4)

“So currently I think we supported products centricity because the clients are saying one thing, that they're not getting it as much as they want” (P7)

5.5.3.2 Understanding customer

Some participants mentioned that a customer centric-organisation is knowledgeable about its customers. P6 indicated that without understanding the customer an organisation runs a risk of providing solutions that are not customer centric.

“And I think that shift has become far greater to say understanding the consumer” (P3)

“So a customer might get a product of cool features but when they actually want to deploy it and use it, then the services break down because the product is designed in such a complex way” (P6)

5.5.3.3 Other

One participant indicated that a customer-centric organisation provides its customers with a good service by improving turnaround times and having reliable and steady processes. Another participant highlighted that a customer-centric company links its employees' remuneration to the customer metrics.

“But I don't think you can build a customer centric business if you don't have that, if you don't have the right foundation. Like proper turnaround time and they know a lot of, you're probably getting to that, but I don't think you can get to consistency without automation and business processes.” P1

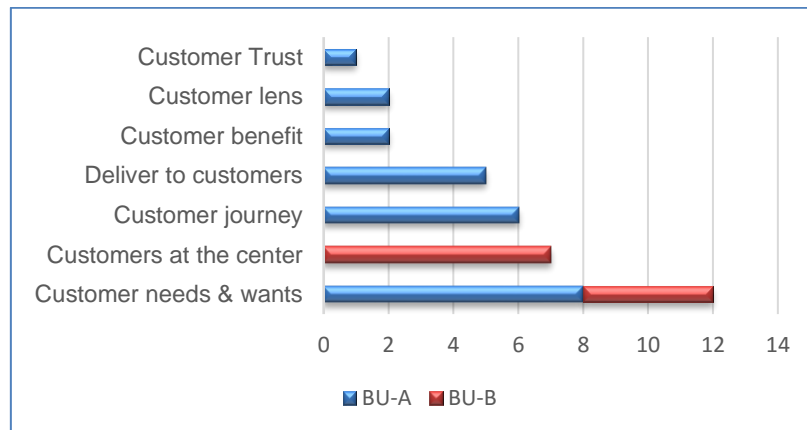
“The moment you do that, you will find that people will become a lot more customer centric because if your bonus or your monthly pay is not linked to how you deal with customers you will always be on the back foot because people do what they get paid for.” P2

Most of the participants acknowledged that BU-B is moving from being product centric to being customer centric, but they indicated that the company is still learning more about product centricity. P4 concluded by presenting that becoming customer centric is an idea that BU-B have always aspired to achieve, but the traction is only happening now.

” I think it's just the whole concept of the customer being at the same time, everything, you know, we always talk about it. It's also a big drive now for [BU-B] as part of our culture journey to bring in their customer first thinking in the culture” (P4)

5.5.4 Conclusion

Charts 18: Combined Themes for a customer centric organisation



There were three similarities between the business units. The participants from both business units were of the opinion that a customer-centric organisation should understand the needs and wants of its customers, and improve their customers' experience. Other features were considerably different, with BU-A describing a customer-centric organisation as an organisation that delivers to its customers and provide products and services that are designed with a customer lens so as to benefit the customer. BU-B, on the other hand, considers a customer-centric organisation as an organisation where everything revolves around the customer, including how employees are rewarded.

5.6 How do South African insurance companies ensure that they implement business processes that lead to higher customer satisfaction levels?

5.6.1 Introduction

In chapter 2 it was highlighted that there is a significant correlation between processes orientation and customer centricity, and this correlation also exists between process orientation and customer satisfaction. It was stated that BPM can lead to higher customer satisfaction. The aim of this question is to determine how insurance companies implement business processes to attain higher levels of customer satisfaction. Both cases made reference to the fact that their BPM maturity levels are still low. To assist in gaining an understanding of how business processes are implemented to attain higher levels of customer satisfaction in the South African insurance industry, steps one to five of the Enhanced Customer Experience Framework (ECEP) by Botha et al. (2012) was used as a guideline. The purpose of the framework is to improve business processes and determine the impact on customer satisfaction. An analysis of similarities and deviation from the model is conducted below.

5.6.2 Case A

5.6.2.1 Market Segmentation

BU-A categorised its customers, as they deal with different partners and each partner's customers have different needs. Participants pointed out that they use Living Standards Measure (LSM), demographics, and that they recently started moving to segmenting their customers using behavioural data.

"because the reality is customer X who is in a particular partner is different to customer Y sitting in another partner." (P1)

"...it's things that we're looking at to say how do we better service our customers and looking at our LSM as well" (P4)

"That, that kind of migrated over time to actually start into build things called customer personas. We would actually kind of say more than just demographic measures. Actually behavioural measures to say, okay, this 35 to 45 female that lives in Eastern Cape has two kids, is worried about making sure that the kids have an education even if they're not around and is very involved in the community, needs a cell phone in order to engage with the community" (P2)

5.6.2.2 Identifying core processes

Participants in BU-A regarded sales, policy administration and claims as the core processes, but claims were regarded as the most important one. P2 emphasised that *"the number of our kind of moments of truth. So if you think about insurance, we actually sell claims. So the core processes, literally it's claims."* This was supported by a number of participants.

"We started a claims framework because essentially that is the most important in a customer's life cycle." (P6)

"Well I would say core is claims. That is core to us. Cause remember we taking your premiums every month for you to come back to us at the time when you really need the money. So the core processes, literally it's claims." (P4)

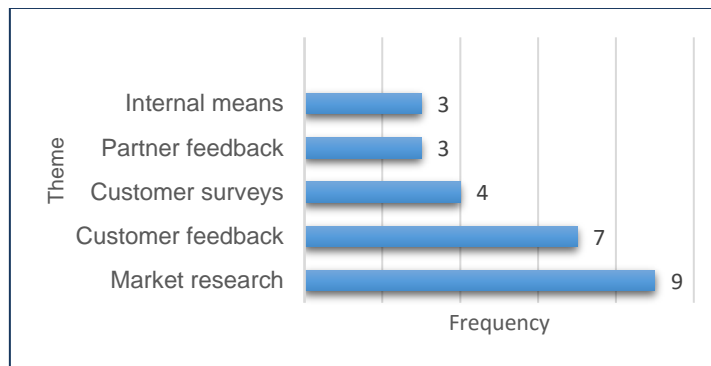
P6 indicated that they used a model called SABC which stand for Sales, Policy Administration, Bordereaux (premium collection), and Claims, which are touch point on the customer journey, while the other two participants indicated that they use the insurance value chain to identify core business processes.

“We use the SABC model. So those are your core. Um trigger points in a customer's journey with us. So it's the sale the administration of the policies and making sure that we collect the premiums greatly that if there's any changes that need to be made on the policy to make sure it's up to date because the next very important points in their life is the claim.” (P6)

“So we would need that to stay in what we here to do. In the business of insurance, we are here to provide financial services or products to service the customer and to pay claims.” (P3)

5.6.2.3 Gather customer data

Charts 19: Case A – Themes for collecting customer data



5.6.2.3.1 Market Research

Market research was one of the most mentioned constructs when participants from BU-A were responding on how they gather customer data. Participants indicated that they engage with customers directly to collect the customer requirements. Focus groups is one method that the organisation uses in its market research.

“Now we're one of them being PEP customers that wanted cell phone insurance. We actually went and while designing, pull the customer in and said, okay, what would you like? What worries you, what doesn't worry you, etc” (P2)

“We went in with a focus group. So we got the customers to tell us what they wanted from an insurance product” (P7)

5.6.2.3.2 Customer Feedback

P3 stated the following: *“So what are they complaining about? What are the things they say they would like more of? What are the things that make them unhappy and use all that information to*

help us gather what we can do better?" Some participants concurred with P3, indicating that they listen to calls to determine what customers are complaining about, and the results from these complaints are then used to check if the process enhancements are contributing to improving customer satisfaction.

"We speak to the customer. So we listen to call recordings and so we've got the call centres, we listen to call recordings to find out what it is that the customers are telling us their problems are."
(P5)

"Then we look at a whole lot of different measures to try and make sure that we're continuously tweaking the right things, so complaints, claims ratios, the take up et cetera, et cetera" (P2)

5.6.2.3.3 Customer Survey

The participants highlighted that they also used surveys as a form of customer data collection. They pointed out that they use surveys such as Net Promoter Score, C-SAT and Echo. P2 described Echo as follows: *"So after every customer interaction that every interaction that the customer has with [BU-A] we then know who that customer is and we'd try and send them some type of correspondence, either through email or USSD."*

"but ultimately it will be driven by a survey. Whether we do it face to face of its questions. It's surveyed related." (P4)

"We'll look for things like your NPS scores, we've got C_SAT scores" (P7)

5.6.2.3.4 Other

Another method that BU-A uses to gain customer insights are partner feedback and internal means. The partner feedback includes agents at the different retail stores, car dealerships and people who deal with customer insights at the partners' head offices. Internal means include voice of the employees (i.e. feedback from the employees) and intuition.

5.6.2.4 Linking the business process to customer data

Participants indicated that there are workshops that they

5.6.2.5 Prioritise business process

P2 responded as follows to this question: *“At this stage, it really comes down to is there a regulatory impact? And then so there's prioritize first”* P7 concurred *“So we have to take TCF [Regulatory guidelines] into absolute cognizance for everything we do.”* Other participants highlighted that they use a business case to determine which business processes to prioritise. The business case considers the impact on the organisation and the customer. P3 stated that they compare customer and organisational impact to determine which one has the biggest impact. Some participants alluded that, from an organisational impact point of view, they will consider the resources that have to be used and the organisational risk attached to the process improvement.

“It's difficult to make all customers happy all the time at the exactly the same time. We would weigh up and balance between which one has the biggest customer impact, positive or negative. And which one has to be the biggest business impact and use those two sort of decision criteria to help us choose” P3

” So we look at brand reputation impact. So what are people going to be saying about [BU-A] in the, in the public domain. We look at financial impact, how much are these areas going to cost us? And we look at how many of these complaints will it end up at the FSCA or the office of Ombuds.” (P7)

5.6.2.6 Benchmarking

Participants in BU-A didn't mention anything with regards to benchmarking.

5.6.3 Case B

5.6.3.1 Market Segmentation

Participants stated that the segment their clients use are LSM and demographics. One participant added that, with regard to insurance, they also categorise based on the average premium that the policy holder pays, and the sum insured.

“In the direct space, we obviously segment the customers based on average premium and sums insured, and then ensure that we cater for that.” (P2)

“I mean I guess you can get look at demographics and LSM and female, male” (P7)

5.6.3.2 Identifying core processes

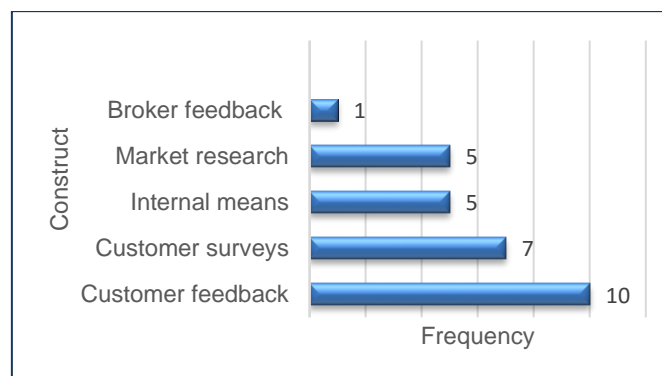
When answering the question related to the core business processes in BU-B, all the participants stated claims as a core business process. The other processes that were identified as core were sales and policy administration. One of the participants indicated that core processes are those processes that deliver the organisation's value proposition to the customers.

"...where we do actually have interaction and communication with the clients" (P7)

"I guess if you think from a business perspective, you know, what's core to delivering your business value proposition to customers." (P4)

5.6.3.3 Gather customer data

Charts 20: Theme for collecting customer data



5.6.3.3.1 Customer Feedback

Most of the participants stated that complaints is one of the sources that they use to gain customer insights. P3 highlighted that *"complaints are good because of they help us improve either product, service, process."* P3 further stated that *"you can often get a sense of what the crisis was that they [customers] went through"* (P4). Firstly, analysing complaints can assist an organisation to get to the bottom of customer problems. Secondly, it can assist to identify trends, and lastly, it can lead to business process enhancements.

"First, we would analyse the complaints that we get and identify what the root issues of those complaints are." (P2)

"It gives us the ability to do root cause analysis to identify trends and hot spots if it's something that we need to change and pay attention to that gives us the insights around improving ourselves." (P3)

"...like for a complaint, we see we do some root cause analysis and we identify something that needs to be implemented."(P4)

5.6.3.3.2 Surveys

When answering the question on what other methods they use to collect customer data, some participants indicated that the organisation conducts surveys

"so customer will do a survey" (P4)

P2 elaborated further *"If it's operational, we would see if we should include things that are more efficient or send people, SMS's or emails."* Surveys that go out on emails are better because customers are able to give comments.

"The ones that user emails generally are easier to send something back to say you've been amazing or you suck, one of the two" (P6)

Participants identified C-SAT, Net Promoter Score and Echo as the surveys that their organisations use to gather customer data. C-SAT is a survey that is sent after each and every interaction with the client. Net Promoter Score is used to identify process changes, while the Echo is another form of survey that is used to monitor and track customer satisfaction.

"And then we classify another measure called customer experience where after every single transaction we ask the customer to rate our service and all of a certain score on the based on that score, we kind of get the C sat scores." (P6)

"Net promoter score, by asking questions directly to our customers on the experience and that gives us good indication of where and what we need to improve." (P3)

"So we have invested in technology to, it's called Echo to continuously measure customer satisfaction" (P3)

5.6.3.3.3 Internal Means

Another method that emerged to collect customer data was internal means. This is when the organisation obtains customer information using internal resources. P2 stated that *"sometimes it's just common sense"*, and P(4) added that *"so often, and this is probably a mistake that we do, is we assume the steps the customer takes to extract, so we don't actually speak to the customer."*

P6 indicated that speaking to the customer will not always yield the desired results, as even the customers do not know what they really want. Sometimes an organisation has to experiment.

“So no one knows what the customer really want not even the customers. If you have focus groups. I think it's it has been proven where customers say they want something with when you give them the actual thing they asked for they don't buy it..... so I think the methodology we follow is more trying to experiment.” (P6)

5.6.3.4 Prioritise business process

Some participants stated that BU-B doesn't just look at the customer impact it also considers the organisational impact.

“It is a bit of both. Impact on the customer and impact on the organisation.” (P2)

“Not just on the client but on us [BU-B] also.” (P5)

One of the participants made reference to the fact that the insurance industry has legislation that affects how business processes are implemented, and emphasised that customer conduct is currently a priority for BU-B. P2 pointed out that business processes that have an organisational risk will always be prioritised, irrespective of how many policy holders they affect.

“Key focus as well is from a regulatory perspective, customer conduct that is also a big thing so more and more push is coming from the regulator around are you actually treating the customer fairly and all those things come into play.”

“The second lens is, if it is a risk lens if there is something fundamentally wrong and even if you have 10 customers that will get prioritised, because that's a reputational risk to the business.” (P1)

P5 indicated that business processes are prioritised based on *“which one has the biggest impact on the client.”* P1 said: *“I want to see stuff as volume that's been reported more than once. So I need to get to themes. If something is not a theme, I'm not going to respond to it.”*, meaning that business processes will only be prioritised if they affect various policy holders, as it will have an impact on the organisation's financial and non-financial objectives

“If the impact on the customer is really good, but you only have 10 policies then that won't get prioritized. But if the impact on the customer is really good and it's on 240,000 policies, that's a very

different discussion. You have got to look at it with that lens, what's the size of the GWP [Gross Written Premium] or the number of customers you have" (P2)

"So to optimize a smaller project that is going to bring customer value that doesn't drive the big targets, we ignore that. We do focus on that on the big driver. So our biggest drivers are customer experience and opex and claims ratios" (P6)

Some participants indicated that they consider the complexity that is involved in the business process enhancement. Relatively easy business processes that require less time to implement will be prioritised over business processes that are more complicated and require a longer duration of time to implement.

5.6.3.5 Benchmarking

There were conflicting views from the participants on the question related to benchmarking. One participant stated that it is important to benchmark against other companies around the world, whilst another participant indicated that benchmarking leads to an organisation aiming to be average instead of exceptional.

"also do some reading of just about we know what, what's happening in the world..... And sometimes you can follow it also, but if you see what's successful with others." (P1)

"Don't don't ever benchmark because then you just average. If you're trying to be average you're going to be average" (P6)

6 Discussion of results

6.1 Introduction

The findings from the study that were presented in Chapter 5 will be discussed in relation to theory that was reviewed in Chapter 2. It will be highlighted in instances where the literature supports or contradicts the findings in Chapter 5. It will further explore if the findings in Chapter 5 add or extends the current body of knowledge. The comparison between the results from the study and the literature review is presented per research question based on the research questions that were formulated in Chapter 3.

6.2 BPM

Research Question 1: How is BPM defined in the South African Insurance industry?

The aim of research question one was to get an in-depth understanding of the definition of BPM in the South African insurance industry. One interview question was posed to the participants, namely: "What is your understanding of BPM?" There are still disagreements and ambiguity amongst both academics and practitioners with regards to BPM's definition, usage, and scoping (Buh et al. 2015). This was confirmed by the fact that all individual participants defined BPM differently, with each participant mentioning two or more concepts. However, there were dominating constructs that were presented in Chapter 4. These constructs will be discussed below, and the discussion will purely be based on the definitions that exist in the literature.

The study indicated that it is the understanding of the participants that BPM is the management of the organisation's tasks and activities. BPM manages the value chain in the insurance industry, which include sales, policy administration and claims, and ensures that these activities integrate and work well together, as one activity is dependent on other activities. The results highlighted that value chain was sometimes referred to as a system with inputs and outputs that represent the day-to-day tasks and activities of the organisation. These tasks and activities have to be designed in such a way that they operate effectively and efficiently. How they interconnect also has to be well-organised in order to produce successful results. The business processes of an organisation should work seamlessly for all channels that a customer may opt to use to engage with an organisation. BPM ensures that the organisation's business processes deliver optimally. The organisation's tasks and activities needs to work at its maximal output and deliver faster and effortlessly.

This ties well with existing literature. Wong et al. (2014)'s definition stated that BPM is the management and enhancement of the functions in an organisation. Wong et al. presented an example of tasks such as manufacturing, marketing and communication, which represents the value chain in other industries. BPM is a group of interconnected tasks and activities (Teodoru, 2009; Coric & Bara, 2014) that must operate optimally (AlShathry, 2016).

The research indicated that the ultimate goal of managing these effective and efficient tasks and activities is to fulfil the forever-evolving customer needs and wants. It is to enhance business processes that deliver customer value. BPM's role is to help identify the gaps that are present in the customer experience, to comply with legislation that encourages organisation to treat customers fairly, and to use the feedback that it receives from customers to enhance business processes, therefore maximising the value that it provides to them. These findings are in accordance with findings that were reported by Lau et al. (2016), who indicated that BPM aims to convert customer needs and wants into a customer experience (i.e. service rendered overtime). Roeser and Kern (2015) stated that BPM transforms inputs into outputs to satisfy customer requirements. However, according to the researcher's knowledge, this might be one of the few studies that indicated that BPM can assist an organisation to comply with legislation that adds to customer value creation.

The results from the study pointed out that achievement of the above will include getting the right people to be involved at each task and activity in the value chain. These people should be incentivised appropriately for them to take proper responsibility for the task and activities. Information Technology (IT) must be utilised to automate some of the tasks and activities. The results are in line with previous studies. Alotaibi and Lui, (2017) and Van Looy and Van den Bergh (2018) elaborated that BPM uses modern technology and involves people. Buh et al. (2015) indicated that IT and people are used to manage the business processes, so that the customers' desires can be met.

The study further indicated that all the tasks and activities must be connected to the organisational strategy; they must be documented; and they are dependent on the culture of the organisation. These three constructs were also supported by literature. Buh et al. (2015) highlighted that BPM is reliant on the strategic elements of an organisation. It involves documentation (Alotaibi & Lui, 2017) and impacts on the culture of the organisation (Van Looy & Van den Bergh, 2018). However, based on their low frequency, these constructs may require less focus in the definition on BPM in the insurance industry. There was no literature that was found that regards BPM itself as a tool, as it was suggested in the study. Literature said that BPM supports the tools that are used in BPM (Alotaibi & Lui, 2017).

6.2.1 Conclusion

Task and activities, efficiency and effectiveness, delivering to customers and IT and people involvement were constructs that received a frequency of four and more, as presented in Chapter 5. The high frequency does not mean that the participants considered these constructs as the most important. However, these constructs are supported these researchers definitions (Wong et al., 2014; Buh et al., 2016; Roeser & Kern, 2015; Lau et al., 2016), and by authors who have researched BPM in financial services (Teodoru, 2009; Coric & Bara, 2014). Based on the participants' commentary and the supporting literature, these constructs may require more focus when one defines BPM in the insurance industry.

6.3 Customer Value

Research Question 2: What are the elements that are necessary for BPM success that delivers customer value in the South African insurance industry?

6.3.1 Customer Impact

Customer impact was the most mentioned themes by participants from both cases, as presented in Chapter 4. The results from the study specified that it is important that customer feedback is used to determine if the business processes are delivering customer value. The information gathered from the feedback is used to enhance processes. It indicated that customer complaints, customer experience surveys, and customer satisfaction surveys such as Net Promoter Score (NPS) and C-Sat are some of the methods that are used for customer feedback. Lau et al. (2016) maintained the same views by stating that organisations must measure the voice of the customer in order to create customer value in BPM initiatives. While Camgöz Akdağ et al. (2016) indicated that the organisation can use information from surveys. Net Promoter score (NPS) can be used to assist organisations to determine their customer value (Florea et al., 2018). And Pyon et al. (2011) indicated that complaints management can also be used to continually improve customer service.

The results from Chapter 5 emphasised that providing customer value starts with understanding the needs and wants of the customer. This was in line with the literature as reported in Chapter 2, where it was stated that the main aim of BPM is to meet customer's requirements, and to satisfy their needs and wants (AlShathry, 2016; Botha & Van Rensburg, 2011). It is the starting point of re-engineering in BPM and delivering customer value (Lau et al., 2016). This implies that organisations should first determine the customer needs and wants before BPM initiatives. Participants further stated that delivering customer value is developed when the customer experience provided by the business processes matches the customer requirements. This study's findings concurred with literature

reviewed, that a negative value gap is created when business processes do not align with customers' requirements (Pyon et al., 2011), since the customers' experience should be considered first before the start of any BPM project (Pavlić & Ćukušić, 2019).

The study further highlighted that customer journey maps provide an organisation with an understanding of the customer experience, and concluded by emphasising that an organisation has to understand both the back end and front end processes in order to provide value to the customers. Similar conclusions were reached by Pavlić and Ćukušić (2019), who indicated that customer journey mapping is used to analyse customer experience. Trkman et al. (2015) and Pyon et al. (2011) pointed out that merely concentrating on back end processes will not deliver customer value.

6.3.2 Process Impact

The study highlighted that processes should be measured on a regular basis to make sure that they deliver customer value. The results obtained from measuring the processes should be fed back into the organisation to enhance business processes. It was further pointed out that business processes should provide quick turnaround times in order for them to meet customer requirements and deliver customer value. The business processes must also be consistent and deliver the same customer experience that meets the customers' expectations.

This was consistent with the literature findings. These authors (Bai & Sarkis, 2013; Škrinjar & Trkman 2013; Trkman, 2010) indicated that processes must be tracked and monitored. Process metrics such as process consistency, process reliability (Danilova, 2018) and process efficiency and effectiveness (Bai & Sarkis, 2013) should be continuously monitored. Their results should be used as feedback to enhance business processes (Škrinjar & Trkman, 2013). Trkman (2010) indicated that these performance measures should be tracked to ensure that they meet customer needs, improve turnaround times, and increase productivity.

6.3.3 Employee Impact

The results from the study indicated that employee buy-in and employee involvement under the employee impact theme were the most mentioned constructs. Participants stated that employees have to be involved from the beginning of BPM projects, as they provide great insights that will lead BPM projects to delivering value to customers. They further elaborated that even great BPM projects will fail if the employees feel that they are not part of the project. The findings were supported by Alotaibi and Lui (2017), who highlighted that it is important that employees are involved in the BPM projects from the onset. Employees at all levels should welcome and participate in the change (Buh et al., 2015).

Employee understanding was also a dominant concept. It was indicated that employees should understand their role in the business process and how it impacts on the customer. The study found that there were disagreements between participants. Some indicated that employees should not just understand what they do on a day-to-day basis, but they should understand the bigger picture with regards to how BPM will deliver customer value. Other participants held the view that it is sufficient for employees to just know how their role impacts on the delivery of customer value, even though they do not understand the organisation's purpose, because not everything that is said by senior managers in the boardroom will make sense to lower level employees.

Van Assen (2018) stated that employees should have an understanding of the overall processes and how the subprocesses work, whilst Škrinjar & Trkman (2013) reported that employees must be cognisant of how the processes align to organisational goals. This symbolises that literature concurs with those that hold the view that employees should understand not just processes that impact their role, but the overall objective of the organisation. The researcher's attempt to interview the low level employees (as indicated in Chapter 4 under data collection) supported the opposite view that the comprehension of day-to-day operations might be sufficient at lower levels.

In line with what was presented in Chapter 2 from the literature review, employee rewards were also mentioned by various participants as important. The results indicate that customer measures should be included in employees' performance contracts. It will motivate employees to have process-oriented thinking that puts delivering value to customers first. These results are then compared with the findings of Van de Hemel and Rademakers (2016), and Reesink (2014), who stated that customer-centric organisations include customer metrics in their employees' KPIs. It can be inferred that this is done to ensure that employees deliver customer value, as the literature indicated that a customer-centric organisation concentrates on creating superior value for the customer (Van de Hemel & Rademakers, 2016).

6.3.4 Management Impact

Management support was a construct that was dominant in the management impact theme. The study indicated that management is essential in making sure that BPM initiatives delivery value to customers. Management is responsible and accountable to drive all BPM initiatives in the organisation. They hold the keys to making sure that everyone is working towards the same goals. Management support and management leading by example will ensure that everyone in the organisation is working towards achieving the organisation's BPM goals. However, the results from the study also revealed that management often concentrate on the financial impact of BPM projects, whilst neglecting the impact that these projects have on employees and the customer experience.

Others highlighted that top management do not understand what employees do on a day-to-day basis for them to be able to support and drive BPM initiatives adequately.

These findings were broadly aligned with what various authors highlighted in the literature. Buh et al. (2015), Bai and Sarkis (2013), Trkman (2010) and Wong et al. (2014) suggested that management support is an enabler for BPM success. Bai and Sarkis (2013) highlighted that senior managers are responsible for implementing and driving all the organisation's strategic goals, and that they encourage the whole organisation in the adoption of BPM (Wong et al., 2014). Managers are responsible for collating customer requirements (Saarijärvi et al., 2014) and enhancing business processes (Wong et al., 2014). BPM projects have a high probability of being successful if managers support, comprehend and actively participate in them (Bai & Sarkis, 2013; Buh et al., 2015; Škrinjar & Trkman, 2013; Wong et al., 2014). This validates the statement that one of the participants made which revealed that senior management has to comprehend the day-to-day operations of an organisation in order for them to drive BPM initiatives.

Another concept that arose from the results was management communication. It was indicated that management is responsible for communicating BPM goals in the organisation. They should use the organisation's communication channels to clearly communicate how BPM will deliver customer value. Management is accountable for ensuring that all the employees understand all the BPM and strategic goals. Other researchers have shown that managers use the organisation's communication channels to ensure that its vision is communicated at all levels of the organisation (Bai & Sarkis, 2013). Communication by management ensures that BPM initiatives are understood by each and every employee in the organisation (Wong et al., 2014).

The study further indicated that management controls the organisations resources (i.e. funds, employees and projects). They have the responsibility of encouraging BPM initiatives through rewards. Some participants specified the challenges that they go through as managers in the allocation of resources between BPM projects that deliver customer value, and the daily operations that are supposed to deliver the value. This further illustrates that management is responsible for allocating resources that will enable BPM to deliver customer value. This was supported by Bai and Sarkis (2013) and Balanescu *et al.* (2014), who stated that management is responsible for distributing and prioritising the organisation's resources, and that they have to motivate the employees to be involved in BPM initiatives (Bai & Sarkis, 2013).

6.3.5 Information Technology Impact

The results from the study depicts that all participants agreed that IT is an enabler for BPM initiatives to deliver customer value. IT assists organisations to meet their customers' needs and expectations. Automation improves turnaround times, customer satisfaction, efficiency, and cost saving. The results also showed that IT has improved customer service and customer experience. This view ties with the findings by various authors as reported in Chapter 2. Rahimi et al. (2016) indicated that IT provides an organisation with various opportunities to automate their business. It is a pillar of processes, it supports core business processes (Wong et al., 2014), and it makes them efficient and effective (Vom Brocke et al., 2014). It assists in increasing customer satisfaction (Vom Brocke et al., 2016).

The participants mentioned that IT is utilised in all of their BPM projects, but they also highlighted that it comes with its own set of challenges. IT will fail to deliver superior customer value if it is not embedded into the business processes. The results from the study also indicated that IT cannot be used to correct wrongly designed processes, as it has the potential to expand the impact that the incorrect processes have on customers. The study further indicated that IT must only be introduced once the processes have been tested to determine if they do add value to the customer. Trkman (2010) validated the participants' view by highlighting that, due to many failed IT projects, others hold a view that IT is unable to provide an organisation with a competitive edge. There are statistics supporting that IT can result in BPM failure, but there was limited information in literature that specifically highlighted how IT causes BPM initiatives to fail.

6.3.6 Strategic Alignment Impact

The findings from the study highlighted that for BPM initiatives to deliver customer value, they have to align to the organisation's strategy. All BPM goals have to be connected to the organisation's goals, objectives, standards and purpose. Failure to get the alignment will result in an organisation being unable to deliver the intended value to its customers. The findings further indicated that a good organisational strategy is required. Linking BPM initiatives to a bad strategy will also result in failure to deliver customer value. One participant pointed out that it is challenging to align BPM goals with strategic goals, since organisations sometimes place an emphasis on growth that does not align with the organisation's current processes.

There is consensus amongst the different authors that for BPM initiatives to be successful, they should be linked to the organisational strategy (Buh et al., 2015; Gabryelczyk & Roztocki, 2018; Vom Brocke et al., 2014). This supports and clarifies that BPM goals have to be aligned to the organisational strategy. If the organisation's strategy is to grow the top line, the BPM projects should

be designed in a way that will support the growth. Trkman (2010) maintained the participants' view that alignment of BPM goals to the organisation's objectives does not translate a bad strategy into a good one. An organisation will only be able to deliver customer value if BPM goals are tied to an organisational strategy that propels customer value creation.

The results from the study pointed out that there should also be alignment of departmental goals. The work conducted by the different teams in an organisation should be synchronised, as they are all servicing the same client. If their objectives are different and they work in silos, they will not be able to deliver customer value. This ties with the conclusions by authors such as Botha and Van Rensburg (2011), Trkman *et al.* (2015) and Vom Brocke *et al.* (2014) who stated that there should not be silos for BPM initiatives to be successful. All the departments in the organisation should work towards the same organisational goals.

The results from the study further pointed out that when departments are working in silos, the customer feels the impact when they are engaging with the organisation. Some participants from the study highlighted that this is one of the reasons why insurance companies lose customers. Customers will cancel their policies if the customer experiences a misaligned within the different teams. Pyon *et al.* (2011) indicated that when the internal business processes do not align with customer needs, a negative value gap is created. Pyon *et al.* (2011) views validates the fact that when there is no alignment between internal teams, customers experience the impact. Botha (2013) defined customer satisfaction as “ result of a series of customers' experiences and the net result of good and bad customer experiences”. (p. 7), and Ruefenacht (2018) indicated that in insurance the policy cancelation of satisfied clients is lower. These statements by Botha (2013) and Ruefenacht (2018) supports the view that a misaligned customer experience will lead policy holders to cancel their policies.

6.3.7 Project management impact

The study highlighted that project management was one of the themes that had the least frequency. The findings indicated that using formalised project management principles when running BPM projects will lead to success. It allows inter-team collaboration. It is therefore important for organisations to have a project office that will run the projects. The study established that it is advantageous to have an individual who will be assigned the responsibility of running the BPM projects, and to take care of all the project deliverables, including managing the scope, governance, time-lines and budget of the BPM project.

These views were supported by various authors in the literature (see Chapter 2). Bai and Sarkis (2013) stated that effective project management is essential in BPM implementations. Projects must

have clearly defined aims, project plans and deliverables (Buh et al., 2015). Danilova (2018), Trkman (2010) and Vom Brocke et al. (2014) all pointed out the need to have an individual who will be responsible for the end-to-end running of the project.

6.3.8 Culture Impact

The literature review also revealed that there are still disagreements amongst researchers as to whether BPM should fit the organisational culture, or whether the organisational culture should change to fit BPM initiatives. After analysing the participants' commentary, it is still not clear which one should take precedence in the insurance industry. Some participants indicated that delivering customer value should be the organisation's culture for BPM to be successful. This is supported by Vom Brocke et al. (2014), who alluded that to be successful, BPM has to be embedded into the organisational culture. However, some participants indicated that it takes a while to change culture, which implies that culture should change to accommodate BPM initiatives. This point of view is supported by Wong et al. (2014), who pointed out that the organisational culture has to be conducive for BPM to be effective.

The results from the study indicated that organisational culture determines employees' behaviour. Organisations that give their employees the freedom to experiment and to be innovative will be successful in their BPM initiatives. Experimentation and innovation leads to continuous improvement of processes that deliver customer value. An organisation must have a culture that allows employees to voice their opinions and highlight areas that need improvement. This requires employees and the organisation to make a conscious mind shift.

There is consensus amongst researchers that culture is a critical success factor in BPM initiatives (Bai & Sarkis, 2013; Buh et al., 2015; Trkman, 2010; Vom Brocke et al., 2014). Wong et al. (2014) agreed that culture is the reason for the failure or success of BPM initiatives. The section of the results that highlighted that the culture of organisations in the insurance industry must allow employees to experiment and be innovative when implementing BPM initiatives might be an extension of the existing literature. Existing literature indicated that employees at all levels should welcome and participate in the change and must move away from traditional functional style thinking (Buh et al., 2015).

6.3.9 Change Management Impact

Most participants did not focus much on change management. Those that focused on change management said that BPM has to be accompanied by a change management journey that will highlight the benefits and the reasons for business process improvement in order for it to be effective

and deliver customer value. Change management is classified as a CSF of BPM initiative by various authors (Trkman, 2010; Bai & Sarkis, 2013; Buh *et al.*, 2015).

6.3.10 Conclusion

Customer impact, employee impact, process impact, management impact, strategic alignment impact and Information Technology impact had a frequency of more than 40, as presented in Chapter 5. The higher frequency does not imply that the participants considered these themes as the most important in order for BPM to deliver superior customer value. These are the themes that might have to receive more attention when an insurance company is implementing BPM. It was interesting to note that out of the six themes that emerged as the themes that might require focus when delivering customer value in the insurance industry, five of them are included as the CSF in previously literature.

The finding from the study provided evidence that employees have to be involved from the onset for BPM initiatives. They have to understand the impact that they have on delivering value to customers, and how they are rewarded and recognised have to be linked with customer metrics. Processes have to be measured on a regular basis to ensure that they are effective, reliable and consistent. Management support is necessary for BPM initiatives to be successful. Management has to use the organisation's resources and communication channels to ensure that everyone in the organisation is working towards delivering value to customers. All the BPM goals have to be linked to good strategic goals. This will ensure that there is interdepartmental collaboration that will reduce the silo mentality. IT has to be used as enabler to improve and automate business processes, but not as a remedy for badly designed processes.

The study confirms that much is known about the customer impact on BPM success, and various authors have written about it as illustrated in chapter 2. The study demonstrated that it is essential to understand customer requirements and the customer journey before implementing BPM initiatives. It further demonstrated that customer feedback, which included customer complaints and customer surveys, is crucial in understanding the customer's needs and wants that will ensure that BPM delivers superior customer value. Borgianni *et al.* (2010) highlighted that delivering customer value leads to customer satisfaction. This implies that all the themes that arose from the study, irrespective of their frequency as presented in Chapter 5, will lead to customer satisfaction. This includes including change management, project management and culture which had lower frequencies as per the participants' commentary.

6.4 Customer Centricity

Research Question 3: What are the perceived characteristics of a customer centric organisation in an insurance company?

The study highlighted that a customer-centric organisation understands the wants and needs of its customers, and ensures that they are met. A customer-centric organisation listens to its customers, as that is the only way that it will have business continuity. Understanding the customer's needs and wants was in line with findings by various authors in the literature review, as indicated in Chapter 2. Reesink and Reesink (2014), Saarijärvi *et al.* (2014), Van de Hemel and Rademakers (2016) and Vlašić and Tutek (2017) all indicated that a customer-centric organisation comprehends its customers' wants deeply. It asks its customers what they want, and listens to them (Reesink, 2014).

The results from Chapter 5 indicated that a customer-centric organisation knows and comprehends the steps that its customers go through when they are transacting with it. It uses customer journey maps to capture those steps. Customer insight also assists a customer-centric organisation to improve its business processes, which in turn enhances the customer experience. The business processes become more stable and reliable, and they provide customers with quick turnaround times. Other results were broadly in line with these findings. Homburg *et al.* (2017) confirmed that customer experience is essential in a customer-centric organisation. Reesink (2014) highlighted that customer journey maps are used by customer-centric organisations to respond better to the customer's needs. Pavlić and Ćukušić (2019) revealed that, when starting BPM projects, there are many advantages of first gaining an understanding of the customer's experience. This includes implementation of business processes that provide cost effectiveness, short turnaround time and quality customer service (Buh *et al.*, 2015), as opposed to business processes that only focus on internal benefits.

The study further revealed that a customer-centric organisation does not consider developing new products without understanding why their customers are dissatisfied with their current products. All products are developed to satisfy their customers' needs. A customer-centric organisation is cognisant that without understanding what their customers want, it will not be able to give them easy-to-use solutions. A similar conclusion was reached by Van de Hemel and Rademakers (2016), who stated that all the products and services of a customer-centric organisation are developed using customer insights.

The participants in the study highlighted that the customer is placed at the centre of everything that a customer centric organisation does. It puts the customer first. All its products and services are designed using a customer's lens. It delivers customer value by providing exceptional service that leads to customer satisfaction. When comparing the results to older findings, it was confirmed that the customer is at the centre of everything in a customer-centric organisation (Ambaram & Maram, 2014; Kim, Beckman, & Agogino, 2018, Marjanovic & Murthy, 2016; Vlašić & Tutek, 2017). These authors stated that a customer-centric organisation prioritises customers' needs and preferences. Van de Hemel and Rademakers (2016) argued that a customer-centric organisation focuses on delivering superior customer value.

The results discussed in Chapter 5 indicated that there were two other themes that were established but were mentioned least by the participants. Participants stated that a customer-centric organisation links its employee remuneration and rewards to customer metrics. This is in line with Bonacchi and Perego (2011)'s finding that customer metrics, such as customer satisfaction, form part of the employees' KPIs in a customer-centric organisation. Lastly, participants indicated that a customer-centric organisation builds a relationship of trust with its customers. This was validated by Ambaram and Maram (2014), who stated that customer knowledge builds trust between the organisation and the customer. Vlašić and Tutek (2017) stated that employees must be encouraged to build relationships with the organisation's customers.

6.4.1 Conclusion

Understanding customer needs and wants, improving customer journey, delivering to customers and putting customers at the centre were top themes that emerged as features of a customer-centric organisation, as represented in Chapter 4. It does not imply that these are the themes that participants considered as the most important. However, these are the themes that were mentioned by the participants from both cases. All these themes were validated by the literature. Based on the two facts, these themes may represent the characteristics of a customer-centric organisation in the insurance industry.

Literature in Chapter 2 indicated that there is a relationship between customer centricity and processes orientation, and customer centricity and customer satisfaction. The results from the study showed that an organisation that places customers at the centre of everything it does (including how it rewards its employees) will have business processes that are developed based on the customers' needs and wants. These business processes will deliver to value customers, solidify the relationship between the organisation and its customers, and improve the customer experience.

Understanding customer needs and wants in order to improve the customer experience are the

same constructs that emerged from the research, and in question 2 under the customer impact theme. This is supported by the literature, which specified that a customer-centric organisation aims to provide customer value. Borgianni et al. (2010) and Van de Hemel and Rademakers (2016) highlighted that delivering customer value leads to customer satisfaction.

6.5 Customer Satisfaction

Research Question 4: How do South African insurance companies ensure that they implement business processes that leads to higher customer satisfaction?

As it was highlighted in chapter 2 that Botha, Kruger, & De Vries (2012)'s ECEF is a framework that can be used to improve business processes and to measure customer satisfaction. In this section we will compare the steps from the framework to the steps from the findings.

6.5.1 Market Segmentation

The results from the study indicated that organisations segment their customers using different methods, which include LSM, demographics, and behavioural information. This was supported by Epetimehin (2011), who indicated that segmentation can be based on demographics, behavioural, geographic and benefit research. The findings specifically mentioned that in insurance they also consider the average premium and the sum insured. This was also in line with previous literature findings that stated that the segmentation should be based on the contribution that the customer makes to the success of the organisation (Ambaram & Maram, 2014; Lambert, 2009). The results from the study also asserted that customers have different needs, and hence the organisation should segment their customers based on those different needs. Ambaram and Maram (2014) and Lambert (2009) also shared the same view that customers should be segmented based on their needs. Epetimehin (2011) concluded by highlighting that customer segmentation can assist organisations to comprehend their customers' needs better.

6.5.2 Identify core processes

In Chapter 5 the study highlighted that there are three core processes in insurance, namely sales process, policy administrative process, and the claims process. There was a higher frequency on the claims process, and findings also uncovered that the claims process was identified as the most important process by the participants from both cases. The researcher could not find existing literature that stipulated the core processes that have to be focused on when an insurance company is enhancing business processes to reach higher levels of customer satisfaction. This might be an addition to the body of knowledge.

The insurance value chain was indicated as the method that most participants used to identify the core processes. This is supported by Botha *et al.* (2012), who argued that the value chain analysis can be used to identify core processes. The study specified that a method known as SABC (which stands for Sales, Administration, Bordereaux - premium collection, and Claims) can also be used to identify core processes. This method also analyses the value chain, but it is specific to the value chain in the insurance industry.

6.5.3 Collect customer information

Participants said that they make sure of the following approaches to gather data.

6.5.3.1 Customer Feedback

The results from the study suggested that feedback received from the customers is used to collate customer insights. Customer complaints are mostly used to gather information about the customers' needs and wants. When comparing these findings to existing literature, it was found that Pyon *et al.* (2011) had indicated that customer complaints can also be used as a method to gather customer information. Customer complaints provide an organisation with a chance to gain customer information on how to enhance its processes (Yilmaz, Varnali & Kasnakoglu, 2016).

6.5.3.2 Surveys

The results from the study showed that surveys are used to collect customer information. It indicated that the NPS, C-SAT and Echo (i.e. a survey that measures customer experience) are the surveys that are used. This ties to the finding by Camgöz Akdağ *et al.* (2016) who indicated that surveys are a method of capturing the voice of the customer. NPS summarises how satisfied customers are with the product or service of the organisation (Krol, Boer, Delnoij, & Rademakers, 2015). And Roy, Mariappan, Dandapat and Srivastava (2016) stated that C_SAT analyses feedback from post-interaction with customers to determine their satisfaction levels.

6.5.3.3 Market research

The study highlighted that conduct market research is also used to determine what customers want. It indicated that participants engage with customers face-to-face, or they run focus groups. Camgöz *et al.* (2016) validated the participants' views by stating that market research can provide an organisation with customer information. Lau *et al.* (2016) indicated that an organisation must first know and measure the voice of customer, as the ultimate goal of BPM is to create value for them (Trkman *et al.*, 2015). Botha *et al.* (2012) alluded that face-to-face interviews yield the most valuable results when gathering customer requirements.

6.5.4 Prioritise Processes

The study revealed that business processes that have a regulatory impact will be prioritised, and most of the legislation is related to customer conduct. However, it is the researcher's view that some legislation in insurance is related to regulating the industry, instead of customer conduct. The study further highlighted that organisations weigh both the impact on the organisation and the impact on the customer. If the impact on customers only affects a small number of policy holders, business processes that have an impact on the organisation will be enhanced or implemented first. This contradicts the findings of the literature review as presented in Chapter 2. Botha and Van Rensburg (2011) specified that priority will be given to business processes that have a high impact on the customer and are also not performing well. The participants did not focus on the process performance. Trkman et al. (2015) indicated that customers' needs should be prioritised when implementing BPM or modifying processes.

6.5.5 Benchmarking

The study indicated that there are conflicting views in practice about benchmarking. Some practitioners considered benchmarking against other companies as a way that will assist an organisation to understand its customers better, while others considered benchmarking to be a limiting factor that results in organisations aiming to be average. Previous findings in the literature indicated that benchmarking ensures that the desired level of performance is determined before enhancing the business process. The most accurate method is to examine how performance of similar services in similar organisations fulfils customer satisfaction (Botha, 2013).

6.5.6 Conclusion

The results from the study indicated that in both cases there are no formalised steps that the two business units follow. However, it was also demonstrated that somehow organisations incorporate these steps in implementing business processes, even though they are not followed in the sequence that was proposed by Botha et al. (2012). The research findings confirmed the findings that emerged in research questions 2 and 3, namely that it is of paramount importance to understand customers' needs and wants before attempting to satisfy them. It further supported the view that customer feedback such as customer complaints and customer surveys are methods that are used to gather customer data. The results in this section revealed an additional insight that highlighted that segmenting customers enhances the organisation's knowledge about its customers.

A further novel finding is that there are three core processes in the insurance industry, of which the

claims process is the most important. However, the results contradicted the notion that business processes with a high customer impact are prioritised. The findings concluded that organisations will prioritise business processes that have a regulatory impact first, and they will then weigh up which processes have the biggest organisational or customer impact, and prioritise either one of them. The research findings also indicated that not all organisations benchmark their process measures. The results from the research question provided direct evidence of how organisations implement business processes that lead to higher customer satisfaction. This evidence is supported by the literature and some of the findings flowing from research questions 2 and 3.

7 Conclusion

This chapter serves as the conclusion of the study. It contains a critical evaluation of the findings, research limitations, further research and conclusion. The next section discusses the evaluation of the findings.

7.1 Findings

This section details the evaluation of the findings of the study. These sections are discussed in detail BPM definition, customer impact, critical success factors and recommendations. BPM definition is next to be discussed.

7.1.1 BPM definition

It was important that there was an understanding of how BPM is defined in the insurance industry before assessing how it is used to attain higher levels of customer satisfaction. From the discussion in Chapter 6, it can be summarised that BPM in the South African insurance industry is defined as the management of the organisation's tasks and activities (i.e. sales, policy administration and claims) in such a way that they efficiently and effectively deliver customer value by utilising people and IT, linking it to the organisation's strategy, documenting the tasks and activities, and considering the impact of the organisational culture on the entire process.

7.1.2 Customer Impact

The main conclusion that can be drawn is that the customer has a significant impact on how the organisation reaches high levels of satisfaction. This construct can be seen as an obvious fact that an organisation cannot satisfy its customers without concentrating on their impact when business processes are developed or improved. However, there is overwhelming evidence in the literature that indicated that most organisations still take an inside-out approach that focuses more on re-engineering and enhancing intra-organisational processes than taking into account customer value creation (Trkman et al., 2015). The study pointed out that the organisation must first understand its customers' needs and wants. It indicated that customer feedback can be used to collect customer requirements. Organisations used customer complaints, customer surveys and market research such as focus groups to obtain customers' feedback.

It further pointed out that organisations have to map customer journeys to understand the steps that the customers go through when they are engaging with the organisation's processes. The findings also indicated that an organisation that prioritises and puts the customer first in everything it does, understands its customer requirements better. Employees' performance contract have to be linked

to the customer metrics to make sure that the employees also prioritise the customer needs and wants. An organisation that understands the needs and wants of its customers will produce products and services that meet customers' expectations. This will provide customer value that will ensure that customers are satisfied.

7.1.3 Critical Success Factors

The results on BPM's enablers are broadly consistent with the critical success factors from previous research findings. However, this study indicated that people (i.e. management and employees), strategic alignment, process measures and IT might be critical for BPM to assist Insurers to reach higher levels of customer satisfaction, while project management, culture and change management might be enablers that are not critical in the insurance industry.

This aspect of the research suggested that top managers control how information is disseminated in the organisation, and they also manage how resources are allocated. Thus, their support and participation in BPM activities will result in BPM influencing customer satisfaction positively. It also suggested that employee buy-in, employee understanding of their roles in the business processes, and how employees are remunerated and rewarded will also enable BPM to influence customer satisfaction positively. Processes that deliver effectively to customers by means of shortening turnaround times and reducing the customer effort will result in happier customers. The process has to be consistent to ensure that customers know what to expect when they are dealing with the organisation. The analysis leads to the conclusion that insurance companies that ensure that the sales, policy administration and claims processes deliver effectively and consistently to customers will attain higher customer satisfaction. In this regard, the claims process was presented as the most determining factor pertaining to customer satisfaction.

It is the conclusion of this study that attaining higher customer satisfaction rates has to be one of organisations' strategic goals in order for BPM to assist an organisation to attain it. All the teams within the organisation should work towards customer satisfaction, with the knowledge that even if the teams have different tasks in the value chain, but they are all servicing the same customer. IT assists to automate the business processes, and should contribute towards improving the process measures and enhancing the customer experience. Increasing the customer experience increases the perception of value to the customers, which results in satisfied customers.

Despite the fact that project management, culture and change management were least focused on by the participants in the study, it can still be concluded that these factors have to be considered in an attempt to comprehend how BPM influences customer satisfaction. It can be concluded that an organisation will have to see to it that BPM projects are scoped in terms of the deliverables, timelines

and budget. There should be a person responsible for the end-to-end running of BPM projects. The impact that enhanced business processes will have on employees should be communicated, and the benefits of having happier customers should be made transparent throughout the organisation. Even though the research findings confirmed that culture has an impact on how BPM influences customer satisfaction, the researcher is of the opinion that the results from the study are inconclusive as to whether BPM has to be embedded into the organisational culture, or whether the organisational culture needs to change to be conducive for BPM projects.

7.1.4 Recommendations

As indicated in chapter 1 that the insurance industry is in the process of taking advantage of the benefits that are brought by the digital era. The literature review in chapter 2 indicated that there is a relationship between customer centricity and customer satisfaction (Nilsson et al, 2001). It further highlighted that there is a relationship between delivering customer value and customer satisfaction Borgianni et al. (2010). However most organisation are still implementing BPM solution that do not take into account customer value creation thus causing most organisations not to be customer centric.

The fact that most organisations were not customer centric was revealed by this study in chapter 5, with most participants in both cases highlighting that their organisations are not yet customer centric. The results from the study highlighted that IT is used to enhance business processes. With some participants mentioning concepts such are robotics, indicating that organisations aim to use digitalisation in business processes in order to attain higher levels of customer satisfaction. The recommendation to the leaders (executives and managers) in the insurance industry are the following.

Leaders in the insurance industry have to ensure that there is a common understanding amongst them about what BPM is. Lack of consensus amongst them will make it challenging for them to support the BPM initiatives adequately. It will send mixed and conflicting messages to the rest of the employees as management are the ones that have to communicate how BPM will lead to higher customer satisfaction levels. Insurers will have to ensure that each and every BPM project is started by first attaining customer requirements. They will have to use customer feedback to gain an understanding of their customers' needs and wants. Closer attention will have to be put on customer complaints as the study indicated that it is a method that provides the most feedback. Insurance companies should segment their customers to enhance the customer insights that are gained from customer collection methods such market research and customer surveys. Mapping of the customer journey will assist them to get insights of how customers interact with organisation's processes in their own processes.

Managers in the insurance industry must link customer satisfaction measures to the employees KPIs to ensure that employees are encouraged to put the customers first in everything they do. They should involve employees from the onset of BPM initiatives. Especially customer facing employees. As the study indicated that customer facing employees interact with customers on a daily and they understand the pain points that customers go through. Insurers must measure how satisfied customers are about the business processes (i.e. sales, policy admin and claims) on a regular basis and use the feedback to improve customer satisfaction. They should ensure that processes are operating efficiently (i.e. quick turnaround times) and consistently. Insurers should embed IT into business processes that are designed to provide customer value. Lastly all the BPM activities in the insurance companies must be linked to a strategy that prioritises customer satisfaction.

7.2 Research limitations

7.2.1.1 Type of study

The philosophy of this study is interpretivism, meaning that the researcher is part of the role players, as the researcher works for one of the business units. Furthermore, the type of study conducted was a qualitative study, which is subjective by its nature. This study might thus contain some biases, although the researcher made every attempt to avoid such biases. The audit trail that was left will confirm the identified themes and research findings.

7.2.1.2 Unit of study

As indicated in Chapter 4, the case studies were conducted in autonomous business units that fall under the same group company, which means that there might be similarities in how these business units utilise BPM to attain higher customer satisfaction levels.

7.2.1.3 Interview questions.

Even though the interview questions were piloted, the researcher is not an expert in compiling interview questions. The line of questioning could have led to more emphasis on certain topics, especially when addressing BPM's critical success factors that lead to customer satisfaction. However, the researcher applied the information obtained from the literature review pertaining to the topic of the study, as well as guidelines pertaining to the compilation of questionnaires, when compiling the interview questions.

7.3 Future Research

This study focused on customer satisfaction for transaction that are between the Insurer and direct customers. Further research can be conducted that will study the influence of customer satisfaction on the intermediated business (i.e. customers who engage with the insurance companies via the broker). Future studies can research the influence of BPM tools such as workflow on customer satisfaction in the insurance industry as BPM tools were not a focal point of this study. This research also did not concentrate a lot on the BPM maturity of the companies used in the case study. Researchers can study the impact that BPM maturity levels of Insurers have on customer satisfaction.

There are various authors who assessed customer impact on BPM initiatives, but the researcher did not find any study that focused on considering customer impact as a critical success factor. This suggests that further studies might be needed to explore customer impact as a separate additional critical success factor that leads to customer satisfaction. Alternatively, customer impact should be emphasised more under the project management factor. The existing literature that indicates project management as a critical success factor emphasises general project scoping and project requirements, but it is not specific or does not provide adequate information about understanding the customer needs and wants as a prerequisite for BPM success.

The study was inconclusive as to whether BPM has to fit into the organisations existing culture or whether the culture has to change to make sure that BPM initiatives lead to higher customer satisfaction. Future studies might have to zoom into this phenomenon to clarify the conflicting reviews that were established from this study and those that currently exist in literature. The findings from this study indicated that there were contradictions between what some participants indicated about benchmarking and what is written in literature. The researcher is of the opinion that this might require further research, as the results from this study might have some validity that benchmarking has the potential to stifle innovation and exceptional service in BPM implementations.

The study specified that a method known as SABC can also be used to identify core processes. This method also analyses the value chain, but it is specific to the value chain in the insurance industry. There might be a need to do more research on the SABC method, as it can result in a framework that can be used to identify core processes in the insurance industry.

7.4 Conclusion

The literature indicated that BPM is a holistic approach that will ensure that business processes are managed and controlled in order for organisations to achieve their intended goals. In this study, the intended goal was customer satisfaction. Hence, the research questions that were formulated in Chapter 3 were structured in such a way that the study explored all the BPM enablers in relation to delivering customer value that leads to customer satisfaction. The research findings from the four research questions align with one another. They also build up and support each other to shed light on the influences of BPM on customer satisfaction. The results from the study demonstrate that an in-depth understanding of how insurance companies utilise BPM to attain higher levels of customer satisfaction was achieved.

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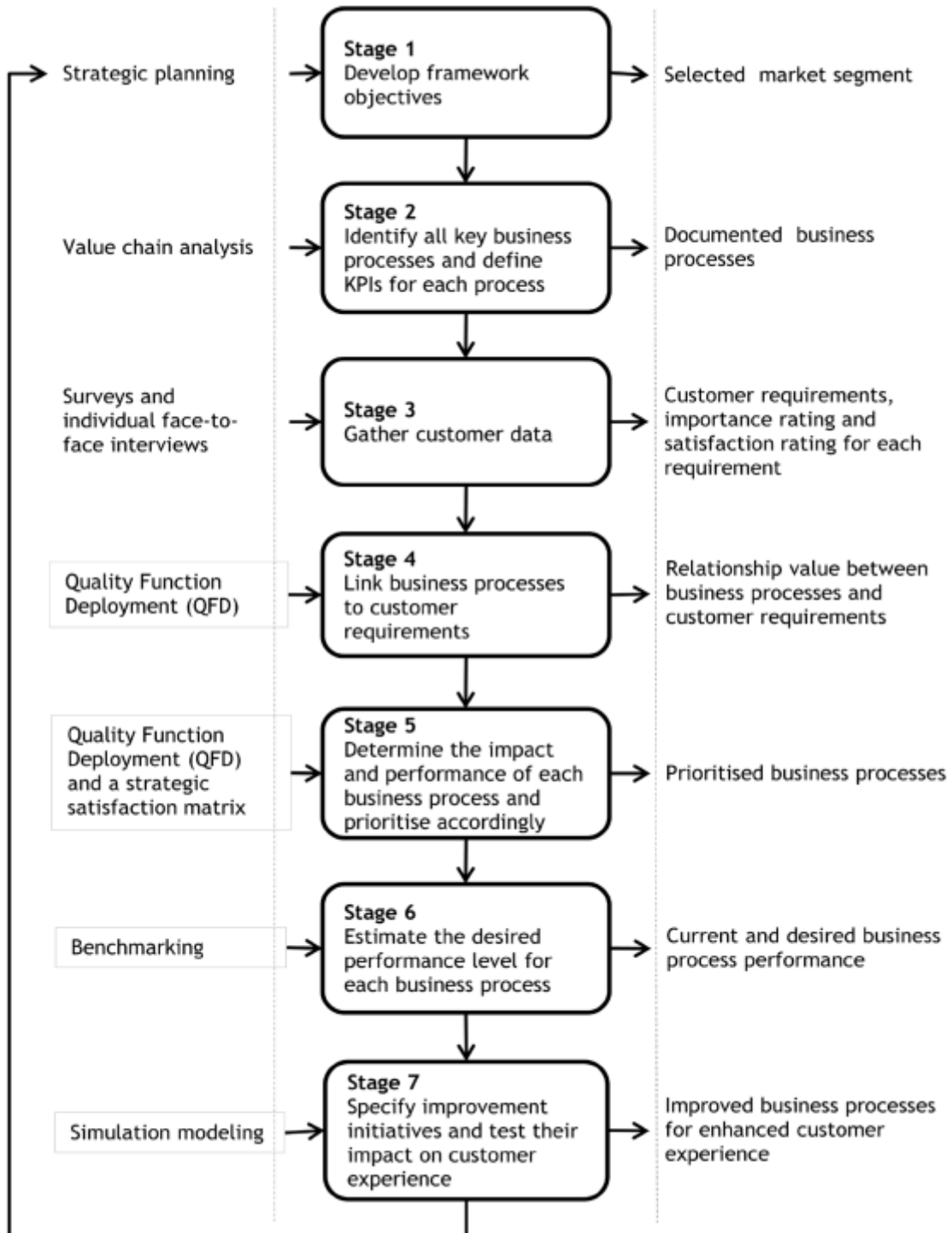
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9 Appendix

9.1 Appendix A: ECEF Steps



9.2 Appendix B: Interview Questions

Research Questions	Interview Questions	Executives	Managers
RQ2 & 3	What are your organisation's strategic goals?	✓	✓
RQ3	What do you consider as your competitive advantage?	✓	✓
RQ3	What are your organisation's value drivers and how are they measured?	✓	✓
RQ2 & 4	What are your organisation's BPM goals?	✓	✓
RQ2	How well are BPM goals linked to strategic goals?	✓	
RQ2	How often are BPM initiatives on the agenda in management meetings? (Škrinjar & Trkman, 2013)	✓	
RQ2, 3 & 4	How do you ensure that these goals (BPM and strategic) deliver superior customer value?	✓	✓
RQ2	How are both BPM goals and strategic goals cascaded down the organisation?	✓	
RQ3	Does your company structure support a product or customer centric strategy? And why?	✓	✓
RQ2, 3 & 4	How are employees incentivised to have a process oriented thinking that is based on customer centricity?	✓	✓
RQ2, 3 & 4	How well do employees understand BPM and its impact on delivering superior customer value?		✓
RQ2	Who and how are the training needs identified?		✓
RQ2, 3 & 4	How do you ensure BPM training includes delivering customer value?		✓
RQ2	How well does IT and business cooperate in BPM initiatives? (Gabryelczyk & Roztocki, 2018)	✓	
RQ2, 3 & 4	How do you ensure that IT development is prioritised for business processes that bring superior customer value? (Škrinjar & Trkman, 2013)	✓	✓
RQ2, 3 & 4	How has automation contributed to delivering better customer value?	✓	✓
RQ2	What do you consider as the enablers of the organisation's BPM goals?	✓	✓

Research Questions	Interview Questions	Executives	Managers
RQ1	What your understanding of Business Process Management?	✓	✓
RQ4	Which processes are classified as your core processes and how do you identify them?	✓	✓
RQ4	What are the steps that are followed when creating or enhancing business processes?		✓
RQ2 & 4	How do you ensure the core business processes deliver the best customer value?	✓	✓
RQ4	How do you prioritise your BMP initiatives?	✓	✓
RQ2	How do you measure BPM success?	✓	✓
RQ4	How does the organisation gather customer needs?	✓	✓
RQ4	How do you ensure higher customer satisfaction	✓	✓

9.3 Appendix C: Ethical Clearance letter



22 August 2019

Ndhlovu Enos

Dear Enos

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee

9.4 Appendix D: Interview Consent form

LETTER OF INTRODUCTION AND INFORMED CONSENT FOR PARTICIPATION IN ACADEMIC RESEARCH

Title of The Study:

The influence of Business Process Management (BPM) on customer satisfaction.

Researcher:

Enos Ndhlovu

enosn@hollard.co.za

0825297196

Supervisor:

Philip Viljoen

philip@tocsa.co.za

You are cordially invited to participate in an academic research study due to your experience and knowledge in the research area, namely Business Processes. You are required to read, understand, and sign this document before the start of the interview.

.

Purpose of the study: The purpose of the study is to understand how Business Process Management (BPM) success leads to higher customer satisfaction levels.

Research procedures: Semi-structured interviews will be used.

Duration of the study: Between 30 and 75 minutes.

Your rights: Your participation in this study is very important. You may, however, choose not to participate and you may also stop participating at any time without stating any reasons and without any negative consequences. You, as participant, may contact the researcher at any time in order to clarify any issues pertaining to this research. The relevant data will be destroyed, should you choose to withdraw.

Confidentiality: All information will be kept confidential without any identifiers.

WRITTEN INFORMED CONSENT

I hereby confirm that I have been informed about the nature of this research.

I understand that I may, at any stage, without prejudice, withdraw my consent and participation in the research. I have had sufficient opportunity to ask questions.

Respondent: _____

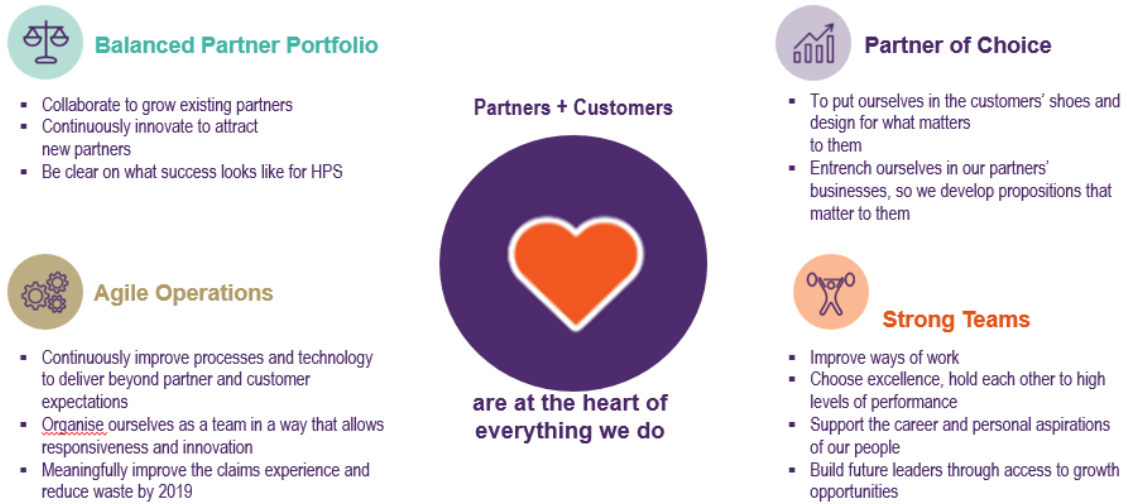
Researcher: _____

Date: _____

9.5 Appendix E: Case A strategic pillars

Our Vision and partnership model remains anchored on four strategic pillars

The favourite insurance solutions partner



9.6 Appendix F: Case B strategic pillars

Our vision is to be the country's favourite short-term insurer through the Hollard Way and seven strategic imperatives

