Customer-Centric Prioritization of Process Improvement Projects

Abstract: Today, customers can conveniently compare products and decide how to interact with companies. With customer centricity becoming an important success factor, companies must drive customer satisfaction not only through excellent products but also through customer-centric processes. As many companies face an abundance of action possibilities, fast-changing customer needs, and scarce resources, guidance regarding the customer-centric prioritization of process improvement projects is in high need. As existing approaches predominantly focus on process efficiency, we propose a decision model that accounts for the effects of process improvement on customer centricity in line with justificatory knowledge on value-based process decision-making, project portfolio selection, and the measurement of customer satisfaction. When building the decision model, we adopted the design science paradigm and used multi-criteria decision analysis as well as normative analytical modeling as research methods. We evaluated the model by discussing it with practitioners, by building a software prototype, and by applying it at a German insurance company. Overall, our research extends the prescriptive knowledge on process prioritization and customer process management.

Keywords: Business Process Management; Business Process Improvement; Process Decision-Making, Customer Centricity; Project Portfolio Selection; Kano Model