Advanced Business Process Management with Digital Innovations (Review)

Masood Ahmed Khalid^{1†} and Muhammad Jawad Ibrahim^{2††}

<u>Start4star@yahoo.com</u> <u>Jawad.ibrahim@uol.edu.pk</u> University of Lahore, (Chenab Campus), Gujrat, Pakistan

Abstract

Many organizations are looking for digital innovation to apply in business process management and this information revolution leaves its effect on the businesses and anticipate competitors. In this article, investigates the strength of the relationship between business process management (BMP) and Digital Innovations (DI) since it has been underdeveloped. The results and findings are extracted from international survey with explanations of expert panel to generalized a positive and moderate link of multiple factors that are affecting the strategic decision-making in business process management. It is extended to the Technology Organization Environment (TOE) framework and contour organizations along their Digital Process Innovation (DPI).

Keywords

Business Process management; Survey; Digital Innovation; Digital Transformation; Management Lifecycle; Process Innovations.

1. Introduction

These days, business processes are progressively focused on with regards to digital innovation. Business process management (BPM) has consequently become an important field for a large number by offering methods, techniques, and management principles to deliberately adjust business processes and accomplish higher business results, consistence, and long-term seriousness. Regardless, BPM is progressively tested by the chances of DI utilizing arising innovations (e.g., online media, portable, and cloud arrangements, enormous information investigation, radio-recurrence recognizable proof (RFID), sensors, Internet of Things (IoT) and keen gadgets). Thus, while BPM has customarily centered around constant process upgrades, mechanization, and normalization, present day associations likewise require process innovation, agility, and flexibility.

The business processes in numerous organizations experience pressure for DI on the grounds that the quick emergence of new innovations requires quick business changes in the present workplace. For organizations to endure or potentially fill in current or different business sectors, fusing new innovations in the corporate strategies and business processes turns out to be particularly

Manuscript revised June 20, 2023

https://doi.org/10.22937/IJCSNS.2023.23.6.15

significant when those advances become user-friendly and cutthroat. Also, while new advancements offer more grounded experiences into an association's method of working, clients acquire a stronger voice through online media. Because of calls for more process innovation, agility, and flexibility, the BPM discipline has begun perceiving new examination streams, for example, client process management, esteem driven BPM, canny or shrewd BPM, case-driven BPM, and cooperation BPM. Since the exchange between business process management (BPM) and DI has been immature, this blended methods article explores the strength and nature of the relationship. Henceforth, the BPM discipline ought not just spotlight on internal business esteem (e.g., cost decreases), yet additionally make client esteem by aligning business processes with different client necessities.

2. Literature Review

2.1. Business Process Management

BPM normally works along a life cycle, expecting that every business process develops through iterations. Process optimizations for the duration of the life cycle iterations range from more modest changes (e.g., total quality management) to extremist upgrades (e.g., process reengineering) [12, 13]. All in all, BPM is "the workmanship and study of supervising how work is acted in an association to guarantee consistent outcomes and to make the most of progress openings".

Rosemann et al. characterized the "business context" by outside, internal and process layers. Regardless of the way that DI and new IT patterns are essential for an association's outer business layer [26], a couple of studies have explored the connection among BPM and DI [6,16]. Organizations principally apply BPM as a result of its positive connection with execution and long-term cutthroat achievement [6,7,24]. Various ways, notwithstanding, exist for applying BPM and an ideal BPM selection relies upon the association's particular

Manuscript received June 5, 2023

business context, accordingly requiring more unexpected investigations [25].

In different methodologies, success factors are presented more defense explicit [29], or process improvement options are focused on dependent on achievements [30]. Such possibilities uncovered that public sector organizations for the most part have a lower BPM appropriation than market-serious organizations. A similar thinking doesn't matter for clarifying the connection among BPM and DI, in light of the fact that new innovations are likewise utilized in the public sector (e.g., shrewd urban communities). One may expect that higher creativity identifies with lower BPM development since the present organizations progressively require agility, flexibility, and innovation, though BPM generally centers around nonstop enhancements, automation, and normalization [9]. Thus, a scarcity of data exists on the BPM-DI interface and on elective manners by which BPM can be applied in a digitalized economy. In the context of BPM, development models measure the success factors to progress in BPM [32,33]. We, along these lines, seen development models, which are demonstrative instruments to evaluate a current circumstance (AS-IS) and backing organizations with bit by bit direction.

The decision for some AS-IS evaluation model isn't obvious since many process-driven maturity models exist with contrasts in scope. This implies that diverse maturity types exist in the BPM space [34]. For example, maturity models may center (1) on an alternate arrangement of business processes (i.e., singular processes versus a whole process portfolio; e.g., Capability Maturity Model Integration (CMMI) versus [33]) and (2) on an alternate arrangement of success factors (i.e., BPM life cycle versus authoritative perspectives like culture and design). While trying to sum up all BPM-related basic success factors, Van Looy et al. [34] have constructed and validated a reasonable system that depends on a writing survey, grounded in the BPM life cycle and hierarchical management hypotheses, and observationally validated by 69 process-driven maturity models.

2.2. Digital Innovation

A DI definition doesn't fundamentally contrast from the innovation definition above, since DI is a particular sort of innovation during which business changes are upheld by IT [39]. For example, DI can be characterized as "an item, process, or business model that is seen as new requires some critical changes with respect to adopters and is encapsulated in or empowered by IT" [15: p. 330]. All the more explicitly, IT can be utilized (1) during the innovation process (e.g., utilizing 3D printers for item models) and additionally (2) to portray the innovation process outcomes (e.g., items/administrations or business processes) [40]. Innovation works through a "multi-stage process whereby organizations change thoughts into new/improved items, administrations or processes to progress, contend and separate themselves successfully in their commercial center" [35].

The innovation process from thought age to acknowledgment follows comparative stages, independent of the innovation type or beginnings. Just the stage names shift contingent upon the creator. For example, Fichman et al. [15] marked the general innovation organizes as (1) discovery, (2) development, (3) diffusion, and (4) impact, though Birkinshaw et al. [38] marked them as (1) motivation, (2) development, (3) implementation and (4) theorization for legitimation. In our article, we center around process innovations in the feeling of making novel business processes or generously changing existing ones through IT. Since DI is more than utilizing new advances, a digital procedure assists with user attractive consolidating quality, business reasonability, and innovation feasibility. Angles to be considered in a digital methodology are prior business choices, the normal chances later on, and the normal speed and impact of IT.

Table 1: An overview of the surveyed variables

Variable	Literature	No of Item	Operatio nalizatio n	Measure ment level
BMP	34	62	5-point- Likert Scale	Ordinal per item Latent variable score
BMP Control Variable	Self- developed	1	Score out of 10	Interval per item
Digital Strategy type	44	4	5-point- Likert Scale	Ordinal per item
Digital Innovation	Self- developed	2	5-point- Likert Scale	Ordinal per item
DI Control Variable	Self- developed	1	Score out of 10	Interval per item

Moreover, a digital procedure is influenced by an association's business context, to be specific industry developmen

fixation and disturbance. Other than methodology and business context, added that a successful DI is driven by culture and ability development. To all the more likely guide the recently referenced factors, organizations are progressively embracing user-driven innovation strategies: (1) a Lean startup utilizing a business model material with testable hypotheses on multiple dimensions (e.g., clients, accomplices, esteem, expenses, incomes) and (2) plan thinking for taking care of an issue with ideation (e.g., user ventures or causal guides). The two methodologies test prototypes in a coordinated manner. The essential contemplations referenced above are unequivocally association subordinate and along these lines hard to use for benchmarking purposes.

3. Research Analysis & Consequences

It's reviewed almost all surveyed organizations used at least one new digital technology. In the top 5, we found cloud solutions (73.7 %), mobile technologies (65.5 %), social media (62.3 %), big data and business intelligence (50.9 %), IoT and smart devices (48.9 %). It's looked into practically completely overviewed organizations utilized in any event one new digital innovation. In the main 5, we discovered cloud arrangements (73.7 %), mobile advancements (65.5 %), social media (62.3 %), big data and business intelligence (50.9 %), IoT and smart devices (48.9 %). A minority of the respondents (emphatically) deviated (i.e., with a score of 1 or 2 on a 5-point Likert scale) with the variables in regards to DI and digital system types. Just 5.5 % (emphatically) differ that DI is significant for their association, and just 9.4 % (firmly) differ that BPM is a facilitator for DI in their association. The differing rates were fairly lower for the IT venture technique (i.e., 8.8 % for expanding budget and 14.3 % for relative budget) than for the IT re-appropriating system (i.e., 18.6 % for expanding budget and 19.1 % for relative budget). Albeit this finding affirms the general significance of DI, it additionally suggests nonordinariness for those variables and subsequently requires nonparametric correlation tests.

Table 2.	The experts'	profile (N = 19)
		p_{10110} (1×17).

	-	-	,
Expert	Role of Experience	ExP. In	ExP. In
ID		BMP (Y)	DI (Y)
ExP A	BPM & DI	15	5
	Manager		
ExP B	BMP & IT	4	4
	Consultant		
ExP C	BMP & IT	10	3
	Consultant		
ExP D	BPM & DI Manager	20	5
ExP E	IT Consultant	20	13
ExP F	IT Consultant	10	5
ExP G	IT Consultant	15	15
ExP H	DI Manager	12	6
ExP I	BMP Manager	12	12
ExP J	IT Consultant	7	7
ExP K	DI Manager	10	10
ExP L	BPM Manager	8	3
ExP	IT Consultant	1	30
М			
ExP N	BPM Manager	10	10
ExP O	IT Consultant	17	17
ExP P	CEO	20	6
ExP Q	CEO & Founder	7	5
ExP R	BPM Manager	5	3
ExP S	BPM Manager	6	6

Experts could possibly take part in the event that they satisfied the job of BPM manager, DI/change manager or IT specialist with experience in both BPM and DI. We got data triangulation by making a broad panel covering alternate points of view from BPM and DI across various sectors and covering BPM/DI experience as long as 30 years (Table 2). Practically totally reviewed organizations utilized at any rate one new digital innovation. In the main 5, we discovered cloud arrangements (73.7 %), mobile innovations (65.5 %), social media (62.3 %), big data and business intelligence (50.9 %), IoT and smart devices (48.9 %).

3.1. Framework on Digital Process Innovation

To track down a possible framework for settling on DPI strategies, It began from the People Process system. All the more explicitly, by giving proof to the perplexing relationship among BPM and DI, our investigation has featured drivers and critical aspects that rely upon multiple contextual factors in a transaction of "peopleprocess-systems". This PPS thought stresses that business processes are interlaced with advancements (e.g., to change and support an association's method of chipping away at a vital and furthermore operational level) and include people as process members or entertainers (e.g., workers, clients, and providers). With respect to "people" part, organizations can depend on change management speculations to stay away from or lessen (internal and outside) opposition, while business-IT alignment models help improve the "systems" part. The lavishness of our data additionally showed that essential decision-making on DPI can't be improved as an independent factor that just directly relies upon the distinguished business contexts. Subsequently, PPS has guided us to take a distinct and logical framework approach to situate the hypothetical and commonsense ramifications of key DPI decision-making in the wake of representing such contextual factors.



Fig1: TOE framework for DPI

"Technology–Organization–Environment" (IOE), which clarifies which data system or innovation best suits a specific business process by better situating contextual contemplations to PPS. TOE is a framework from the 1990s that cases that innovation decisions ought to be reliant upon mechanical, hierarchical and environmental contexts. We interpret and broaden the TOE framework from innovation to DPI (Fig. 1) by keeping the three fundamental classifications and adding the subcategories got from this examination with related hypotheses and clarifications. All things considered, we are ready to restructure the clarifications and differences for new IT compared to the underlying TOE, as demonstrated in the rectangles of Fig. 1. Hence, we convert the TOE extension into a more reasonable instrument for utilizing the discoveries.

3.2. Prescriptive Implications

Our discoveries have shown that DPI frequently experiences different sorts of resistance that hinder a DPI selection, for example, workers lacking abilities or corporate qualities. In spite of the fact that Fig. 1 portrays a few arrangements, the current segment plans to make the TOE framework more prescriptive in nature. We, therefore, differentiate between association types from the viewpoint of DPI and start from two theoretical underpinnings related to reception needs: This hypothesis demonstrates that innovations are first received by trailblazers and early adopters, who impact most of early users. Just once an innovation demonstrates successful will the late larger part and slouches follow. Something else, an unsuccessful innovation will vanish. Additionally, center around the five-stage model of grown-up ability obtaining to apply this approach to worker abilities for DPI and afterward extrapolate it to representatives' organizations. This model shows how workers normally acquire abilities, beginning as fledglings and afterward advanced developing into novices and able representatives. Subsequently, they may get capable in applying the abilities and eventually be recognized are experts.

On the off chance that an association wishes to change its DPI readiness (e.g., from dinosaurs to turtles, from turtles to ponies or from lions to chameleons), the TOE framework in Fig. 1 encourages how to turn out to be more adaptable in terms of authoritative decisionmaking and work processes (e.g., by changing resource portion just as casual and formal relationships). For example, in TOE terms, if a little and medium undertaking has a somewhat little budget for process innovations ("association"), it might put uniquely in those digital advances ("innovation") that have become mainstream in its sector or that its end clients most interest ("outer business environment"). Giving preparing in DPI abilities to animate quicker selection of process innovations can energize flexibility and speed. Clients can turn out to be more required by cocreation or differentiation can be realized by gathering more business data.

Then again, an association may change to another outside business environment (e.g., to turn into a lion) by giving different items or administrations (for example servitization or increasing to an assortment of items and administrations). For example, in TOE terms, if an enormous association chooses to turn into an early adopter of arising ("innovation") to strengthen its market position ("outer business environment"), it needs to put resources into preparing and include representatives early ("association").

4. Limitation & Conclusion

It's recognized restrictions regarding the data assortment (I. e., in light of conclusions and with wary speculation to all sectors around the world), organizations would already be able to profit by our DPI discoveries as specified in Section 3.1. The all-encompassing TOE framework, just as the related DPI authority and readiness network, would profit by additional approval endeavors given DPI's intricacy and assortment. On the other hand, organizations can profit more when the bits of knowledge are transformed into a viable decision device, which can be constructed and tested utilizing plan science research. Another impediment is related to the way that TOE ordinarily contains now and then contradicting aspects relevant when drawing up an essential business model. In manner, our extension offers fundamental like contemplations and refers to research openings for DPI decisions by including contributions from possibility research, business-IT alignment, and change management. At long last, we recognize that the creature allegories merely go about as improved on perceptions dependent on set up speculations supporting a progressive selection of innovations and abilities, for managers to all the more likely handle the fundamental DPI drivers. By replicating our pilot discoveries on the positive yet moderate BPM-DI relationship, it gave solid measurable proof that can be summed up.

At that point joined the discoveries in an all-inclusive TOE framework and recommended a typology to sort organizations by their DPI authority in a readiness grid for reasons of hypothesis building and assisting organizations with choosing to change their business processes (e.g., as a guide to reflect on which business processes are to be changed and whether the required changes are more troublesome or non-problematic). Since the proposed TOE framework expands on an acknowledged framework for innovation.

Reference

- Akkermans, H., & van Helden, K. (2002). Vicious and virtuous cycles in ERP implementation: a case study of interrelations between critical success factors.
- [2] Al Murawwi, M. A., Behery, M., Papanastassiou, M., & Ajmal, M. (2014). Examining the relationship between organizational culture and knowledge management.
- [3] Alavi, M., Kayworth, T. R., & Leidner, D. E. (2005). An empirical examination of the influence of organizational culture on knowledge management practices.
- [4] Alavi, M., & Leidner, D. E. (2001). Review: knowledge management and knowledge management systems: conceptual foundations and research issues.
- [5] Bartol, K. M., & Srivastava, A. (2002). Encourag
- [6] R. Dijkman, S.V. Lammers, A. de Jong, Properties that influence BPM maturity and its effect on organizational performance, Inf. Syst. Front. 18 (4) (2016) 717–734.
- [7] M. Kirchmer, High Performance through Business Process Management, Springer, Cham., 2017.
- [8] Y. Alotaibi, Business process modelling challenges and solutions: a literature review, J. Intel. Manuf. 27 (4) (2016) 701–723.
- [9] J. Van den Bergh, S. Thijs, S. Viaene, Transforming Through Processes: Leading Voices on BPM, People and Technology, Springer, Berlin, 2014.
- [10] M. Rosemann, Proposals for future BPM research directions, in: C. Ouyang, J. Jung (Eds.), LNBIP, 181, Springer, Cham, 2014, pp. 1–15.
- [11] J. Recker, Evidence-based BPM, in: J. vom Brocke, T. Schmiedel (Eds.), BPM - Driving Innovation in a Digital World, Springer, Switzerland, 2015, pp. 123–143.
- [12] T.H. Davenport, Process Innovation, Harvard Business School, Boston, 1993.
- [13] M. Hammer, J. Champy, Reengineering the Corporation, HarperCollins, New York, 2003.
- [14] T. Abrell, M. Pihlajamaa, L. Kanto, J. vom Brocke, F. Uebernickel, The role of users and customers in digital innovation, Inf. Manag. 53 (3) (2016) 324–335.
- [15] [15] R.G. Fichman, B.L. Dos Santos, Z. Zheng, Digital innovation as a fundamental and powerful concept in the information systems curriculum, MIS Q. 38 (2) (2014) 329–343.
- [16] T. Schmiedel, J. vom Brocke, Business process management, in: J. vom Brocke, T. Schmiedel (Eds.), BPM
 Driving Innovation in a Digital World, Springer, Switzerland, 2015, pp. 3–15.
- [17] C. Schumann, C. Tittman, Digital business transformation in the context of knowledge management, in: ECKM Proceedings, Academic Conferences International Limited, UK, 2015, pp. 671–675.
- [18] M. Lederer, J. Knapp, P. Schott, The digital future has many names, ICITM Proceedings of the 6th International Conference on Industrial Technology and Management (2017) 22–26.
- [19] J. Mendling, B. Baesens, A. Bernstein, M. Fellmann, Challenges of smart business process management: an introduction to the special issue, Decis. Support Syst. 100 (2017) 1–5.
- [20] C. Thiemich, F. Puhlmann, An agile BPM project methodology, in: F. Daniel, J. Wang, B. Weber (Eds.), BPM Proceedings, Springer, Berlin, Heidelberg, 2013, pp. 291–306. LNCS 8094.
- [21] G. Kerpedzhiev, U. K"onig, M. R"oglinger, M. Rosemann, Business Process Management in the Digital Age, 2017. http://www.bptrends.com/.

- [22] M. Dumas, M. La Rosa, J. Mendling, H.A. Reijers, Fundamentals of BPM, Springer, Berlin, 2013.
- [23] J. Mendling, I. Weber, W. van der Aalst, J. vom Brocke, C. Cabanillas, F. Daniel, S. Debois, C. Di Ciccio, M. Dumas, S. Dustdar, A. Gal, L. García-Ba^{*}nuelos, G. Governatori, R. Hull, M. La Rosa, H. Leopold, F. Leymann, J. Recker, M. Reichert, H.A. Reijers, S. Rinderle-Ma, A. Solti, M. Rosemann, S. Schulte, M. P. Singh, T. Slaats, M. Staples, B. Weber, M. Weidlich, M. Weske, X. Xu, L. Zhu, Blockchains for business process management – challenges and opportunities, ACM Trans. Manag. Inf. Syst. 9 (1) (2018) 1–16.
- [24] M. Bronzo, P.T. Vilela de Resende, M.P. Valaderas de Oliveira, K.P. McCormack, P. R. de Sousa, R.L. Ferreira, Improving performance aligning business analytics with process orientation, Int. J. Inf. Manag. 33 (2) (2013) 300– 307.
- [25] J. vom Brocke, T. Schmiedel, J. Recker, P. Trkman, W. Mertens, S. Viaene, Ten principles of good business process management, Bus. Process. Manag. J. 20 (4) (2014) 530–548.
- [26] M. Rosemann, J. Recker, C. Flender, Contextualization of business processes, Int J. Bus Process Integr. Manage. 3 (1) (2008) 47–60.
- [27] J. P"oppelbuss, R. Plattfaut, K. Ortbach, B. Niehaves, A dynamic capability-based framework for BPM, HICCS Proceedings (2012) 4287–4296.
- [28] D. Weitlaner, M. Kohlbacher, Process management practices, Serv. Ind. J. 35 (1-2) (2015) 44–61.
- [29] P. Trkman, The critical success factors of BPM, Int. J. Inf. Manag. 30 (2010) 125–134.
- [30] K. McCormack, J. Willems, J. Van den Bergh, D. Deschoolmeester, P. Willaert, M. I. Stemberger, V.N. Vlahovic, A global investigation of key turning points in business process maturity, Bus. Process. Manage. J. 15 (5) (2009) 792–815.
- [31] T. Bucher, R. Winter, Taxonomy of BPM approaches, in: J. vom Brocke, M. Rosemann (Eds.), Handbook on BPM 2, Springer, Berlin, 2010, pp. 93–114.
- [32] K. McCormack, W.C. Johnson, Business Process Orientation, St. Lucie Press, Florida, 2001.
- [33] M. Hammer, The process audit, Harv. Bus. Rev. 85 (4) (2007) 111–123.
- [34] A. Van Looy, M. De Backer, G. Poels, A conceptual framework and classification of capability areas for business process maturity, Enterp. Inf. Syst. 8 (2) (2014) 199–224.
- [35] A. Baregheh, J. Rowley, S. Sambrook, Towards a multidisciplinary definition of innovation, Manag. Decision 47 (8) (2009) 1323–1339.
- [36] J. Tidd, J. Bessant, K. Pavitt, Managing Innovation, John Wiley & Sons, West Sussex, 2005.
- [37] A. Pilav-Veli'c, O. Marjanovic, Integrating open innovation and business process innovation, Inf. Manag. 53 (3) (2016) 398–408.
- [38] J. Birkinshaw, G. Hamel, M. Mol, Management innovation, Acad. Manage. Rev. 33 (4) (2008) 825–845.
- [39] C. Matt, T. Hess, A. Benlian, Digital transformation strategies, Bus. Inf. Syst. Eng. 57 (5) (2015) 339–343.
- [40] S. Nambisan, K. Lyytinen, A. Majchrzak, M. Song, Digital innovation management, MIS Q. 41 (1) (2017) 223–238.