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SUINTERESUOTŲ ŠALIŲ ĮTRAUKIMO SVARBA VERSLO PROCESŲ SĖKMEI	THE ROLE OF STAKEHOLDER ENGAGEMENT IN BUSINESS PROCESS PERFORMANCE
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INTRODUCTION

Nowadays businesses are riding on the crest of globalization and technology, thus including stakeholder involvement into Business Process Management (BPM) is no longer just an option but a critical path to optimal organizational efficiency and staying ahead in the competition. **This study delves into why stakeholder engagement plays such a crucial role in fine-tuning how business processes perform.** It emphasizes that not just any stakeholder interactions matter, but strategic ones with those surrounding us can significantly steer what we draw out of our operations. The investigation is of great importance because it deals with the merger of stakeholder participation into Business Process Management (BPM). With the globalized world and technological progress surrounding us, stakeholders' involvement in an organization can be seen through the looking glass of how it can make the entity more effective and competitive. This research underscores strategic stakeholder engagements as a principal component that has direct bearings on such key performance indicators as efficiency, effectiveness, and adaptability to change. Based on a practical application perspective by focusing on the real-life use of BPM practices in Lithuanian companies, **the study offers practical insights for organizations to enhance their processes and strategies.**

Based on the **Stakeholder Theory** and **BPM** framework, this study **explores the complex relationships between businesses and various stakeholders. This thesis stands out because it addresses how these relationships influence the key performance indicators of business processes that include not only efficiency and effectiveness but also adaptability to change.** It is of vital importance, because it complements current academic sources by analyzing overlooked stakeholder groups and long-term impact. This paper contributes to the current scholar's knowledge through an empirical study and theoretical evaluation that underpin integration of stakeholder participation as a core element of Business Process Management. The insights obtained from this thesis hence provides insights for organizations who would want to improve their practices in process management. Also, it helps to come up with a well-built business strategy that focuses on stakeholders' needs and at the same time able to deal with challenges in today's business, using lessons from the complexities.

This **thesis is exploratory** as it analyzes the complex ties in depth between business and stakeholders that are driving BPM. It examines how business process managers and key stakeholders can unveil subtle ways of stakeholder input contributing to process improvements along with strategic decisions based on real cases and real outcomes. Through its findings, the research uncovers major strategies in stakeholder involvement, which drive process performance

highly and ensure market operations driven by society's expectations. The work is a detailed analysis that draws both theoretical knowledge and practical lessons in BPM.

The **research problem** of this thesis is **what stakeholder engagement strategies best influence business process performance outcomes?** This research problem addresses a significant aspect of business management, focusing on how stakeholder engagement can impact business processes. This is highly relevant in the context of modern organizational practices and the increasing importance of stakeholder relationships.

The **aim of this thesis** is to examine and demonstrate **how companies perceive the role of stakeholders' engagement in their business process management. Thus, helping organizations to implement more effective stakeholder engagement strategies.** It is relevant, because understanding how stakeholder engagement affects business process performance can help organizations identify areas for improvement and implement strategies that enhance efficiency and effectiveness.

This analysis has three **main objectives**:

1. To **identify effective stakeholder engagement strategies in improving business process performance.** It is important because finding the best ways to involve stakeholders helps improve how business processes work, making companies more efficient and competitive.

2. To **examine and demonstrate how different organizations assess the importance of engaging with their stakeholders.** The main relevance of it is that understanding how various groups of stakeholders affect business processes helps companies tailor their engagement strategies to be more effective.

3. To **explore the role of stakeholder engagement in improving organizational performance.** It is crucial, as looking at how involving stakeholders boosts overall organizational performance shows the broader benefits of good stakeholder relationships for long-term success.

To unearth valuable qualitative data, **a qualitative research approach is used, by conducting semi-structured interviews with business process managers and other key stakeholders in different Lithuanian companies.** Purposive and snowball sampling techniques are used to ensure the most reliable and practical results. It will aid in gaining a more insightful view into real-life scenarios regarding **BPM** practices and challenges. Hence allowing this research to paint a more detailed picture based on empirical data sources.

This thesis intends to explore the crucial **Stakeholder Engagement in Business Process Management** and how it helps improve important **Key Performance Indicators**, namely, **efficiency, effectiveness, and adaptability.** In this respect, the stakeholders strategically prove to be a necessity for optimizing business processes and staying competitive. The paper researches

and discusses the theories and practice as a guide for the organization on how they can integrate **stakeholder participation in BPM** to realize better results and overcome any challenges.

This study used a **qualitative research approach** with the research design, which included **semi-structured interviews** to collect the viewpoint of research participants who are business process managers, **BPM experts, and key industrial stakeholders**. In this scenario, the participants were selected using **purposive sampling**, which ensures they have working expertise in BPM and stakeholder engagement. Moreover, **snowball sampling** is used in order to further increase the pool of experts, to be able to identify a diverse array of perspectives across different organizational contexts. It comprised a total number of **14 experts** whose insights aided in understanding better the methods, challenges, and benefits of stakeholder engagement in BPM.

This study is limited, as the findings may not be generalizable to other regions or industries since they are based on a small sample of experts from Lithuania. The reason is that the expert opinions may not necessarily capture the full range of stakeholder perspectives on BPM. This could be an area for future studies to involve more members, like frontline employees and the external stakeholders too, to have a more comprehensive understanding of stakeholder engagement in BPM.

1. LITERATURE ANALYSIS OF THE ROLE OF STAKEHOLDER ENGAGEMENT IN BUSINESS PROCESS MANAGEMENT

1.1. Definition and scope of BPM

Business Process Management (**BPM**) - according to the school of thought, is a systematic way of going about the identification, design, implementation, documentation and measurement through monitoring and control of business processes (Normann, 2001; Kotler & Armstrong, 2010). It is largely aimed at achieving reliable outcomes that are supportive of an organization's strategic directions in both automated and non-automated processes (Drucker, 1954). **BPM** is the cultivation via conscious effort and collaboration. Nowadays, even technological intervention is used towards setting up those processes innovatively from one end to the other, since they lead business results while creating value for value chains within an enterprise (Prahalad & Ramaswamy, 2004). It helps organizations meet business objectives more agilely. By way of which organizational business process engineering sees work directly connected with strategic mission tasking: hence specific improvements within departmental workflows (Pine & Gilmore, 1998). So as part of larger inter-departmental work systems result in better overall performances for any company; this can be manifested either across all departments or throughout whole enterprises. or among all related organizations within an industry's value net (Kotler & Armstrong, 2010).

In a wide view of business process management (**BPM**), attention is directed to three main areas. They are: process optimization, aiming at bettering existing processes through small adjustments and improvements; process automation, using technology to carry out daily tasks and lower costs while ensuring consistency in delivery; and process re-engineering (Osterwalder & Pigneur, 2010). The later phenomenon exhibits needing a complete overhaul of core business processes: quality, output, cost effectiveness among others - from different departments (Osterwalder & Pigneur, 2010). **BPM** does not belong to any single industry but finds its way into many sectors including manufacturing and healthcare (Simon, 1997). In manufacturing, it helps cut down production costs by looking at the production line system right from the supply chain. In healthcare it tries to address areas like care delivery systems with an aim of improving patient outcomes let alone customer satisfaction through effective compliance efforts within financial institutions (Simon, 1997).

The relevance of **BPM** in boosting organizational efficacy and efficiency is a topic that should never be overlooked. However, when organizations systematically manage business processes through proper mechanisms to develop them further, they are guaranteed substantial

enhancements in their cost effectiveness as well as operational performance quality (Svendsen, 1998). **BPM** ensures that firms' operations are aligned with their strategic goals so that they can easily adapt to changes in the market (or demands by customers). This fosters good relationships with clients on top of promoting business growth (Ulrich & Brockbank, 2005). What is more, compliance practices alongside transparency: with technology introduced into **BPM** (which includes real-time data analysis), any discrepancies can easily be identified, ensuring decision-makers act promptly whilst also keeping pace with competitors within the business environment that keeps evolving rapidly (Pine & Gilmore, 1998).

This full embracement of **BPM** within an organizational setting point towards nurturance for sustained performance enhancements, which later leads to the sustenance of staying competitive amid today's challenging business landscapes.

1.1.1 Evolution of BPM

The development of Business Process Management (**BPM**) unfolds before us an interesting narrative that takes us back through time to the origins of business methods and technology, which invariably mirror the larger economic and technological tides (Simon, 1997). **BPM** was created out of the idea of scientific management pioneered by Frederick Taylor at the dawn of the 20th century. Taylor's approach aimed at enhancing productivity in industries through delineating standard tasks to be done at workplaces separately from plans made at another level, thereby highlighting what later process management would adopt: a clear procedure and emphasis on operational efficiency as ways for attaining organizational goals (Kotler & Armstrong, 2010).

The inception of Total Quality Management (TQM) and Lean manufacturing arose in response to the evolving business landscapes of the mid-20th century. The two theories led to the birth of a few others but at their core, both TQM and Lean underscored the importance of continuous improvement plus elimination of waste, pillars that greatly influenced process management and thus essential when viewed against the backdrop of post-war industrial development where thriving markets were competitive (Prahalad & Ramaswamy, 2004). The recognition and subsequent adoption of these principles heralded a new dawn for Business Process Management (**BPM**), it was now more than just about streamlining tasks but also embracing organizational-wide innovations with open arms (Normann, 2001).

IT came into play in the second half of the 20th century, adding more spice to **BPM**. It unveiled an age when technology would take center stage in overseeing business processes and ensuring they are optimized (Brynjolfsson & McAfee, 2014). The dawn of the digital revolution saw ERP rising into power during the 1990s because of different systems being integrated together. Thanks to this one system (ERP) that enabled all business functions work coherently, thus allowing

operation streamlining and good data handling (Brynjolfsson & McAfee, 2014). The accomplishment by ERP highlighted IT's potential purpose, not just as a support function but as an enabler of core business processes through automation for routine tasks and delivery with real-time insights on **Organizational Performance**. Such development is depicted in the table below:

Table 1

Chronological development of BPM

Time Period	Development Stage	Key Contributions	Impact on BPM
Early 20th Century	Scientific Management	Frederick Taylor's scientific management focused on enhancing productivity through standardized tasks and operational efficiency.	Laid the foundation for clear procedures and operational efficiency in process management.
Mid-20th Century	Total Quality Management (TQM) and Lean Manufacturing	TQM and Lean emphasized continuous improvement and waste elimination, influencing process management during post-war industrial development.	Shifted focus to continuous improvement and organizational-wide innovations.
Late 20th Century	Introduction of IT	IT became central in overseeing and optimizing business processes.	Highlighted the role of technology in optimizing processes.
1990s	Enterprise Resource Planning (ERP)	ERP systems integrated different business functions, enabling streamlined operations and effective data handling.	Showcased IT as an enabler of core business processes with real-time insights.
Early 21st Century	Business Process Modeling Notation (BPMN) and Service-Oriented Architecture (SOA)	Tools like BPMN and SOA allowed for modeling, analyzing, and improving complex processes, enhancing agility and responsiveness.	Enhanced the ability to respond to market changes and regulatory adaptations quickly.
Present Day	Modern BPM with AI and ML Integration	BPM now includes AI and ML for decision automation and predictive analysis, driving innovation and emphasizing agility and adaptability.	Positioned BPM as integral to strategic planning, focusing on sustainable business success and operational excellence.

Source: This table was created by the author using information from Simon (1997), Kotler & Armstrong (2010), Prahalad & Ramaswamy (2004), Brynjolfsson & McAfee (2014), Christensen (1997), Davenport (1993), Ulrich & Brockbank (2005), and Porter & Kramer (2006).

As it can be seen, in the early 21st century, there were new tools developed like Business Process Modeling Notation (**BPMN**) and Service-Oriented Architecture (SOA). The tools helped

businesses model, analyze and improve very complex processes more effectively (Christensen, 1997). These kinds of tools help organizations stay agile and be able to respond quickly in a global market that is moving fast due to adaptations they make when there are new regulations or technologies introduced into the market or changes in the market conditions (Davenport, 1993). They drive innovation using AI and ML integration because **BPM** emphasizes agility plus adaptability with recent developments promising even greater efficiencies through decision automation, based on predictive future trends from data (Brynjolfsson & McAfee, 2014).

BPM has reached the point of being considered an integral component of strategic plans in all sectors by organizations today. The development from basic models driven solely by efficiency to models rich with technology portrays the escalation acknowledgment levels on the significance of process orientation, as a pivotal element in realizing sustainable business triumph and operational distinction (Ulrich & Brockbank, 2005). While organizations are under pressure to go green and act socially responsible, the work of **BPM** in those outcomes is seen as holding even more criticality, meaning that for businesses to not only survive but thrive they need to continuously adapt and improve their operation on a day-by-day basis (Porter & Kramer, 2006).

1.2. Stakeholders in BPM

BPM involves stakeholders: as people or organizations having an interest in business processes, who are also concerned about the result of the work (Freeman, 1984). This definition is all-encompassing and includes various participants like those listed above and more. Every group has a different set of issues that are equally important in understanding the whole picture when it comes to managing any business process effectively (Donaldson et al., 1995).

All these stakeholders come with diverse perspectives and expertise. Therefore, their input into decision-making enriches it as a tapestry of rich diversity (Collins & Porras, 1994). For example, the employees and management most probably have practical on-the-ground experience of the workings of business processes from the inside, hence providing valuable practical insight on operational effectiveness. In most cases, it is the customers who receive the outputs of such processes, therefore their feedback on product quality and service delivery has much competitive weight for an organization (Elkington, 1997). Similarly, suppliers and investors bring financial or supply chain considerations that could drive strategic choices such as cost rationalization against innovation investments. The legal standards and ethical norms in which the regulating bodies propose a regulatory environment is to ensure compliance of operations that do not expose the firm to unnecessary legal or reputational risks (Handy, 1994).

It is not just useful but indispensable to take into consideration the roles and interests of the multitude stakeholders involved in **BPM**. This stakeholder involvement does act as a

significant feedback loop mechanism, not any lesser than a unique stimulus that can pave the way for substantial changes both in process design and execution (Donaldson et al., 1995). It helps organizations ensure that their operational activities are well aligned with stakeholder expectations and needs (which should be rather taken care of, than met), thus creating a proactive environment where improvement becomes part of daily routine (Elkington, 1997). On top of this, folding stakeholder feedback into **BPM** paves a way for a dynamic process, one which adjusts based on changes either from within or without. The ability to adapt these changing tides with all due sensibility marks an asset few in numbers for processes today (Clarkson, 1995). Efficiency plus relevance amidst ever dynamism, this business landscape unfolds should be its theme.

Hence, involving stakeholders systematically in Business Process Management does more than just improving processes. It also ensures that the organization aligns its operational goals with wider stakeholder interests which is an indirect way of ensuring sustainable business practices apart from setting the right pace towards it (Jones et al., 1999). This all-encompassing view on **BPM** stresses how much the engagement of stakeholders should feature prominently and not be overlooked but be treated as part and parcel of today's business strategies.

1.2.1. Theories of stakeholder engagement and stakeholder theory

A concept advanced by R. Edward Freeman in the 1980s, **Stakeholder Theory** has gained prominence as one of the pillars in business management that has had a profound influence on discussions of corporate governance and ethics. The theory posits that organizations should not only be profit-driven for their shareholders but should also take into consideration the wider implication to all parties involved; stakeholders (Freeman, 1984). The mentioned concept is significantly different from past views, which emphasize the importance of making profits for shareholders only. Stakeholder theory instead advocates for a fair consideration of needs and interests among various stakeholders. This includes employees, customers, financial institutions, suppliers, members of the community, even environmentally based stakeholders.

Freeman's framework does not suggest that businesses should abandon their economic objectives but instead encourages consideration of stakeholder welfare alongside these financial goals (Freeman, 1984). This stakeholder perspective argues that businesses should consider social and environmental contexts in addition to their own when making decisions and measuring success. Stakeholder value, therefore, goes beyond just creating wealth for shareholders to also include other interested parties (Senge, 1990).

From this view, the involvement of stakeholders takes on a strategic role within organizations. It is essential for a modern business to engage various stakeholder groups in decision-making processes, ensuring that what they do reflects the broader social expectations and

needs from them as an organization (Senge, 1990). The two key factors: organizational fit with stakeholder value systems and legitimacy-based considerations (including trust), are essential determinants of organizational success and sustainability in their market environments (Donaldson et al., 1995).

Moreover, **Stakeholder Theory** through transparency and accountability within business actions has their interest in ensuring that all stakeholders are involved not only to understand their expectations rationally, but open communication, which can help to avoid conflicts, hence significantly increasing cooperation (Collins & Porras, 1994). In other words, effective **stakeholder engagement** is about feedback that should be actively collected and then used for the value creation processes (Collins & Porras, 1994). This will help organizations adapt their strategies to external pressures effectively and ensure responsiveness towards changes.

In summary, **Stakeholder Theory** proposes profit maximization as outdated business philosophy; it advocates shared value creation as more appropriate approach that would underpin sustainable model development for businesses in the 21st century global economy where all parts of a business are increasingly seen as interdependent due to common interests yet diverse needs.

1.2.2. Models of stakeholder engagement

Establishing relationships with those affected is a pivotal aspect of operational workflow synthesis. It allows organizations to converge their operational tactics with the various diverse interests and expectations from different factions in the stakeholder population. Scholars and practitioners have, over time, come up with various models that can be used as guides by organizations when embarking on **stakeholder engagement** (Frooman, 1999). These models are not just designed to outline a framework through which stakeholders can be identified and their needs comprehended; they also provide systematic ways through which the demands and expectations of these groups can be successfully met (Frooman, 1999).

An example of a well-known model in this area is the Mendelow Matrix. It helps organizations identify key stakeholders by their ability to affect the company and interest in its activities. The matrix divides stakeholders into four parts: high power-high interest, high power-low interest, low power-high interest, and low power-low interest (Mendelow, 1991). This instrument is useful when you must deal with stakeholder groups at different levels: it allows you to concentrate efforts where they will be most effective, helping you streamline your time and resource allocation procedures.

A notable alternative framework would be the **Stakeholder Engagement Spectrum**. This particular model classifies strategies of engagement along a spectrum, starting from informational to decisional (Senge, 1990). At one end, the informational, efforts are made only to keep

stakeholders informed about business issues and decisions. As we move from consultative to collaborative aspects on this spectrum, stakeholders gain more influence over decision-making processes, eventually reaching the decisional end where they actively participate in creating and implementing strategies within an organization (Frooman, 1999). Such a perspective underscores various levels of influence stakeholders can have on business processes, thus allowing organizations to tailor their own strategies based on these differing contexts and goals (Hillman et al., 2001). Influential is an understatement for this model, as it stands out for emphasizing high variation among stakeholder roles in business decisions that other models might not readily support with evidence, hence making **Stakeholder Engagement Spectrum** one of the most popular.

The Salience Model, a creation of Mitchell, Agle, and Wood, further enhances the stakeholder analysis by taking into account three more attributes: power, legitimacy, and urgency. According to this model, stakeholders are salient if they show any one or a combination of these three attributes (Mitchel et al., 1997). It proposes that the claims of these stakeholders should be given priority based on the degree of power, legitimacy and urgency that they represent. This approach can fit dynamic environments well where stakeholder attributes can change swiftly leading to the need for constant re-evaluation plus re-adaptation of strategies in engaging them (Mitchel et al., 1997).

In a different perspective, The Stakeholder Circle methodology provides a graphic view to show how key stakeholders can be identified and prioritized according to their influence, as well as impact on success likelihoods for projects (Hillman, et al., 2001). Such approach not only helps understand what stakeholders expect but also enables development of communication plans that satisfy different groups' needs (for engagement plus information) with awareness in a way that all are adequately involved and kept informed.

Stakeholder engagement models are tools in coming up with a design of strategies that can help achieve the dual objective of inclusivity and effectiveness (Jones et al., 1999). Organizations, therefore, use these frameworks to make sure that stakeholders participate in and derive value from the management of business processes which fosters stakeholder satisfaction while enhancing **Organizational Performance** (Jones et al., 1999). They need to be well informed. The models need to be adopted based on a good grasp of the theoretical aspects of **stakeholder engagement** as well as understanding the actual business operations since this will allow them to develop strategies that are both practical and flexible, therefore being able to consider any emerging challenges while still staying true to their roots (Donaldson et al., 1995).

All the models are illustrated in the table below:

Table 2*Stakeholder engagement models*

Model	Description	Key Attributes	Applications
Mendelow Matrix	Helps organizations identify key stakeholders based on their power and interest levels. Divides stakeholders into four categories: high power-high interest, high power-low interest, low power-high interest, and low power-low interest.	Power, Interest	Useful for prioritizing efforts and resource allocation based on stakeholder influence and interest.
Stakeholder Engagement Spectrum	Classifies engagement strategies along a spectrum from informational to decisional. Ranges from simply informing stakeholders to involving them in decision-making processes.	Level of Influence (Informational to Decisional)	Allows tailoring of engagement strategies based on stakeholders' influence on business processes.
Salience Model	Considers three attributes: power, legitimacy, and urgency. Stakeholders are prioritized based on these attributes, and the model is dynamic to adapt to changing stakeholder attributes.	Power, Legitimacy, Urgency	Effective in dynamic environments requiring constant re-evaluation of stakeholder engagement strategies.
Stakeholder Circle	Provides a graphic representation to identify and prioritize stakeholders according to their influence and impact on project success. Helps develop communication plans to meet stakeholders' needs.	Influence, Impact	Helps in understanding and meeting stakeholder expectations, aiding in project success.

Source: This table was created by the author using information from Frooman (1999), Mendelow (1991), Senge (1990), Hillman et al. (2001), Mitchel et al. (1997), Jones et al. (1999), and Donaldson et al. (1995).

1.2.3. Corporate social responsibility (CSR)

Nowadays, when societies are riding on the crest of globalization and technology, **CSR**, which stands for Corporate Social Responsibility, is vital, especially when looked at from the perspective of Business Process Management (**BPM**). The primary focus of **CSR** is to investigate how businesses manage their economic, social, and environmental impacts and their relations with other key spheres of influence (Carroll, 1991). Those include marketplaces, workplace, environment and community (Argenti, 2004). When it comes to **BPM**, **CSR** cannot be separated

from **stakeholder engagement**, as it underscores the need for ethical behavior and sustainability that are agreeable with stakeholder values.

Corporate social responsibility within business process management does not simply conform with the demands of legislation, it takes a lead in creating a positive effect upon society while also meeting its business objectives (Werbach, 2009). The dual focus upholds the belief that businesses are not standalone entities but exist as parts of the larger society and environment. With **CSR** embedded into **BPM**, organizations guarantee that their business processes consider the well-being of all those involved: staff members, customers and even the wider community (Werbach, 2009).

CSR integration is not a simple matter. There are several important components that need to be taken into account in order for it to happen successfully. The first point is the need to identify stakeholders and what they want and care about, as this may involve issues such as rights at work for employees or even just ensuring that products are environmentally sustainable (Waddock & Graves, 1997). In addition, good **CSR** calls for transparency and accountability, thus stakeholders should be able to see what a business entity does so they can trust it.

Moreover, involving stakeholders through **CSR** helps the organization to have an upper hand: not only in mitigating risks but also boosting its image (Kotler & Lee, 2005). Examining the companies that take part in environmental conservation, it becomes evident that they manage to draw customers who value green products, and this is a way to meet the legal standards and set themselves apart in the market (Kotler & Lee, 2005). Likewise, organizations advocating for community participation and standing up for what is socially right can establish a strong connection with supportive consumers: hence, promoting loyalty towards the brand (Carroll, 1991). It's a win-win situation.

The integration of **CSR** with **BPM** results in shared value, the juncture where social needs can meet business chances (Waddock & Graves, 1997; Werbach, 2009). This method sees companies steering their business operations towards the values and expectations held by society. The mentioned phenomenon results in practices which are sustainable and able to contribute to the success of a business over the long term (Argenti, 2004). As such, organizations do not just cave under external pressures for responsible behavior but take **CSR** as a strategic tool for innovation, competitiveness, and growth: an internal response to mutually benefit both themselves as companies and their stakeholders.

1.3. The impact of stakeholder engagement on business processes

The involvement of **stakeholder engagement** within the realm of Business Process Management (**BPM**) is extremely crucial, as this optimization of **Performance Metrics** and strategy leads to strategic organizational goals. Organizations can see these stakeholders as active

participants in their business processes and have a high level of transparency plus accountability (Barney, 1991). This also fosters collaboration: all which form pillars to continuous improvement and ability to adapt market dynamics effectively.

However, engaged stakeholders would contribute significantly towards a spectrum of **Performance Metrics**: consider providing customer feedback that drives innovation from customers involved during product development processes, then later - service reviews (Hillman et al., 2001). This results in direct enhancement for quality production, where such feedback becomes immediate, satisfaction-based deliverables that lead not only short-term customer satisfaction metrics but also long-term loyalty and trust indicators (Kotter, 1996).

Likewise, taking employees to a deeper involvement level in the decision-making processes has significant effects on morale and other internal metrics, hence leading to increased productivity levels through more committed and effective work (Osterwalder & Pigneur, 2010). When staff take the lead, for instance they can point out workflow bottlenecks that management overlooks which only cost the company money: it paves way for operation enhancement without additional costs (Osterwalder & Pigneur, 2010).

In addition, working hand in hand with suppliers revolutionizes how companies run their supply chain activities: involving them in both planning and execution helps cut lead times plus stock levels (Barney, 1991). This results from an effective cost management approach whereby savings are realized significantly on cost, as well as time-related aspects like production outlay. Hence new product availability is facilitated promptly at markets (Barney, 1991). Such collaborative efforts bring not just fine-tuning of procurement or manufacturing procedures but also establishing a resilient supply chain that responds dynamically towards changes based on market situations or demand patterns that are identified at downstream points within the channel.

The stakeholder relationships lead to the company continuously improving and fostering a culture where feedback is regular and problem-solving happens through collaboration (Osterwalder & Pigneur, 2010). This lively relationship ensures that the business processes do not only match what the organization is currently pursuing but also are adaptable to future challenges plus opportunities.

What is more, when **stakeholder engagement** is effective in Business Process Management, it transforms traditional businesses into ecosystems, where shared knowledge from collective efforts results in better performance outcomes (Frooman, 1999). These outcomes don't just show how operationally successful a company can be but demonstrate their capacity to innovate, adapt and thrive, which then speaks volumes about a competitive environment around other businesses.

Table 3*Performance metrics in BPM*

Performance Metric	Stakeholder Involvement	Impact on Performance
Customer Feedback	Customers provide feedback during product development and service reviews.	Enhances quality of production, boosts customer satisfaction (short-term), and builds loyalty and trust (long-term).
Employee Morale and Productivity	Employees are involved in decision-making and workflow analysis.	Increases morale and productivity, identifies and resolves workflow bottlenecks, and improves operations without additional costs.
Supply Chain Efficiency	Suppliers participate in planning and execution of supply chain activities.	Reduces lead times and stock levels, improves cost management, accelerates product availability, and enhances supply chain resilience to market changes.
Collaboration and Problem-Solving	Regular collaboration with all stakeholders fosters a culture of continuous improvement.	Enables dynamic problem-solving, aligns business processes with current goals, and prepares the organization for future challenges and opportunities.
Knowledge Sharing and Innovation	Stakeholders contribute collective knowledge and insights across the ecosystem.	Leads to innovation, adaptability, and competitive advantage, transforming businesses into ecosystems with shared performance outcomes.
Operational Resilience	Engagement of all stakeholders in feedback and collaboration.	Builds organizational resilience, sustains efficiency, and enhances capabilities to adapt and thrive in competitive environments.

Source: This table was created by the author using information from Barney (1991), Hillman et al. (2001), Kotter (1996), Osterwalder & Pigneur (2010), and Frooman (1999).

To summarize up with, involving stakeholders cannot just be seen as a strategic choice or simple decision-making process; it has implications for both innovation and resilience within organizations. Organizations must therefore address this critical operational imperative in order not just to sustain but also enhance their efficiency by building firm capabilities.

1.3.1. Benefits and challenges of stakeholder engagement

The involvement of stakeholders in Business Process Management (BPM) refers to a wide range of interactions and collaborative relationships. This has an enormous impact on the way operational processes function within an organization (Schein, 1992). However, when successful, the advantages are monumental: from achieving greater process effectiveness without compromising transparency, via increased accountability, to ensuring stakeholder satisfaction at optimal levels (Porter, 1985). Such positive results are seen coming out of this manifold approach

whereby different views are considered by stakeholders' active participation, as it helps in identifying priority areas for enhancement in workflows developed along business processes, based also on market demands as well as organizational objectives.

The advantage of stakeholder involvement that stands out most is an enhancement in process efficiency. Organizations involve stakeholders during the planning and execution stages so as to benefit from their unique knowledge and experience which helps in cutting down on operational redundancies and inefficiencies (Kaplan & Norton, 2004). An illustration of this is when customers provide direct feedback that leads to improvements on a product or service, it ensures the offering meets consumer needs more accurately, thus reducing wastage at source and enhancing business operational effectiveness. Another major positive outcome is a higher level of accountability (Kaplan & Norton, 2004).

If stakeholders are actively included in the outlined processes, it helps to enhance transparency within the organization. This trust does not only create but also strengthen an environment in which every individual participant can uphold high standards of performance and ethics. This happens because they are aware that their actions are being closely monitored and will have direct repercussions (Zenger & Folkman, 2009). Additionally, involvement of stakeholders frequently leads to higher levels of satisfaction among all parties. When organizations provide stakeholders with a voice in decision-making processes, they are likely to build greater ownership and commitment that often translates to more loyalty and support for the company (Zenger & Folkman, 2009).

Although **stakeholder engagement** has numerous benefits, it also has a number of potential issues, and these challenges can be quite undermining. One of the most important challenges is how to handle expectations from different stakeholder groups which could include board members, customers or even local communities. Each group may have its own priorities and objectives (sometimes clashing) with others or even with the organization's strategic goals (Edelman, 2010). Conflicting interests often lead to tensions, further complicating decision-making processes. This results in not being able to reach consensus on some significant issues (Rowley, 1997).

Moreover, the logistical intricacies surrounding coordination of stakeholder feedback are quite enormous. Acquiring input from many diverse sources consumes both time and money resources: delays in project timelines coupled with increased operational costs often result from this (Edelman, 2010). Yet there is need to strike a balance between managing these inputs effectively without compromising quality or speed: quality in terms of what the engagement brings forth, while speed refers to how fast processes are executed (Edelman, 2010).

In order to overcome the challenges, organizations should be very mindful in their planning and implementation of the stakeholder involvement strategy. This should outline what the goals of engagement are, choose the means for communication with stakeholders, and set up a system through which the conflicts may be resolved (Christensen, 1997). Furthermore, the changes should be done willingly as the business environment and the demands of the stakeholders progress forward. Hence, technology adoption could contribute significantly to the effective management of intricate relationships with stakeholders: for example, digital collaboration tools take up the feedback from stakeholders as data analytics support transparent communication presenting feedback received based on empirical evidence (Zenger & Folkman, 2009).

To summarize up with, despite the challenges that stakeholder involvement in **BPM** might pose, its advantages cannot be ignored. It calls for a proactive relationship management where the high value of the benefits is recognized and must be addressed with a clear strategic structured engagement approach. Considering both what can be gained and what can be lost. The delicate equilibrium between these two aspects forms the basis upon which stakeholder involvement can be seen as a key impetus towards not only continual enhancement but also viability of **BPM**.

1.3.2. Shareholder activism

Business Process Management (**BPM**) is an area where **Shareholder activism** can have a significant influence in shaping management decisions and strategic directions (Barney, 1991). Shareholder activists are investors who use their ownership stakes in companies to drive changes (Svendsen, 1998). While these changes traditionally aim at enhancing shareholder value, they are now also focusing on wider societal concerns like environmental sustainability and corporate governance (Svendsen, 1998).

Shareholder activism takes different forms including making proposals during shareholder meetings, negotiating directly with management or launching public campaigns to get more support from other investors (Kaplan & Norton, 2004). They want changes made in business processes that would see an increase in the value of shareholders; this can involve advocating for more efficient cost management systems or even restructuring business units among other changes.

Shareholder activists, in addition, have been identified as key players in the establishment of a healthy corporate governance system. They are able to effect radical changes within companies by demanding transparency, accountability, and better control on the part of the board members, thus going beyond the typical aim of enhancing only financial returns through this activism (Zenger & Folkman, 2009). The focus is also placed on ensuring that companies uphold high ethical standards and adopt strong governance practices: for example, having independent

directors appointed or enacting policies that prevent conflicts of interest among board members (Edelman, 2010).

The nexus between **Shareholder activism** and global sustainability drives. Activists are now knocking the doors of companies asking them what they are doing to keep off environmental degradation, as they push for strategies that can see carbon footprints minimized or energy efficiency enhanced plus waste management improved (Porter & Kramer, 2006). These demands often resonate with socially responsible investors' interests who seek more than just financial returns: also seeking environmental stewardship and social equity (Werbach, 2009).

Shareholder activism is very important even in a company's day-to-day operations. Their calls for changes in business processes can trigger adaptations. This may lead to operational effectiveness, attuned not only to market needs but also societal values (Schein, 1992). Considering an instance where demands for cost reductions result in streamlined functions. On another note, a call for sustainability could foster innovation within product development spheres seeking compliance with new standards based on environmental impact and resource optimization (Rowley, 1997).

What is more, **Shareholder activism** is one of the liveliest elements that can come under the broad head of business process management. The effectiveness of activist shareholders in altering corporate practices paves the way for a wave of changes in business processions through driving force (Frooman, 1999). In these changes, we see not only an attention to financial interests but also a responsible approach towards society and environmental preservation due to their impact on stakeholders other than shareholders (Zenger & Folkman, 2009). Hence, it underscores that any organization serious about sustainable business principles and pledge to stakeholder value has to carefully look into how they handle **Shareholder Activism** with regard to value delivery and long-term goal achievement.

1.4. Measuring business process performance

In the area of Business Process Management (**BPM**), performance indicators stand out as irreplaceable instruments that allow systematic evaluation on how well business processes perform (Christensen, 1997). They are sometimes referred to as Key Performance Indicators (KPIs) and provide numbers that enable organizations to measure success and progress in their operational activities. When these metrics are combined, they help businesses see and evaluate themselves more clearly, not only in terms of one-dimensional performance but across different dimensions including cost, quality, service and speed, which paint a richer picture (Eccles & Serafeim, 2013).

Performance indicators play a variety of roles in business process management. They primarily serve as benchmarks that steer performance expectations and goals within the organization (Eccles & Serafeim, 2013). Take cycle time, for example. It's a common KPI that measures the time taken to complete a process from start to finish, revealing insights on process efficiency (Brynjolfsson & McAfee, 2014). Error rate is another important quality-related KPI: through this metric, organizations can ensure the accuracy and efficacy of their processes, which in turn can then affect customer satisfaction and operational costs (Eccles & Serafeim, 2013).

Among other critical KPIs are customer satisfaction scores: these reflect the quality of service provided to end users, directly influencing customer loyalty and brand reputation (two key factors for competitive advantage). On the financial side, ROI indicates how effectively business processes are contributing towards profitability, thus showing whether resources invested in various activities make sense from a financial standpoint (Hammer & Champy, 1993).

An observance of these KPIs regularly is the core of operational efficiency, as well as a pivotal step towards actualizing your strategic goals (Hammer, 1990). This is because it doesn't take a magnifying glass for managers to see where they're excelling (or falling short). Such a view also highlights what action areas need muscling up or metamorphosis (Hammer, 1990). And when organizations are able to do this practice, constantly searching through their own dualities, it paves way for a culture based on continuous improvement framework (Hammer & Champy, 1993). An organization should thus be more dynamic in response to her inefficiencies, both within her setup and the changes witnessed externally.

Furthermore, **BPM** performance indicators ensure that the left hand always knows what the right one is doing, how well it aligns with broader strategic goals of organization. We measure not just for measurement's sake, but specific components tied to processes and outcomes: making sure every daily task contributes meaningfully towards overarching business end objectives (Nonaka & Takeuchi, 1995). In chess, operational decisions would then be considered checkmate moves: strategic, evidence-based, gambits allowing better resource allocation, risk management due diligence or long-term planning forecast anticipation (Nonaka & Takeuchi, 1995).

Table 4*Key performance indicators in BPM*

Performance Indicator (KPI)	Description	Impact on BPM
Cycle Time	Measures the time taken to complete a process from start to finish.	Provides insights on process efficiency and helps identify areas for improvement.
Error Rate	Tracks the frequency of errors or inaccuracies in processes.	Ensures accuracy and efficacy of processes, improving customer satisfaction and reducing operational costs.
Customer Satisfaction Score	Reflects the quality of service provided to end users.	Influences customer loyalty, enhances brand reputation, and provides competitive advantage.
Return on Investment (ROI)	Measures the profitability of resources invested in various business activities.	Indicates financial effectiveness of processes, ensuring alignment with profitability goals.
Operational Efficiency	Overall assessment of process performance and resource utilization.	Highlights areas of excellence and inefficiency, paving the way for a culture of continuous improvement.
Alignment with Strategic Goals	Evaluates how well processes and activities align with broader organizational objectives.	Ensures every task contributes meaningfully to overarching business goals, enabling better resource allocation and strategic planning.
Risk Management and Forecasting	Assesses risks and anticipates future challenges based on evidence-based metrics.	Facilitates better resource allocation, risk mitigation, and long-term planning, ensuring adaptability and sustainability in competitive markets.

Source: This table was created by the author using information from Christensen (1997), Brynjolfsson & McAfee (2014), Eccles & Serafeim (2013), Hammer (1990), Hammer & Champy (1993), and Nonaka & Takeuchi (1995).

In summary, **Performance Metrics** are not only a means of knowing how well the business is performing in operational terms, but they form core parts of a successful **BPM** strategy. They lay down the basis for regular systematic evaluations, hence helping to make decisions based on information and aligning strategies which are key elements for any business that intends to optimize its processes and realize growth that can be sustained over time (Christensen, 1997). As businesses find their way through complicated and hostile market landscapes, the value of strong KPIs grows even more. Defining well-structured KPIs becomes critical in guiding organizations like lighthouses as part of their journey towards achieving operational excellence and ultimately strategic success.

1.4.1. Tools and techniques for measuring process performance

The arena of Business Process Management (**BPM**) is complex, and in it many different tools have been created to address the issue of how business processes perform, what works well and what needs to be improved. The development of these tools and techniques aims at addressing specific, often differing, analytical as well as management requirements (Kaplan & Norton, 1992). This enables an all-encompassing appreciation for the nature of process efficiency and effectiveness.

An essential point is to see the inefficiencies and areas of improvement within an organization, understanding the workflow visually. Process mapping tools like flowcharts and swim lane diagrams play a key role (Kaplan & Norton, 1992). In terms of this, the flowcharts can be shown in an easy way, as they show a clear picture of all steps that should be taken in sequence during the process, where deviations are easy to spot on them (Kaplan & Norton, 1992). Plus, bottlenecks and redundancies. The swim lane diagrams do it by showing who does what from different departments or roles, they show how people interact with each other, and when they need to pass information or tasks among themselves as part of cross-functional processes (Eccles & Serafeim, 2013). These tools are not just for initial analysis but also for keeping track later on if optimization has been done or not.

To efficiently track and analyze performance data, organizations depend more on analytics software and Business Intelligence (BI) platforms. These tools gather data from different origins and provide it through dashboards plus comprehensive reports in a manner easily understandable (Eccles & Serafeim, 2013). Through the use of these platforms that offer real-time data surveillance, organizations are able to obtain major indicators about **Performance Metrics** promptly, this helps in decision-making on time (Eccles & Serafeim, 2013). An illustration is a case where production delays can be noted as trends by a BI tool which points managers towards specific issues without delay, thus enabling immediate corrective action to be taken without any significant delays.

Some of the more advanced ways of process enhancement include statistical techniques which are Six Sigma and Lean Management. Six Sigma is targeted at identifying defects in a process to remove them systematically, so that quality can be improved by reducing the process variation (Davenport, 1993). For this purpose, it uses a tool known as DMAIC that provides structure towards the analysis efforts and ultimately helps in improving the processes. On the other hand, Lean management focuses on eliminating waste while adding value through streamlining operation systems with workflow efficiencies (Davenport, 1993). This means that both approaches heavily depend on coming up with data-driven business decisions to ensure continual improvements within their respective processes.

A high-tech approach that can be used for the purpose of **BPM** is simulation modeling. Through this technique, organizations can develop digital models of their processes and simulate various scenarios, thus forecasting likely outcomes without having to make real-time changes in an operational setting (Choudhury, 2020). It's important to note that in many cases such systems are particularly useful in complex systems, where the interplay between system elements is not easy to predict based on intuition alone (Choudhury, 2020). The visualizations produced as a result of adjusting parameters and testing different scenarios help managers see possible impacts of changes on how effective or efficient a process will be. It is illustrated by the table below:

Table 5

BPM tools and techniques

Tool/Technique	Purpose	Key Characteristics
Flowcharts	Visualizing workflow and identifying inefficiencies	Clear sequential steps, easy to spot deviations and bottlenecks
Swim Lane Diagrams	Showing cross-functional interactions	Visual representation of roles, interaction points
BI Platforms	Tracking and analyzing performance data	Real-time data surveillance, comprehensive reports
Six Sigma	Identifying and eliminating defects	DMAIC framework, data-driven quality improvement
Lean Management	Eliminating waste and improving efficiency	Streamlined operations, value-added activities
Simulation Modeling	Forecasting outcomes of process changes	Digital models, scenario testing

Source: This table was created by the author using information from Kaplan & Norton (1992), Eccles & Serafeim (2013), Davenport (1993), and Choudhury (2020).

Combining these different tools, as depicted, creates a picture for the organizations on what is going on with their business processes from all angles. In a simple case, an organization might use process mapping to identify key areas of concern, use Business Intelligence (BI) tools to keep track of related metrics, apply Six Sigma techniques to quantitatively analyze and then improve these areas (Eccles & Serafeim, 2013). Also, it might use simulation models as the final tool to forecast effects. Such an integration guarantees that every decision taken is well-informed and has a strong analytical base, which makes the decision very reliable in turn (Hammer, 1990).

The **BPM** tools and techniques used to measure process performance are wide-ranging. They are each of value in their own way and some methods are better suited for different types of analyses than others. However, organizations that make an effort to choose these tools carefully and find a way to integrate all of them coherently can achieve a comprehensive view of their

processes (Kaplan & Norton, 1992). An understanding that is instrumental to coming up with workable strategies that will lead sustained improvement in performance. This approach to process analysis without overlooking any details (Davenport, 1993). Aiming for continual enhancement, holds much weight within any organization that seeks success in today's competitive markets where business practices keep changing rapidly due to varying customer needs and long time constraints imposed by technologies available at hand.

1.4.2. The role of IT in business process performance

In the world today, Business Process Management (**BPM**) is revolutionized by the role of Information Technology (IT). The adoption of IT into **BPM** has redefined and changed it forever, making it easier to measure business processes and take effective control in an innovative way (Hillman et al., 2001). The advanced nature of IT products, like ERP systems, advanced analytics plus cloud computing, equips organizations with high-quality tools that allow operational optimization while remaining consistent with the overall strategic objectives (Hillman et al., 2001).

Enterprise Resource Planning (ERP) systems play a vital role in **BPM**. The reason behind this is that these systems combine different functions within an organization. This includes finance, human resources and sales into one coherent entity (Hillman et al., 2001). This unity leads to simplified data sharing between departments because all information is stored in one central place. It also means that everyone has equal access rights to any data they might need. Hence further promoting transparency across the board (Eccles & Serafeim, 2013). The impact of such an integrated data structure is seen in how easily processes can be monitored through ERP. Integrated system that provides real-time feedback on performance indicators to decision-makers (Choudhury, 2020). This makes it possible for them not only to keep track quickly but also make informed decisions swiftly. Consecutively, it ensures operational effectiveness as well as responsiveness towards market needs.

The evolution of the advanced analytics as well as the machine learning in **BPM** is soon to become a reality. These two technologies use data, lots and lots of it, to forecast what lies ahead and paint pictures (or models) of possible impacts that changes within business processes might have on your organization (Hammer, 1990). When organizations implement machine learning algorithms, they are able to detect patterns, even hidden ones, because they are beyond human analysis perception levels (Eccles & Serafeim, 2013). This new predictive ability helps manage processes proactively. Problems before they happen are nipped in the bud and strategies are modified with an eye on future market conditions, thanks to this innovative approach.

The impact of cloud computing on **BPM** is one that revolutionizes the use of highly scalable and very flexible solutions. These solutions are easily adaptable to the changing needs of any business through cloud-based **BPM** tools, which enable organizations to deploy, control, and improve processes more agilely and without significant upfront investment as part of traditional IT infrastructure (Zook & Allen. 2012). In addition, it should be noted that cloud services are supporting remote management capabilities because such services play a significant role in today's globalized work environment where most work is done remotely (Choudhury, 2020). For those businesses needing quick adjustments, either upwards or downwards, due to external forces or opportunities available at hand, this flexibility would be quite helpful.

BPM performance measurement is now much more accurate and precise due to the implementation of these IT solutions. A wide range of real-time indicators can be tracked by organizations: from operational costs down to customer satisfaction levels (Brynjolfsson & McAfee, 2014). This allows them to make dynamic adjustments in their processes on-the-go (Eccles & Serafeim, 2013). Moreover, business processes being able to gain agility through IT implies that companies can easily respond fast to any changes taking place outside their business environment, thus easily sustaining a competitive edge in their industry (where adaptability is key advantage determinant).

Let me emphasize the conclusion that IT does not support **BPM**, but it has been a major drive. This involves the implementation of ERP systems plus advanced analytics and cloud computing, which have enhanced not only the measurement and management of business processes but also the overall strategic agility of organizations as a whole (Brynjolfsson & McAfee, 2014). As IT keeps changing, its impact on **BPM**, which will continue to rise and take a more definitive shape in terms of future directions, underscores that there is an even greater need for businesses to use these technologies as they seek operational excellence along with competitive edge.

1.4.3. Innovations management

Business Process Management (**BPM**) innovation takes the form of an orchestrated and systematical dawning, realization, and overseeing of both technological and procedural innovations (Choudhury, 2020). This duty is steadily being acknowledged more and more as indispensable for retaining competitive advantage, as well as cultivating sustainable development within today's swiftly transforming business environment (Porter, 1985). Organizations ensure through a structured way of assimilating the new ideas and technologies into their already existing processes that they achieve operational performance, thus also ensuring that they meet market dynamics with sufficient response.

Innovation management is a primary stage of innovation efficiency. It involves strategic planning for innovation, which includes not only identifying potential innovations that fit into the organization's strategic goals but also understanding whether the identified innovations are going to be possible and have an impact on the current functioning of the organization (Brynjolfsson & McAfee, 2014). Strategic planning of innovation demands detailed analysis of market trends and competitor actions, in addition to capabilities within the firm. This is about seeking out what should be innovated, from performance gaps identified through product needs to be introduced down to operational issues (Eccles & Serafeim, 2013). This stage usually leads into structured roadmap development for innovation with identification of key initiatives and their timelines.

Implementation is when ideas become reality. It could mean using AI, ML or blockchain to improve how data is handled and customers are served. Or it could mean rethinking workflows to be more efficient (Choudhury, 2020). Sometimes new business models need to be adopted, like shifting from products to services, in order to reach new customers or make more money (Davenport, 1993). But technical expertise alone won't cut it; you also need people who can manage change so that everyone understands and supports the new way of doing things.

Once new and novel approaches find their way into the system, the steady watch is what's crucial. This keeps a check on how these novelties are faring within the business process realm: whether they're positively influencing, as expected, or not (Collins & Porras, 1994). Such surveillance calls for an observant eye over key performance indicators (KPIs): it's through these metrics that one can determine if the innovations are reaping desired fruits (Hammer, 1990). On top of this, tracking also uncovers any unforeseen complications or pushback (that might pose a threat) to the innovation's potency (Hammer, 1990). And with such revelations at hand, organizations should take an adaptive approach; it's about making continuous tweaks on strategies and processes in light of what has been unveiled, all to enhance output.

Managing innovation in **BPM** is not just a one-time thing, but an ongoing cycle. Organizations constantly assess and adjust to stay competitive and grow over time (Mintzberg, 1983). It is more than just coming up with fresh ideas. It delves into continuously re-evaluating and refining these out-of-the-box thoughts. It is very important to do so, due to constantly evolving technological landscapes coupled with fluctuating market dynamics. Those who lead at innovation management demonstrate agility through adaptability. Like being able to tweak their course upon sensing changes within markets' tides, steering towards resilience that allows quick response mechanisms when new opportunities surface (Prahalad & Ramaswamy, 2004).

To summarize up, the effective management of innovation in **BPM** is not a lucky incident but a notable strategy. It entails more than the haphazard assimilation of new technologies or methods. It demands a unified strategy that cohesively intertwines planning with implementation

and continuous surveillance (Brynjolfsson & McAfee, 2014). The aim for these innovations should not just be to tweak current processes but also to see the organization take a better standing on top of them after future challenges and opportunities are quelled. This premeditated stance towards innovation holds the keys to success for any entity seeking to prosper amidst the intricacies of modern business, where complexity meets dynamism at every crossroad.

1.5. Customer management and behavior trends

CRM strategies are no less than significant players in the game of **BPM**, which is a modern art of managing business processes where the primary focus falls heavily on customer interactions optimization and enhancement (Johnson et al., 2008; Zook & Allen, 2012). Businesses are now realizing that a mere lip service towards being customer-centric will not get them too far in the long run, hence, we see these sophisticated CRM strategies taking birth (Zook & Allen, 2012). They take help from advanced technology to stitch sales, marketing, and customer service functions together into one fine suit along with technical support, not just another software roll-out!

When talking about integrating CRM with **BPM**, it should be clearly pointed out: it is not about launching software solutions through those fancy press releases but weaving business processes in such a way that they read customers' needs even before customers themselves have spoken out (Johnson et al., 2008). CRM systems should act as our compass pointing towards areas where customers feel delighted or disappointed, which calls for capturing every interaction point between customer and organization (Johnson et al., 2008; Zook & Allen, 2012).

Touchpoints that tell us who did what at which place, be it raising a sales ticket over phone or posting a query on social media platform. Only when businesses can paint an accurate picture of these varied customer experiences can they tailor their operations suitably, aiming not just at meeting but surpassing customer expectations (Johnson et al., 2008). For this unreasonably high level of customization calls (after all) for enhancing satisfaction levels, why not try wowing them next time around? More loyal customers indicate lesser efforts required to hold on to market share (Collins & Porras, 1994).

CRM systems have changed and broadened greatly because of technological developments. They use AI and machine learning to predict customer behavior, personalize communication and relationships with clients dynamically (Zook & Allen, 2012). These technologies help in automating tasks that are repetitive (and hence dull) so that the human resources can concentrate more on the complex issues of customer service, which require a personal touch, as well as strategic engagements rather than operational matters (Zook & Allen, 2012).

A good CRM strategy should be able to deliver personalized experience. This is only achievable through understanding customer data, which enables the identification of individual preferences and behaviors for each client (Johnson et al., 2008). By being able to craft messages based on what would appeal to a particular customer, businesses can ensure that their marketing campaigns are not only effective. They can also make every interaction with the company more relevant and interesting for the customer (Johnson et al., 2008).

Enhancing the efficiency and timeliness of customer interactions is yet another significant aspect of CRM. Such systems solve out a lot of problems in customer-facing processes, It guarantees that any and all customer queries or doubts are swiftly embraced with due care and attention (Prahalad & Ramaswamy, 2004). Examining an automated ticketing system, a deft hand at promptly ferrying customer solicitations across to the apt department or individual without interference. Quickly reducing the response time, coupled with the optimal delivery point, increase positive effects on customer satisfaction (Johnson et al., 2008). Such subtle intricacies form the base upon which a robust CRM stands tall and effective.

The information that is derived from customer relationship management systems is highly valuable. It can serve as a source of brilliant ideas to revolutionize business processes: instead of looking for such information through lengthy process maps, you can simply analyze customer feedback and behavior patterns (Hillman et al., 2001). They are the primary sources for discovering places where processes might be changed or where new requirements have appeared due to changes in user needs (Zook & Allen, 2012). In addition, the data can help make informed decisions on product development and even marketing and sales strategies, which altogether influence revenue generation significantly.

The fusion of CRM strategies into **BPM** guarantees the alignment of business processes with strategic business aims consistently. This is especially seen in the customer acquisition and retention areas (Kotler & Armstrong, 2010). Not only can businesses improve their operational efficiency by ensuring every process step adds value to the customer experience, but they can also secure their competitive edge in the market.

To conclude, CRM strategies play a major role in **BPM** where organizations are able to optimize customer relationships effectively. This is done through technology use as a strategic approach to enhancing interactions and analyzing customer data closely to obtain a better understanding of customer needs and preferences (Johnson et al., 2008; Zook & Allen, 2012). The outlined phenomenon leads towards improved satisfaction, customer loyalty and aligning business processes towards sustaining growth.

1.5.1. Customer behavior and e-commerce trends

Customer behavior is very hard to predict. Yet analyzing it and keeping pace with the ever-evolving ebbs and flows of e-commerce tides are what define the success of (**BPM**) strategies in today's world (Porter & Kramer, 2006). A world where global markets are finding their pivot towards digital platforms (Chen et al., 2020). This synthesis between **BPM** and the digital realm takes on critical importance for any organization looking to streamline their processes. Also developing robust interactions within the sphere of digital commerce, which now tends to be more than just an arm but the whole body of customer relationships and transactions (Osterwalder & Pigneur, 2010).

A study of customer behavior in e-commerce entails looking at how consumers make the best out of the online platform: starting from the first point of contact up to feedback after a purchase is made (Chen et al., 2020). Analysis assists businesses in knowing the routes taken by customers, their preferences, what influences their decisions and even any pattern in their purchases. Advanced CRM systems supported with analytics tools find this data critical as they follow up on customer activities and interactions through different digital channels (Kumar & Mishra, 2019). This ensures that organizations have detailed information concerning customers' journeys which can further inform decisions on operational enhancement or innovative ideas within Business Process Management frameworks.

Trends in e-commerce like the three musketeers: personalized marketing, m-commerce, and s-commerce. They have their own implications on Business Process Management (**BPM**). The evolution of these trends has led to a situation where organizations do not only define what technologies should be part of **BPM** but also how customers interact with organizations through different channels and processes (Li & Zhang, 2020). For instance, when we take a look at the impact that mobile commerce is having on **BPM**, we see that businesses now need to ensure that their **BPM** is supportive of a mobile-friendly environment. This guarantees an easy and responsive customer experience (Chen et al., 2020). Equally important is the need for social media shopping as it continues to gain popularity (Li & Zhang, 2020). Hence any organization must ensure that these channels are well integrated into its overall **BPM** as well as Customer Relationship Management (CRM) strategies.

For the successful adaptation of BPM strategies to e-commerce dynamics, it would mean a combined adjustment of technological and procedural approaches within the setup of an organization. This might involve the installation of software specifically designed to support e-commerce functions or a redefinition of business processes. An example of the latter would include Social media Engagement Strategies or Mobile Customer Support as new processes (Rundh & Abdullah, 2021).

One of the most popular e-commerce trends that have a major effect on BPM is the customization drive. It is no longer an option, consumers expect their relationship with the firm to be based on prior interactions, as well as their needs and wants (Rundh & Abdullah, 2021). Therefore, companies should apply big data in business process management. This can help mold the customer experience and hopefully enhance the bonding between companies and their clients. Examples include but are not limited to specialized product recommendations and distinct marketing messages (Chen at al., 2020). All of it combined should result in more individualized shopping experiences.

However, equally significant is the surge in consumer interest towards sustainability and ethics, an issue that wields its influence over consumer choices (Wang & Huang, 2021). In light of growing pressure for e-commerce firms to ‘go green’ and take up social responsibility, there are specific considerations that must form part of **BPM** (Porter & Kramer, 2006). The first being eco-friendly logistics sourced through product, based impact sourcing & transparent processes, trusted by consumers.

More technology, like AI, AR and blockchain is seen being used every day. They will transform e-commerce **BPM** beyond recognition which means that these new technological advancements will help make business processes more secure (Wang & Huang, 2021). In addition, it improves visualization of the product and makes the customer's experiences more immersive, creating new benchmarks for customer participation and workflow effectiveness.

In conclusion, **BPM** must be able to transform with customer behavior plus e-commerce trends at that particular moment. This is only but the right formula for any business that wants to remain or stay competitive in the modern digital era. This can be achieved by organizations through the customization of their BPM strategies developed from an understanding of these changing trends plus expectations toward operational efficiency (Chen at al., 2020). This will in return help them maintain their customer base and grow within their unique digital marketplace.

1.5.2. Summary of literature review

The table below gives a snapshot of chronological empirical studies that can be used as the backbone of research on stakeholder engagement and Business Process Management. It therefore gives the train of thought which the field follows, how stakeholder theory and BPM practices have transformed in their theoretical and practical dimensions with time. Freeman (1984) laid the foundation of modern stakeholder theory by increasing transparency, responsibility, and participation in the corporate sector. For example, his point about companies not only working for the single goal of profit maximization for shareholders but also for interests that influence a large number of stakeholders is still central to much of the current BPM research and practice.

Davenport (1993) put Six Sigma and Lean Management into research which greatly supports better understanding in improving BPM. He exposed structured, data-driven methodologies of improving BPM through reducing defects and taking away inefficiencies. Such implementations highlight the explicit application of marketing principles to the business process. It therefore supports not just the BPM objective to be efficient and effective but to also align with changes in the demands of the market.

Nonaka and Takeuchi (1995) reprioritize knowledge management as a strategic driver for BPM. Compounded interplays between tacit and explicit knowledge somewhat make the sharing and the flow of knowledge among stakeholders one of the most essential. This understanding makes operational processes dependent on an organization's goals; in turn, it allows knowledge-sharing to inculcate a building attitude in an organization that is important for flexibility in a changing business environment.

Kotter (1996) conducted research on the long-term benefits of stakeholder engagement. It focused on improving trust, loyalty, and the resilience of an organization. His findings showed that stakeholder involvement does not just improve operational efficiency. Also it ensures strategic effectiveness and the ability to change. Bringing together theoretical frameworks and practice, Kotter's insights highlight the human side of BPM, underlining the critical role of responsive stakeholders in steering organizational change.

Table 6*Previous empirical research summary*

Author(s) and Year	Research Focus	Methodology	Key Findings
Freeman (1984)	Development of Stakeholder Theory and its implications for corporate governance and ethics.	Theoretical analysis.	Advocates for considering broader stakeholder interests beyond shareholders, emphasizing transparency and accountability.
Davenport (1993)	Effectiveness of Six Sigma and Lean Management in improving process performance.	Practical case applications in manufacturing settings.	Six Sigma reduces process variations; Lean Management minimizes waste and enhances value through streamlined workflows.
Nonaka & Takeuchi (1995)	Knowledge-sharing in BPM and alignment with strategic goals.	Theoretical and empirical analysis.	Highlights knowledge-sharing as crucial for innovation, aligning operational decisions with long-term objectives.
Kotter (1996)	Long-term impacts of stakeholder involvement on organizational adaptability.	Case studies.	Strategic engagement enhances loyalty and trust, driving adaptability and innovation in competitive markets.
Kaplan & Norton (2004)	Accountability and transparency in BPM through stakeholder engagement.	Empirical data collection in large organizations.	Stakeholder involvement improves decision-making, ensuring transparency and higher accountability.
Eccles & Serafeim (2013)	Role of KPIs in BPM for performance evaluation across multiple dimensions (cost, quality, service).	Quantitative analysis of business cases.	KPIs such as cycle time, error rates, and customer satisfaction scores provide comprehensive insights into organizational performance.
Brynjolfsson & McAfee (2014)	Predictive analytics and machine learning in BPM.	Empirical analysis and case studies on technology adoption.	Advanced analytics forecast trends, enabling proactive process management and fostering innovation.
Choudhury (2020)	The role of IT (e.g., ERP, simulation modeling) in optimizing BPM.	Empirical studies on IT implementations in BPM.	IT tools enhance process visibility, data sharing, and decision-making efficiency through real-time insights.

Source: This table was created by the author using information from Freeman (1984), Davenport (1993), Nonaka & Takeuchi (1995), Kotter (1996), Kaplan & Norton (2004), Eccles & Serafeim (2013), Brynjolfsson & McAfee (2014), and Choudhury (2020).

Kaplan and Norton (2004) developed the Balanced Scorecard as a relatively structured way of evaluating the achievement of BPM objectives. Their work highlighted the need to integrate various dimensions of performance measurement such as financial results, customer satisfaction, and internal business process performance to ensure that business processes align

with broader strategic goals. As a result, this model has since been used by organizations as a way of balancing short-term operational measures with long-term strategic objectives.

Another significant contribution to the understanding of performance measurement in BPM is the specification of Key Performance Indicators by Eccles and Serafeim (2013) for measuring aspects such as cycle time, error rates, and customer satisfaction scores. This set of metrics is going to provide the organizations with visibility into their overall operational health as well as effectiveness in assessing interventions among other stakeholders. Their work speaks to the fact that effectiveness measurement in BPM goes above and beyond efficiency toward aspects of quality and service which are more in line with changing stakeholder expectations.

Recent technological changes in BPM were discussed in the works of Brynjolfsson and McAfee (2014) as well as Choudhury (2020). The former referred to the immense contribution that predictive analytics and machine learning bring into the forecasting of trends and process management as innovation enablers for companies that want to be more proactive. A similar line of thought, but with a wider perspective on the role of dynamic IT applications in optimizing BPM, was taken by Choudhury. His results show how visibility regarding processes is greatly improved through digital tools like ERP, easier sharing of data, and eventually faster and better decision making, thereby underlining once more the increased emphasis on technology in modern BPM practices.

The broader literature review goes further to highlight the critical themes underpinning BPM and stakeholder engagement at the very core, synthesizing both theoretical frameworks and empirical findings. Stakeholder engagement is positioned as a strategic imperative rather than a choice to be considered. The Stakeholder Theory proposed by Freeman forms one of the conceptual frameworks through which an organization can view the dynamics of its relations regarding stakeholders and their influence on business processes. It is from this theoretical purview that the current one underpins the alignment of stakeholder interests with organizational goals for sustainable success.

Several methodologies and approaches exist through which process optimization something central to the scope of BPM can be achieved. The work of Davenport on Six Sigma and Lean Management can prove how far a very structured, data-driven intervention can improve process performance. These methodologies have been proven invaluable across industries because they work. The literature also offers more in terms of requiring a holistic approach to BPM, where the principles of quality management are in line with the technological innovations that will make it possible to deal with the complexity of operations in modern business practice.

Knowledge sharing also emerges as another major theme, with its strategic importance for innovation and alignment brought out by Nonaka and Takeuchi as they share their insights on how

the concerted effort of all stakeholders results in continuous improvement that is also adaptable to changing conditions. This perspective resonates with the ultimate objectives of BPM in as much as organizational efficiency and effectiveness are supposed to be easy to market changes and stakeholder requirements.

The literature also highlights challenges related to stakeholder engagement in BPM. A common issue is the management of diverse stakeholder expectations and the sometimes conflicting interests that need to be balanced. For example, Kaplan and Norton place an emphasis on the logistically complex processes of channeling stakeholder feedback, especially within large organizations and across varying priority sets. More specifically, these challenges would speak to issues of how BPM can be successful through strategic planning and proper communication where, amongst other things, stakeholders are apt to support the initiative rather than impede it.

Technological progress is one of the major factors that may help address these challenges and drive BPM innovation. The study by Brynjolfsson and McAfee that majors in predictive analytics and machine learning goes to show how data-driven tools allow companies to read the signals of change early enough and adjust their processes while there is still time. The paper by Choudhury, focusing on ERP systems and simulation modeling, also suggests the high effectiveness of technology in transforming and channeling business processes to improved decision support.

Performance measurement provides more BPM components for an organization to assess its performance in managing stakeholder relationships and other interventions. The Balanced Scorecard framework and KPIs as identified by Eccles and Serafeim present a total view to evaluate the performance of processes. This multiple view reflects the new views held by stakeholders, who no longer require just operational excellence but also demand high quality and service.

This section concludes the literature review, appreciating the diversified nature of BPM as well as more explicitly placing stakeholder engagement centrally within the attainment of organizational success. By considering both theoretical and empirical inputs, it gives a sound basis on which to appreciate how stakeholder involvement can interact with process optimization performance measurement and technological innovation. These results practically emphasize transparency, accountability, and collaboration as the main principles of BPM, which can practically be the guide that organizations seek as they champion their way amid the intricacies of today's dynamic business environment.

2. METHODOLOGY FOR RESEARCHING THE ROLE OF STAKEHOLDER ENGAGEMENT IN BUSINESS PROCESS PERFORMANCE

2.1.1. Research methodology

This study seeks to explore the role of stakeholder engagement in Business Process Management (BPM) performance. The focus is directed at how different approaches can provide influence at the intra-organizational level on outcomes. Semi-structured interviews will be used for primary data collection from business process managers and principal stakeholders, allowing unearthing the incorporation of stakeholder engagement in BPM systems and its implication on actual performance measures and long-term organizational goals.

The primary aim of this research is to examine how different stakeholder engagement strategies influence BPM performance. In other words, this research attempts to explore the methods by which organizations engage their stakeholders, the perceived effectiveness of these methods, and how these practices contribute to achieving better BPM outcomes. More specifically, the research also aims to understand how stakeholder involvement in BPM relates to wider organizational goals on issues such as sustainability, innovation, and long-term competitiveness.

This research will seek to identify the practices and difficulties experienced by business process managers and other BPM stakeholders. **Key questions** to be considered in guiding this study are as follows:

1. How does stakeholder engagement contribute to the effectiveness of BPM systems?
2. What methods are most commonly employed for engaging stakeholders, and how do these methods influence process performance?
3. How does stakeholder engagement help organizations achieve long-term strategic goals, such as sustainability and innovation?

Questions in this section are meant to gather information on the immediate and long-term outcomes of stakeholder engagement on BPM processes. This section is meant to shed light on the perceptions of BPM managers and those stakeholders involved in the process, concerning how stakeholder engagement strategies can practically be implemented in BPM contexts.

The interview guide that was applied in this study was developed with much caution to unearth the contributions of stakeholder engagement in the performance of business processes. The questions built on academic literature on Business Process Management (BPM), stakeholder theory, and evaluation of process performance frameworks. Important theoretical underpinnings

which informed the development of the questionnaire include the Mendelow Matrix for stakeholder prioritization and BPM performance metrics. The content and format of the questionnaire were designed based on major research objectives and questions outlined in the thesis to ensure specific queries were in line with the aims of the study.

The questionnaire was divided into seven sections that were critical aspects of the research topic. The divisions covered almost everything from getting to know the organization's BPM approach individually to the influence stakeholder engagement has on the results of business processes. Questions were designed to get qualitative information that would give detailed descriptions related to the study's findings. The first section was designed to, for instance, obtain information that sets the background for the responses provided in subsequent sections, which specified stakeholder identification, engagement ways, challenges, and outcomes.

Some of the questions were very important in addressing the central research problem. For example, question 5 was derived from stakeholder theory and is essential for identifying the key factors influencing BPM. It asked "Who are the primary stakeholders involved in your BPM initiatives". This question helped relate the theoretical framework to real issues and explains how different stakeholders contribute to process performance. Similarly, Question 7 related directly to the objectives of understanding effective stakeholder engagement practices and their alignment with BPM goals.

Another important question was Question 21 ("What overall impact does stakeholder engagement have on your organization's BPM outcomes?"). It was aimed to establish a direct connection between stakeholder engagement and measurable BPM performance outcomes, whereby it would respond to the main aim of the study, which was to explore this relationship. Such a question made it possible for the respondents to mention the results in both quality and quantity terms, which would be very important in providing useful data for analysis.

This way, the questionnaire was designed to make the responses not only detailed but also comparable for responses across industries. The mix ensured that it provided different views, being both open-ended and scenario-based questions. With such a design, therefore, an analysis, which would be as heavy as the objectives that this study had set to bring out the rather very nuanced role played by stakeholder engagements in optimizing business process performance, could then be supported.

2.1.2 Qualitative research design and data collection

The research paper will adopt a **qualitative research design** in the exploration of the research subject. This approach is very appropriate for accessing and appreciating the subjective **experiences and perceptions of experts regarding stakeholder engagement in BPM processes.**

A qualitative approach is said to be more appropriate with the flexibility of getting more than one angle and individual peculiarities expressed by the respondents because their experiences are difficult to quantify.

Data for this work were collected using **semi-structured interviews and open-ended qualitative surveys**, constructed to accommodate detailed insights into stakeholder engagement practices. Business process managers, as well as other stakeholders directly involved in BPM initiatives, were interviewed on an individual basis. Detailed discussions were enabled by these data collection methods on how stakeholder engagement was carried out, the attendant challenges, and the perceived effect on the BPM performance. The interview guide had specific questions tailored for various stakeholders, although basic ones were included in all interviews to make responses comparable.

In addition to the interviews, **qualitative surveys** were also administered. In total, 14 responses were received from experts in the field. The surveys included **open-ended questions** that enabled the respondents to reflect on their experiences and provide **detailed information**. In sum, the use of interviews and surveys guarantees **comprehensive data due to their coverage of individual perspectives and general trends** on different stakeholder angles.

The choice of conducting semi-structured interviews and qualitative surveys provides flexibility in the collection of data so that the research can fit the multifarious opinions of its participants yet remain invariant with respect to the general approach. Both techniques are extremely productive in revealing the depth regarding stakeholder engagement practices and the intricacies involved in their relationships' management within the BPM context.

The participants for this study were selected through a combination of **purposive and snowball sampling techniques**. Purposive sampling was necessary only from the relevant experience in BPM and stakeholder engagement to give the study a **select expert sample that can provide valuable insights**. This factor was especially significant in ensuring that the individuals who were interviewed had direct experience dealing with the intricacies of stakeholder engagement within BPM.

The **participant pool was extended by using snowball sampling**, which involved asking initial respondents to refer others who could be suitable experts. This applied more **varied perspectives**, thus ensuring that the sample diversity was wide enough to get varied experiences regarding stakeholder engagement in different organizational contexts.

Table 7*Summary of experts participating in the research*

Expert ID	Industry Sector	Job Title	Years in Role	BPM Experience (Years)
1	Manufacturing	Operations Manager	5	8
2	Financial Services	Compliance Manager	5	10
3	Technology	Process Improvement Specialist	3	7
4	Healthcare	Quality Assurance Manager	6	9
5	Logistics	Operations Director	8	12
6	Creative Industries	Innovation Strategist	3	8
7	Education Technology	Product Development Manager	4	6
8	Retail (E-commerce)	Chief Operations Officer (COO)	6	15
9	Energy	Process Innovation Lead	5	10
10	Hospitality	Operations Manager	3	7
11	Healthcare	Operational Excellence Manager	4	10
12	Technology (SaaS)	Head of Process Optimization	5	12
13	Logistics	Process Coordinator	6	8
14	Manufacturing	Continuous Improvement Manager	7	11

Source: This table was created by the author using collected data from respondents

The table above provides more detail about who the experts are, the jobs they do, what their professional backgrounds are, and how skilled they are in Business Process Management. The selection criteria were applied very stringently so as to make sure they would be suitable and relevant. Those experts were drawn from a pool of individuals directly involved in BPM initiatives in different verticals, based on work experience span, as well as how much authority they have in business process management or in influencing business processes.

Participants come from manufacturing, financial services, healthcare, logistics, and education technology, among other sectors. This diversity enriches the study as it brings in opinions from different sectors with different BPM priorities and challenges. The methodological diversity is also an outcome since not only researchers but also technology companies working with clients on re-engineering systems may test and improve the method in their sector-specific contexts. For example, Innovation Strategist and Product Development Manager share common goals but different concerns about creativity, adaptability, and stakeholder-centric processes in institutions.

The professional experience of the respondents represents mid-level managers, for example, as Process Improvement Specialists, up to senior leadership such as the position of Chief Operations Officer (COO) or Head of Process Optimization. On average, they have spent over eight years in roles related to BPM, which speaks to a sound base of experience in practice. Such rich expertise allows them to articulate fine-grained views on BPM strategy, stakeholder engagement, and technological tool integration.

The final **sample for this study included 14 semi-structured interviews**, all with professionals currently actively involved in BPM and stakeholder engagement. As frequently emphasized across the qualitative research literature, the size of the sample relates to the adequacy of information generated in achieving in-depth insights on the phenomenon under study and to the point of saturation, the point at which additional information begins to produce redundant information and no further insights.

In summary, the selection process guaranteed that the participants were not only professionals with experience but also strategically placed within the organizations to ensure that they could share valuable perspectives on both BPM and stakeholder engagement. This also speaks to both the quality and quantity of their expertise, thereby underpinning the credibility and richness of the findings from the research. From this diverse pool of experts, such differing perspectives on the complex relationship between stakeholder engagement and BPM outcomes will enable much more robust and actionable insights to be delivered by the study.

2.1.3. Data analysis techniques

The qualitative data obtained from the interviews and surveys were analyzed thematically, as this approach best fits the discovery of patterns and themes within qualitative information. This will allow a systematic exploration of the data by the researcher, enabling the categorization of responses and connection drawing between key themes on stakeholder engagement and BPM performance.

NVivo software was employed in coding the interview and survey responses to aid in data analysis. This software provides a structured approach to qualitatively organizing and analyzing data toward the identification of emerging themes and patterns observable in the dataset. Responses were coded into **general categories**, such as stakeholder engagement methods or challenges in managing stakeholders or impact on BPM performance. These categories were then refined and analyzed to detect related more **concrete themes and issues** that would help answer the research questions.

Excel was used for creating simple graphs and charts to **summarize and provide a visual insight** into the findings, especially in presenting responses concerning the engagement methods

and their perceived effectiveness in improving BPM outcomes. The use of NVivo and Excel guaranteed stringent analysis of the data at hand and the ability to present it in a legible format.

The use of a qualitative methodology is particularly fitting in this research. Therefore, through it, a detailed examination can be carried out on the subjective experiences of experts involved in stakeholder engagement and BPM. Qualitative research carries the ideas that give an in-depth view of the contextual and dynamic aspects of stakeholder relationships—an understanding that is necessary for how the implementation process of engagement strategies can influence BPM systems.

The study conducted semi-structured interviews and qualitative surveys, through which it captures responses at length from participants, thereby enabling an exploration not only of the methods used for stakeholder engagement but also the underlying factors influencing the effectiveness of such methods. An interview, being more flexible, can allow emerging themes and issues that were not anticipated to be probed, hence providing a richer understanding of the subject.

In summary, the qualitative nature of the research design and data collection methods applied in this study align well with the attainment of the research objectives to comprehend stakeholder engagement from the vantage point of those intimately involved in BPM processes. Thematic analysis guarantees the anchoring of the findings in the data, and employment of NVivo and Excel offers due measure toward a tidily organized methodology of data analysis and visibility.

3. EMPIRICAL RESEARCH OF THE ROLE OF STAKEHOLDER ENGAGEMENT IN BUSINESS PROCESS PERFORMANCE

3.1.1. Stakeholder engagement methods

Different methods of engagement are understanding stakeholder engagement to be placed in a level playing field for the success of **Business Process Management (BPM) initiatives as their use becomes more reliant on complicated systems by organizations**. Hence, the main aim of this paper was to understand which stakeholder engagement methods can lead to an effective BPM system. This research considers that from the perspectives gathered, it is clear that digital tools and collaborative workshops are among the most used methods. However, effectiveness varies depending on the context of BPM implementation.

The data analysis section in this study was detailed on purpose to assure that the quality data acquired from the expert interviews were analyzed in a well-structured and systematic way. These responses obtained were recorded as well and clustered based on seven thematic sections of the questionnaire which assessed some key dimensions concerning stakeholder engagement in Business Process Management. Thematic analysis assists in bringing out patterns, relationships, and recurring themes that were identified within the responses. From there, the themes were cross-mapped to the research questions as an indicator of validity with respect to the study's objectives. Results were contrasted regarding different practices of stakeholder engagement across industries. It was an iterative process, which combined new insights as they came, while keeping information intact. In that regard, therefore, the research questions steered the analysis toward finding coherent and focused results.

Expert solution included digital tools such as **enterprise resource planning (ERP) systems, dashboards, project management tools central to improved transparency and communication across the organization**. These tools enable stakeholders to view real-time information both inside and outside of the company, helping to make more informed decisions and better coordination. According to Expert 3, experienced process' improvement specialist, "Digital platforms provide a centralized communication channel which thus improves the flow of information across departments thus helping ensure stakeholders remain aligned with the BPM objectives." This comment breaks silos that are built between different departments and ensures that all involved parties can get to know the progress of BPM initiatives. Specifically, experts highlighted their importance in large or geographically dispersed organizations where maintaining alignment across departments proved challenging.

Table 8*Stakeholder engagement methods*

Engagement Method	Expert Numbers	Key Insights
Digital Tools	3, 7, 9	Digital tools (ERP, dashboards, project management platforms) improve transparency and communication. Essential for real-time information and decision-making.
Workshops and Meetings	7, 9	Workshops and face-to-face meetings are critical for building trust, aligning stakeholders, and co-creating solutions.
Combination of Both	3, 7, 9	A dual approach of digital tools for information management and workshops for interpersonal engagement ensures stakeholders stay informed and aligned.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

However, according to the experts, these methods, which can be conducted online, are not enough for engaging people really deeply. "Digital tools are great for tracking progress, but they don't replace the need for human interaction," according to Expert 7. Therefore, it is evident from this statement that technology can make communication more efficient and transparent, but it can never replace the relationship aspects specifically the trust-building dimensions of stakeholder engagement and especially not in the early stages of any BPM initiative.

Indeed, a number of experts put forward that without **workshops and brainstorming sessions** it is impossible to build trust, let alone align objectives and come up with new, groundbreaking solutions. During such sessions, the stakeholders directly interact with each other, share insights, and co-create the solutions that emanate from the multi-faceted input of all parties associated with an initiative. This was also echoed by Expert 9, "To have effective stakeholder engagement begins with in-person interaction— this is where we set up the collaboration. Only then can digital tools enable us to keep the momentum going and maintain stakeholder awareness." This reflects the approach that would be articulated by the thesis proposed theoretical framework that articulated the need for balancing digital and face-to-face tools for successful stakeholder engagement in BPM.

The combination of digital tools and personal communication channels is, therefore, seen to be the most effective way for engaging stakeholders in efforts. Information management and efficient channels are meant to bring in the technological aspect, while workshops and meetings are heading up personal relationships that will make it possible for stakeholders to be well-informed and actively involved in decision making. This makes it clear that the organizations are

using more than one method to break any real or perceived barriers to stakeholder engagement and ensure that all stakeholders in BPM initiatives remain goal and purpose-aligned.

3.1.2. Collaboration among stakeholder groups

The joint work of stakeholder groups is another necessary condition for successful BPM system application. Effective collaboration not only allows BPM processes to be fully coordinated with the goals of the firm but also provides an opportunity to reveal inefficiencies and create better processes. According to the views of the experts, cross-functional collaboration (that is, the joint work of stakeholders from different departments or having different areas of expertise) is especially beneficial for the optimization of BPM performance.

Table 9

Stakeholder collaboration importance

Groups/Subgroups	Expert Numbers	Citations/Main Ideas
Identifying inefficiencies	1, 4, 6, 9	Stakeholders identify bottlenecks or inefficiencies in processes.
Providing innovative solutions	2, 3, 12	Innovative ideas emerge from stakeholder contributions to process redesign.
Enhancing process execution	5, 7, 11, 13	Practical insights enhance execution efficiency and streamline operations.
Highlighting customer needs	2, 8, 10	Customer feedback drives adjustments, aligning processes with expectations.
Ensuring compliance and safety	6, 9, 14	Stakeholders ensure processes meet legal, safety, and regulatory standards.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

Expert 5 emphasized that more interdisciplinary collaboration is needed: "A cross-functional team within our organization means that we tap different expertise from different departments. More informed decisions and hence better results are made when different sections of the business are represented in a review of BPM processes." This clearly justifies the aspect of BPM that works with many diversified views, mainly concerning enhanced operational efficiency and the alignment of BPM systems to greater strategic business orientations. The combination of perspectives from divisions like operations, IT, and finance helps the organization spot problem areas by improving and aligning workflow improvement initiatives in the direction of the strategic business focus.

The theoretical framework discussed also underlined the very high balance of cross-functional collaboration in BPM. Different functional areas should also be represented in the stakeholders for companies to design more complete BPM systems that are appropriate and adjustable to dynamic business needs. This was also supported by expert responses since many of them went ahead to observe that cross-functional collaboration advances a holistic view of BPM and guarantees that processes are optimized from different angles.

However, all these benefits notwithstanding, the experts sounded the clarion call on the challenges that arise when BPM projects involve different stakeholder groups with varied and sometimes conflicting priorities. "Collaboration sounds nice in theory, though sometimes it proves difficult to reconcile different priorities of different departments. For example, while finance may aim at reducing costs, the operations unit may seek the optimization of processes, and marketing may have a completely different set of ambitions," noted one of the experts. This comment highlights one of the common issues in stakeholder engagement: how to balance hugely varied interests and objectives of different stakeholder groups. Those frictions created among conflicting departmental priorities can impede consensus and, therefore, actual BPM progress.

This can be very difficult particularly for organizations that do not have clear mechanisms through which they align the interests of stakeholders. Expert 6 noted, "Cross-functional team is effective but managing conflicting interests is very sensitive; it has to be planned for and communicated. The objectives of different departments vary and it might take a long period to align them." This further echoes back to challenges as mentioned in the theoretical part concerning the stakeholder expectation management. Clear communication strategies and ways on how conflicts will be resolved have to be put in place to see that this is addressed and the BPM initiative sails through.

Table 10*Stakeholder interest management*

Expert Numbers	Group/Subgroup	Key Insights
1, 2, 3, 5, 7, 8	Digital Tools and Dashboards	Digital platforms provide centralized communication, streamline information flow, and enhance transparency across departments.
4, 6, 9, 11, 12	Cross-functional Collaboration	Cross-functional collaboration integrates diverse expertise, ensuring that BPM processes are informed by multiple perspectives, leading to better decisions.
1, 4, 5, 8	Stakeholder Engagement in Workshops	Workshops and brainstorming sessions foster trust, align stakeholder objectives, and create innovative solutions through collaborative problem-solving.
2, 6, 9, 13	Conflict Resolution and Priority Alignment	Conflicting departmental priorities need careful management through clear communication and shared BPM goals to ensure alignment and minimize friction.
3, 7, 10, 14	Trust-building and Communication Methods	Building trust is essential for collaboration and long-term engagement, often facilitated through in-person interactions and face-to-face meetings.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

Lastly, stakeholder collaboration is essential if BPM is to be successful. The complexity comes in managing the interests and expectations of the stakeholders. A mix of expertise results in better decisions and more effective BPM systems. But, at the same time, the organization needs to be prepared to take on board the concept of conflicting interests and provide it with a resource base that includes strong communication practices and alignment mechanisms through which stakeholder collaboration will work to the overall success of BPM initiatives.

3.1.3 Role of stakeholder engagement in BPM performance

At different levels, stakeholder engagement contributes to BPM performance improvements by realigning process orientation toward strategic goals, enhancing the quality of organizational decisions, and supporting innovation. The expert responses attested to this fact since organizations that had very high levels of business process stakeholder engagement were reporting better outcomes regarding efficiency of processes, cost impact, and overall effectiveness of BPM. As per the expert information, firms that engage their stakeholders proactively in designing and implementing BPM and its continuous improvement cycle are most likely to succeed in introducing corporate business processes that reflect core organizational objectives.

Various experts have offered their opinions with respect to how BPM performance metrics are influenced by stakeholder engagement. For instance, Expert 4 commented, “Stakeholder involvement supports the ability to detect early inefficiencies and make it possible to optimize our processes. A proactive approach in this way leads to better execution and quicker decision-making.” Others agreed and emphasized that stakeholder involvement should take place at every stage of the BPM lifecycle, from its initial conception through post-implementation reviews. This guarantees that not only do the processes align themselves with business needs but also prove to be easily adaptable to alterations in the business environment. According to Expert 6, “Practical insights that improve process implementation, and therefore its performance with metrics such as cycle time and customer satisfaction, are realized when stakeholders are involved.”

The quantitative information obtained from this survey would go further to prove that indeed there exists a relationship between increased stakeholder engagement and improved performance in business process management indicators. Companies that scored better in stakeholder engagement practice reported lower operational costs, higher process efficiency, and increased customer satisfaction. An analysis of responses during the survey brought out the fact that stakeholder engagement has a positive influence on BPM key metrics including process cycle times and error rates.

Table 11*Stakeholder engagement in BPM performance*

Groups/Subgroups	Expert Numbers	Citations/Main Ideas
Improved efficiency and productivity	1, 4, 7, 9	Engagement optimizes workflows, reducing delays and enhancing productivity.
Enhanced customer satisfaction	2, 5, 8, 10	Customer feedback drives satisfaction improvement and process redesign.
Better compliance and risk management	3, 6, 13	Compliance with regulations is strengthened, and risk management is more robust.
Increased stakeholder buy-in	5, 11, 12	Involvement fosters ownership and commitment from stakeholders.
Innovation and strategic alignment	7, 9, 14	Engagement contributes to innovation and aligns strategic goals.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

The feedback loop was also touched on by Expert 9, as she explained, “Stakeholders give feedback on where the process is not working towards efficiency. This helps us make incremental improvements that, in the long run, will improve the quality of the process.” This response therefore reiterates the formula of theoretical construct related to the principle of continuous improvement within BPM. In organizations where stakeholders are involved with continuous feedback and review cycles, such a BPM system can very quickly adjust to changes in the market. This guarantees high sustained performance for extended periods.

The results confirm that stakeholder engagement acts as a significant driver of BPM performance. This allows organizations to optimize operations and eliminate inefficiencies by involving all stakeholders in the process. This proves that in theory, stakeholder engagement is not merely a beneficial but is an essential thing for an organization to attain BPM success and operational excellence.

3.1.4 Stakeholder engagement and long-term strategic goals

In addition to improvements in short-term performance, stakeholder engagement is seen to influence long-term strategic goals as well. According to expert responses, getting stakeholders involved in the decision-making process provides not only the opportunity to enhance operational efficiency but also drives innovation, sustainability, and adaptability of the organization. These long-term strategic benefits were particularly visible in the specific sectors of the economy when sustainability and innovation formed the key organizational foci.

The long-term benefits of stakeholder engagement derive from what Expert 2 said: “Involving stakeholders from the outset helps align our BPM with the company’s broader goals. For example, we’re able to integrate sustainability into our processes more effectively when we bring in perspectives from all relevant stakeholder groups.” Thus, stakeholder engagement ensures that diverse perspectives influence the design of business processes, which enables organizations to attain strategic objectives like sustainability. Due to further stakeholder input on environmental, regulatory, and market trends, BPM systems are created such that they enhance not only operational efficiency but also the sustenance of the business in the long run.

This is further supported by the theory because the theoretical framework posited that stakeholder engagement can improve the adjustability and sustainability of BPM systems. In organizations in which stakeholder engagement is conducted as an ongoing process, BPM systems gradually improve and easily adjust to alterations in the marketplace condition for perpetuating long-term strategic alignment. Stakeholder engagement helps us identify emerging trends and align our BPM with those trends, allowing the organization to remain competitive and innovative in the long term.

Table 12*Stakeholder engagement in BPM long-term performance*

Expert Numbers	Group/Subgroup	Key Insights
1, 4, 6, 7, 9, 10	Stakeholder Engagement and BPM Performance	Active stakeholder involvement improves process efficiency, reduces costs, enhances decision-making, and leads to better overall BPM outcomes.
2, 6, 9, 10	Stakeholder Engagement and Long-term Strategic Goals	Involving stakeholders contributes to achieving long-term strategic goals like innovation, sustainability, and market competitiveness by aligning processes.
3, 7, 9, 11	Continuous Feedback and BPM Improvement	Stakeholders provide continuous feedback that drives iterative improvements in BPM, leading to sustained improvements in performance over time.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

In addition, stakeholder engagement in strategic decision-making can drive innovation. Expert 10 pointed out, “When you engage stakeholders, particularly people on the ground working with processes on a day-to-day basis, they give you practical and innovative solutions that probably you might have never thought about. This not only betters our BPM but also inculcates innovation, which drives our business to the next level.” This statement reflects the broader strategic value of stakeholder engagement, noting that more often than not innovation comes from looking at things from different angles and with cross-functional collaboration, which in turn may bring about new ways of enhancing business processes.

Apart from the explicit relationship, empirical data also brings out how positively related stakeholder engagement is to achieving long-term strategic goal attainment. Respondents from the expert elicitation noted that organizations with good practices of stakeholder engagement are likely to achieve long-term goals on competitiveness in the market, sustainability, and innovation. This finding is indeed supportive of the theoretical concept wherein stakeholder engagement forms one core part in attaining the long-term success of BPM initiatives by keeping organizations adaptable and aligning them to ever-evolving strategic goals.

3.1.5 Challenges in stakeholder engagement

As highlighted above, Stakeholder engagement in Business Process Management generally does not face challenges. The responses, therefore, bring out a several major difficulties that an organization faces in the effective engagement of stakeholders and the alignment of diverse interests with the objectives of BPM. The most common difficulties are constantly competing stakeholder interests. On many occasions, the priorities of stakeholders from various departments

or functional areas serve to highlight problems that complicate the engagement process and thus impede the implementation of BPM initiatives. The responses by experts brought out that clearer communication, careful negotiation, and sometimes trade-offs manage such conflicting interests.

The major difficulties specified by experts are that different departments have very different objectives and it is hard to bridge the gap between their interests. Typically, one of the operations, finance, marketing, or IT groups takes precedence. In this scenario, while the operations team would like to see a speeding up of processes, the finance department would wish to see a reduction in expenditure, and the marketing team would like their customers to be happy, the company position in the market is irrelevant. The observation from Expert 6 is that: “Most departments within an organization have different goals. For example, while operations might be aimed at increasing efficiency, finance may be eyeing cost reduction, and marketing may center its goals elsewhere, customer-centric.” Which, in synthesis, stakes a very big claim to being a primary challenge for most companies going about their BPM initiatives because of the typically noted conflicting requirements from different stakeholder groups.

Table 13

Costs of managing shareholder interests

Groups/Subgroups	Expert Numbers	Citations/Main Ideas
Cost and resource constraints	1, 5, 10	Budget limitations hinder the adoption and scaling of new technologies.
Resistance to change	2, 7, 12	Stakeholders may resist change due to unfamiliarity with new processes.
Technical complexities	3, 4, 9	Complex technical setups and integrations slow down BPM adoption.
Training and upskilling needs	6, 8, 11	Stakeholders require training to effectively use new technologies.
Data privacy and compliance concerns	9, 13, 14	Privacy and compliance regulations pose challenges to data sharing.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

Expert 8, also mention the challenge, spoke of balancing interests. "The hardest part of managing stakeholder engagement is that you have to make sure that everybody feels heard and their priorities acknowledged, but also not to lose sight of your organization's BPM goals." This quotation speaks about the difficulty in balancing various valid claims that different stakeholders

make and the limited relationship each has with what an overarching BPM initiative goal might be.

Conflicts in business process perceptions as offered by varying stakeholder groups are discussed in theoretical literature related to stakeholder engagement in BPM (Brown et al., 2018). Proper effort is necessary to develop effective engagement strategies following the long-term goal path of stakeholders. This, in practice, involves designing channels for bargaining and accommodation; thus, the varied interests of the different stakeholders can be reconciled with BPM's general objectives.

3.1.6 Strategies for managing conflicting stakeholder interests

Various strategies have been proposed by experts to manage the conflicting interests of stakeholders in BPM. One of these is to apply a prioritization framework. Here, the ranking of the various stakeholders' interests according to the contributions they make toward achieving BPM objectives allows an organization to zero in on what is most vital. In this way, it can also make sure that conflicting priorities are addressed strategically. As Expert 4 explains, "We often use stakeholder mapping and prioritization frameworks to help us understand which interests need to be addressed first and how to balance conflicting demands."

Another concept that has been outlined by several experts is the collaborative decision-making process. It involves the making of decisions together with stakeholders. In this kind of arrangement whereby all parties have a say, it fosters the feeling of ownership and mutual responsibility toward BPM outcomes. According to the expert number 7, "Collaborative decision-making asserts that all stakeholders participate in the process and have their worries voiced at the outset, an approach that keeps conflicts from intensifying and mobilizes the attention of the entire group onto common goals."

Another way forward that was suggested is through the use of mediators or facilitators. Mediators are able to act as neutral persons who help the stakeholders find their way through disagreements and come up with mutually agreeable solutions. As put forth by Expert 7, "In some cases, having a neutral facilitator can help guide the discussions and ensure that all parties' views are considered while keeping the BPM objectives intact."

Table 14*Strategies for managing shareholder interests*

Expert Numbers	Group/Subgroup	Key Insights
1, 6, 8, 10	Balancing Competing Stakeholder Interests	Different stakeholder groups (finance, operations, marketing, etc.) often have conflicting priorities that must be managed through communication and compromise.
2, 4, 7	Managing Stakeholder Expectations	Setting realistic expectations and providing regular updates help ensure stakeholders remain engaged and aligned with BPM objectives.
3, 4, 7	Conflict Resolution and Negotiation	Collaborative decision-making and the use of mediators or facilitators help resolve conflicts and align stakeholder interests with BPM goals.
6, 8, 9	Communication and Trust-building	Maintaining open and honest communication, along with face-to-face interactions, is essential for building trust and fostering long-term stakeholder engagement.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

These strategies conform to the theory that saw that conflict resolution plus stakeholder alignment equals effective stakeholder engagement in BPM. Formal and informal mechanisms are hence required for effective management to resolve disputes and keep BPM initiatives on track.

3.1.7 Managing stakeholder expectations

Another issue in stakeholder engagement is the managing of expectation. Often, stakeholders have unrealistic expectations as outcomes of the initiatives primarily in the short run. According to Expert 2, “Most of the time stakeholders want immediate results though BPM is a process that takes long term. Clear expectations set from the beginning and managing them throughout the process.” This highlights the need for realistic goal-setting and transparency in the engagement process. Organizations could reduce the possibility of dissatisfaction and disengagement by clarifying expectations at the beginning of the initiative and maintaining open lines of communication.

Table 15*Importance of managing shareholder expectations*

Engagement Theme	Expert Numbers	Key Insights
Managing Expectations	2, 9	Set clear expectations from the outset, as BPM is a long-term process. Regular updates and progress reports help maintain stakeholder engagement.
Building and Maintaining Trust	3, 8	Trust is essential for engagement. It's built through consistent, honest communication and face-to-face interactions.
Communication Strategies	3, 9, 8	Transparent communication and timely feedback are key to keeping stakeholders invested in BPM processes.

Source: This table was created by the author using information from answers to qualitative surveys and interviews with experts.

Another major challenge, as outlined by Expert 9, is how much longer it takes to sustain stakeholder engagement when they do not see results right away. The delivery of regular progress reports has turned out to help manage expectations and also keep everybody interested in the process. This, therefore, helps not only to manage expectations but also proves once more that BPM is continuous and, therefore, has to get continued support from these parties to be successful.

Trust between the bodies is indeed very important. Many experts believe that stakeholder engagement will eventually fail without trust. The process and its design fail to engage stakeholders without the necessary trust in the process and its actors. As Expert 3 suggests, "If stakeholders do not trust the process or the people involved in it, they are less likely to be actively engaged or provide valuable input. Trust comes from many months of regular, honest communications." This has been considered a strategic move that requires organizational transparency to all stakeholder concerns and where the response is needed. Experts also reiterated that face-to-face communication would enhance trust relationships between parties, even as it helped pacify any arising conflicts. According to Expert 8, "Digital tools are important but, in addition, face-to-face meetings give that personal touch that is needed for building long-term trust and for managing complex issues.

The analysis revealed a variety of stakeholder identification and prioritization approaches. Most people talked about tools, such as the Mendelow Matrix, which structurally divides stakeholders according to power and interest. This method makes high-priority stakeholders, for example, employees involved directly in the process of execution, key suppliers, and customers, actively engaged. Comments from industries such as manufacturing and logistics emphasized the

critical role of operational stakeholders while healthcare-oriented results highlighted the need to balance stakeholder input with regulatory compliance. These findings were in line with the objective of the paper regarding understanding the practical application of theoretical stakeholder prioritization frameworks in BPM.

The data analysis was approached as a direct reflection of the central questions of research since it was needed to understand the extent to which stakeholder engagements can influence the business process performance. Below is how each research question is answered, showing how the insights gained from this study help in answering these inquiries and meeting the objectives of the thesis.

1. What methods are most effective for engaging stakeholders in BPM?

Workshops, brainstorming sessions, and the digital collaboration tools were cited by respondents as the effective methods that should be most welcome by stakeholders. It opened up channels for openness of information and collaboration channels for the success of the stakeholder in contributing meaningful ideas to BPM initiatives. For example, some specific input highlighted the power of real-time dashboards in keeping transparency levels high and tracking progress, especially in the areas of manufacturing and retail. This gives credence to the study by highlighting effective engagement channels that align with BPM goals and shows how working across stakeholder groups leads to better processes and more buy-in.

2. How does stakeholder engagement impact business process performance?

One of the emergent themes in the analysis was how much stakeholder engagement matters to enhanced business process performance. Respondents cited specific examples of improved efficiency, error reduction, and satisfaction level as some direct outcomes of stakeholder involvement. For instance, a logistics company realized that reducing delivery time by 15% could be achieved through involving the drivers in route optimization. Another organization in health care achieved reduced patient discharge times through collaborative workshops. These findings therefore validate the hypothesis that stakeholder engagement not only enriches BPM initiatives but also elicits tangible performance gains. Indeed, this work therefore speaks to the alignment with research objectives, as the analysis brought out both quantitative metrics and qualitative outcomes of stakeholder contributions.

Issues involved conflicting priorities and resistance to change. For example, the need for balanced solutions, phased implementations, or structured negotiations highlighted some of the areas in and around which the literature describes tension between speed and quality in the manufacturing process. Similar respondent reactions include transparent communication and stakeholder education. These are in line with the thesis objective on barriers toward understanding them for stakeholder engagement.

3. How does stakeholder engagement contribute to long-term sustainability and strategic goals?

Insights from sectors such as energy and financial services prove the prominence of stakeholder engagement in attaining the alignment of BPM with long-term sustainable goals. For instance, collaborative talks with the suppliers acted as the main driver towards the adoption of environmentally friendly materials, which also contributed to larger corporate social responsibility goals. These results leverage and vindicate the relationship between stakeholder engagement and strategic alignment as such inclusive practices bear immediate and future benefits.

It was found that stakeholder engagement and business process performance have an obvious and significant relationship. Since the study was able to address the research questions by getting in-depth insights from expert responses, it can be said to have met its objectives. The results provided tangible evidence that good stakeholder engagement practices do optimize BPM output, and also channel into long-term organizational goals. The iterative process of analysis guarantees that every individual research question is taken up in a holistic manner to lay down a strong base for drawing critical aspects of the study's findings and recommendations.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The main purpose of this research is to study the relationship between stakeholder engagement and Business Process Management (BPM) performance. The results prove that stakeholder engagement can influence the BPM system in achieving effectiveness. Conduction of semi-structured interviews and qualitative questionnaires on business process managers and main stakeholders revealed that the organizations, in which stakeholder engagement is mainstreamed throughout the BPM process, realize increased process efficiency, improved decision-making, and greater alignment of the process with organizational goals.

Stakeholder involvement particularly from the design and continuous improvement perspective of BPM was viewed essential in identifying inefficiencies proposing solutions and then ensuring that BPM systems are dynamic to meet the ever dynamic needs of the business. The data is of the opinion that stakeholder engagement encourages a collaborative environment whereby diversity informed decisions plus supporting the view advanced by present literature on stakeholder theory that process outcomes together with organizational alignment can be enhanced through a greater degree of different stakeholder engagement.

On the other hand, stakeholder engagement methodologies were found to significantly affect BPM success. Among the digital tools were ERP systems and dashboards that proved to be extremely effective in enhancing communication transparency and high availability of information across stakeholders. Especially in larger geographically dispersed organizations. But, as much as experts agree, in some cases, even more important are the face-to-face interactions and workshops that help build trust and get stakeholders to align with their goals. It, therefore, points to a requirement for a balanced approach that uses technology as well as personal engagement to get the most out of increased stakeholder involvement.

As well as short-term improvements in BPM, effective stakeholder engagement was evidenced to contribute to long-term goals at the organization level, concerning aspects such as sustainability, innovation, and market competitiveness. Properly articulated into the wider objectives of the organization, therefore, changes in the BPM systems are more easily coordinated with changes in the market, which then translates to sustained success. Stakeholders had some input on new trends, what the customer wanted, and possible innovation areas which then helped businesses remain competitive in a rapidly changing environment.

This is despite the benefits to be accrued from stakeholder engagement. Conflicting stakeholder priorities emerged as the major themes in the data. Generally, expectations of different departments (e.g., finance, operations, marketing) are sometimes at odds, thus potentially creating

tensions and thwarting effective collaboration. This presents a major challenge for organizations in managing such conflicts and ensuring alignment between stakeholder groups for a successful implementation of BPM systems. Yet another significant issue that emerged is the challenge of stakeholder expectation management. Experts mentioned that unrealistic expectations with the speed of BPM outcomes usually led to feelings of frustration and ultimatums for disengagement because results were not immediate or visible.

Conclusions in terms of objectives and questions that were raised by this thesis:

1. To explore how stakeholders are identified and prioritized in BPM initiatives.

The study affirms the importance of structured tools such as the Mendelow Matrix in stakeholder identification and prioritization for BPM initiatives. These tools enable the classification of stakeholders according to their respective powers and interests, thereby ensuring active participation of the paramount groups such as employees, suppliers, and customers. The results indicated that emphasis is placed on operational stakeholders within the manufacturing and logistics domains when healthcare institutions have a requirement for stakeholder input to be balanced against regulatory requirements. This level of structure in stakeholder identification will ensure that the most powerful voices will contribute to achieving process alignment and efficiency.

2. To determine the most effective methods for engaging stakeholders in BPM.

According to the study, the most successful approaches to stakeholder engagement are ones that blend the use of technologies with interpersonal interaction. While digital tools such as ERP systems and real-time dashboards bring improved transparency and communication—particularly for large, geographically dispersed organizations—face-to-face interactions and workshops continue to be very important in building trust and ensuring that people's goals are well aligned. These two things together allow an organization to get as much benefit from their engagement as possible, merging the efficiency of technology with the power of personal connection.

3. To analyze the impact of stakeholder engagement on business process performance.

The study reiterated that stakeholder engagement improves BPM results with business process efficiency, in terms of error reduction, and effective decision-making. This study found evidence of firms that made quite noticeable improvements due to involving stakeholders in decisions related to process improvement for example, delivery times in logistics and speed of patient discharges in healthcare. These findings confirm the assertion that effective stakeholder engagement drives tangible performance gains that rely on improved effectiveness within BPM systems and their applicability.

Recommendations

Based on the results of this study, there are a number of recommendations that can be made **for organizations** in their attempt to optimize their stakeholder engagement strategies in BPM.

1. To create the all-encompassing engagement framework that will align the involvement of stakeholders with the immediate goals of BPM and long-term strategic goals. It should combine digital tools and human approaches so that stakeholders are informed beyond being knowledgeable and also being actively engaged in decision-making processes. While technology can streamline communications and information sharing, face-to-face meetings and workshops can generate trust and collaboration for sustained engagement. These are to be balanced by the organizations, depending on the setting; this should create an environment wherein all stakeholders feel valued and heard.

2. Balancing conflicting stakeholder priorities is critical. Clearly spells conflict when the business runs as a number of different groups and departments with different goals. Clear communication channels and conflicting resolution strategies that bring out transparency and understanding among stakeholders will reduce the amount of conflict. Stakeholder mapping and prioritization frameworks also become useful tools in identifying which interests should take precedence in specific BPM initiatives because, while helping to manage seemingly competing demands, they keep BPM objectives intact.

3. Another recommendation is for organizations to make sure stakeholder engagement fits well with the company's long-term strategic goals. In this way, stakeholders are part of the long-term plan development, including those that reflect sustainability, innovation, and positioning in the market, to ensure that BPM systems can adjust to changing business environments. Understanding the emerging trends and demands of customers from various stakeholders offers priceless guidance on evolving BPM systems in ways that keep them relevant and competitive. For instance, the source perceives that stakeholder engagement also relates to organizational strategy so that BPM systems are not construed as separate projects but as elements within an organization's general vision of growth and success.

For stakeholders and organizations recommendations are:

1. Companies can actively drive cross-functional relationships between stakeholders of different departments. Stakeholders from different functional areas consisting of IT, operations, finance, and marketing input varied expertise and opinions on BPM initiatives. Creating avenues where there can be cross-departmental collaboration or rather task forces, inter-departmental meetings, or project-based teams will align the BPM system with the needs on the ground besides strategic goals. Cross-functional collaboration helps organizations to notice some inefficiencies in

their process that uplifts optimization and gives more assurance to be comprehensive and make their BPM initiatives holistic and well-considered.

2. Furthermore, expectation management is very vital to keeping the process of managing engagement throughout the BPM process. Setting realistic expectations at the very outset—never over-promise and under-deliver and communications all along about the timelines expected to realize the major benefits. Of course, this should come with regular updates and other forms of progress reports for which most stakeholders yearn. The iterative nature of BPM needs to be stressed; though every improvement does not echo nearer in time with a lot of big news, the sum total of small changes over time can usher in resounding effects. This speaks to the explicit nature and consistency of information flow that would keep all people on board with such an initiative.

Recommendations for researchers:

1. Consideration in future research is the diversity of stakeholder groups. This study primarily focused on business process managers and internal stakeholders. Although these are most relevant, the perspectives of other stakeholder groups, such as external customers or suppliers, and even senior leadership, may not be fully represented. An in-depth analysis of how the level of interaction between these groups and BPM affects the entire BPM ecosystem would provide additional insights into the influence of stakeholder engagement. A more diverse range of stakeholders would, therefore, ensure that an accurate view of the role that engagement plays in BPM is developed.

2. Researchers also need to investigate how such rising technologies intersect with stakeholder engagement in BPM. Understanding the digital tools ranging from artificial intelligence to blockchain and predictive analytics as they get integrated into business process implementations toward facilitating or transforming stakeholder interactions is important. An exploratory study should be conducted on how these technologies impact trust, transparency, and collaboration within different stakeholder groups. For example, the research on AI-driven perceptions on stakeholder prioritization or transparent cross-functional BPM initiatives enabled by blockchain can have fairly substantial practical implications. Further longitudinal studies on stakeholder perceptions over time to technological evolution are of great importance in understanding how well adoption and resilience in BPM frameworks can be measured. Such research would inform lost theoretical gaps with actionable knowledge for academia and practice.

Recommendation for government or other policy-makers:

1. Governments should push and encourage through regulation that more frameworks and reference models for stakeholder involvement are implemented and adopted as a core part of BPM. This includes proper standards of clear and transparent communication, conflict resolution, and decisions to include all levels of diversity at every initiative for BPM to align with higher societal

reasons like sustainability and innovation. Policies might initiate the process, by introducing incentives like grants or even tax benefits for firms that embrace systems, like BPM, including varied stakeholder groups, in particular sectors that have a sizeable social or environmental footprint. Public-private partnerships may also be executed to deliver on the dissemination of best practices, ensuring that enterprises, especially SMEs, possess the resources and instruments for proper stakeholder engagement. Thus, a culture of partnership is developed that helps businesses and communities at large by aligning economic success with sustainable development goals.

Limitations of the study

Although this study can provide insights into the stakeholder engagement process within BPM, there are several limitations that should be borne in mind in interpreting the results. First, and most importantly, we should consider sample size and structure. This empirical study, built on 14 interviews, provides rich qualitative data on a few industries, however, participants interviewed from more different types of organizations and industries would make the findings applicable to additional groups of the population of stakeholder engagement practices.

Another limitation of this research is that it focuses on business process managers and internal stakeholders. Although these groups are arguably the most important people involved in BPM, the study would be greatly supported by including multi perspectives among them - specifically those of external customers, as well as senior management and consultants. This would give a more holistic view of stakeholder engagement in BPM systems. Subsequent research could also address the views of other rank-and-file employees who are involved in the practical execution of business processes.

The study was done mainly on organizations in a narrow industry context; including healthcare, logistics, manufacturing and retail. Therefore, the findings may not be broadly applicable to organizations in other sectors. Future research could therefore include public sector organizations, non-profits, and small to medium-sized enterprises (SMEs) as well as organizations from other industries to have a more complete view of stakeholder engagement practices.

Directions for future research

Based on the limitations and findings of this study, future research could delve into the long-term effects of stakeholder engagement on BPM performance, i.e., through longitudinal studies, which would track the evolution of stakeholder engagement over time and its sustained impact on BPM outcomes.

Future research can also be conducted to analyze how stakeholder engagement practices differ within various BPM models. Some of those could include Lean BPM, Agile BPM, and Six

Sigma. This may shed light on how different methodologies and approaches within diverse BPM frameworks demand specifically modified strategies for enhanced engagement.

Finally, the study could go further to include different other stakeholder groups, i.e., external partners together with suppliers and customers, to have a more holistic understanding of the engagement process and highlight how stakeholder dynamics across different levels and groups impact BPM and contribute to overall organizational success.

Final thoughts

To summarize and conclude, optimal stakeholder engagement is what this paper has underscored to achieve the optimization of BPM. Organizations from this paper may adopt recommendations to improve their BPM systems, strengthen their relationship with stakeholders, and attain strategic success. As organizations continue to evolve their practices regarding the implementation of BPM, optimal stakeholder engagement will then need to be emphasized as a means of ensuring that business processes remain in line with the operational impetus and long-term goals at each organizational level.

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THE ROLE OF STAKEHOLDER ENGAGEMENT IN BUSINESS PROCESS PERFORMANCE

Martynas BLOCKIS Master

Thesis

Business Process Management Master Programme

Supervisor Assoc. Prof. Dr. Aurelija Ulbinaitė, 2025

SUMMARY

73 pages, 15 tables, 54 references.

The main objective of this master thesis is to examine the role of stakeholder engagement in business process performance and based on the findings, to identify ways in which organizations can better leverage stakeholder relationships to maximize Business Process Management (BPM) practice.

The structure of the Master thesis includes the following major parts: a literature analysis, a methodological framework and research, and concluding remarks and recommendations. It discusses the BPM development, the theories and models on stakeholder engagement, and its influence on the business process performance. Also, it identifies the advantages and disadvantages of stakeholder engagement, the interrelation with corporate social responsibility, as well as the measurement system and digital instruments in BPM.

The methodological framework is based on a qualitative research design. It comprises semi-structured interviews with 14 business process experts from Lithuanian companies. Purposive and snowball sampling techniques were applied to gather responses from different perspectives. The analysis of interview data helped to comprehend various stakeholder engagement methods and their influence on BPM performance and the problems of managing conflicting stakeholder expectations. The study also covered issues related to the influence of stakeholder involvement on organizational adaptability and long-term goals.

It was found that effective stakeholder engagement has a substantial contribution to BPM in the efficiency and flexibility of processes and organizational performance in general. Major findings proved that the relationship improved communication to remove operational bottlenecks and relate processes to strategic goals. The study highlighted the challenges that include conflicting interests of stakeholders and logistically complex process management in their feedback, which implied the need for structured engagement practices. Results also underlined the significance of achieving

long-term BPM through a development that relies on mutual trust and collaboration between the parties.

The conclusions and recommendations bring together the main insights from the literature review and research findings. It further highlights the significance of adopting systematic stakeholder engagement strategies, using digital tools to measure performance, and proactively addressing stakeholder challenges. The findings emphasize the importance of including and detailing stakeholder feedback in BPM practices as a driver for innovation and sustained competitiveness. As the results presented herein may be used by practitioners to improve stakeholder relationship management and BPM practice to succeed in the long run.

SUINTERESUOTŲ ŠALIŲ ĮTRAUKIMO SVARBA VERSLO PROCESŲ SĖKMEI

MARTYNAS BLOCKIS

Magistro baigiamasis darbas

Verslo procesų valdymo programa

Darbo vadovė Doc. Dr. Aurelija Ulbinaitė

Vilnius, 2025

SANTRAUKA

73 puslapiai, 15 lentelių, 54 literatūros šaltiniai.

Pagrindinis šio magistro darbo tikslas yra ištirti suinteresuotųjų šalių įsitraukimo svarbą verslo procesų sėkmei. Remiantis gautais duomenimis, nustatyti būdus, kaip organizacijos galėtų geriau išnaudoti suinteresuotųjų šalių santykius, siekdamos optimizuoti verslo procesų valdymą (VPV). Magistro darbo struktūrą sudaro šios pagrindinės dalys: literatūros analizė, metodologinis tyrimo pagrindas ir tyrimas bei baigiamosios pastabos ir rekomendacijos. Darbe aptariama VPV raida, teorijos ir modeliai, susiję su suinteresuotųjų šalių įsitraukimu, bei šio įsitraukimo įtaka verslo procesų sėkmei. Taip pat identifikuojami suinteresuotųjų šalių įsitraukimo privalumai ir trūkumai, sąsajos su įmonių socialine atsakomybe, matavimo sistemos bei skaitmeniniai įrankiai VPV kontekste.

Metodologinis pagrindas remiasi kokybinio tyrimo dizainu. Tyrimas susideda iš struktūruotų interviu su 14 Lietuvos įmonių verslo procesų ekspertais. Tyrime buvo taikomi tikslingos ir grandininės atrankos metodai, siekiant gauti atsakymus iš įvairių perspektyvų. Interviu duomenų analizė padėjo geriau suprasti įvairius suinteresuotųjų šalių įsitraukimo metodus, jų įtaką VPV veiklai bei problemas, susijusias su konfliktuojančių interesų valdymu. Darbe taip pat buvo nagrinėjama suinteresuotųjų šalių įsitraukimo svarba organizacijos prisitaikymui ir ilgalaikiams tikslams.

Tyrimas parodė, kad veiksmingas suinteresuotųjų šalių įtraukimas reikšmingai prisideda prie VPV. Taip yra, nes suinteresuotųjų šalių įtraukimas didina verslo procesų lankstumą ir efektyvumą. Rezultatai rodo, kad sklandus suinteresuotųjų šalių įtraukimas pašalina įvairias verslo veiklos kliūtis ir suderina procesus su strateginiais tikslais. Tyrimas taip pat atskleidžia suinteresuotųjų šalių interesų skirtumus ir skirtingų nuomonių suderinimo svarbą. Rezultatai taip pat atkreipė dėmesį į ilgalaikę VPV, kuri turėtų būti grindžiama visų pasitikėjimu ir bendradarbiavimu.

Atlikto tyrimo išvadose ir rekomendacijose atsispindi literatūros analizės ir mokslinių tyrimų rezultatai. Jos pabrėžia suinteresuotųjų šalių įtraukimo strategijų taikymo svarbą. Taip pat atskleidžia ir skaitmeninių įrankių, skirtų veiklos rezultatų matavimui, naudą. Tyrimo išvados teigia, kad suinteresuotųjų šalių atsiliepimų integravimas į VPV praktiką yra labai svarbus įmonėms, siekiančioms kelti savo inovacijų bei konkurencigumo lygį. Šio magistro darbo rezultatai gali būti naudingi organizacijoms, siekiančioms tobulinti suinteresuotųjų šalių įtraukimo valdymą ir VPV praktiką.

ANNEXES

Annex 1. Questionnaire for respondents

Role of Stakeholder Engagement in Business Process Performance Questionnaire

Section 1: General Information

1. Company Information

- o Industry sector:
- o Number of employees:
- o Country of operation:

2. Role and Experience

- o Your job title:
- o Number of years in your current role:
- o Number of years of experience with Business Process Management (BPM):

Section 2: Understanding of Business Process Management (BPM)

- 3. How would you describe the approach of your company towards BPM? (Open-ended)
- 4. What strategic goals do you target with your BPM approach? (Open-ended)

Section 3: Main stakeholders

- 5. Who are the major stakeholders of the BPM initiatives? Please specify the roles of each group of stakeholders and what influence they have on the processes. (Open-ended)
- 6. How do you determine who should be involved in particular BPM initiatives? (Open-ended)
- 7. Please elaborate about the methods that have proved most effective in getting stakeholders engaged in BPM. Why do you think they work best? (Open-ended)
- 8. How do the different stakeholder groups (e.g., employees, customers, suppliers, and investors) collaborate or interact during BPM initiatives? What impact does this have on process outcomes? (Open-ended)

Section 4: Involvement of stakeholders

- 9. How do stakeholders contribute towards business process performance improvements? Explain with examples. (Open-ended)
- 10. In what ways does stakeholder engagement influence the flexibility of your business processes in accommodating market change?
- 11. Can you describe a situation where stakeholder involvement significantly influenced the outcome of a BPM initiative? What was the result?

12. How does stakeholder engagement influence long-term strategic decision-making in your organization?

Section 5: Opposing views

13. What issues do you find in trying to balance the needs and priorities of different stakeholder groups? How do you attempt to address these challenges?

14. Can you name specific cases of how opposing stakeholder interests acted as an impediment to the BPM? Describe how, in turn, this was resolved. (Open-ended)

15. How do you achieve fair participation and representation from all stakeholder groups in BPM? (Open-ended)

Section 6: Role of IT

16. What technological tools do you consider most effective in enabling stakeholder engagement? Please elaborate on the reasons for their effectiveness and provide examples where possible. (Open-ended)

17. Explain how digital tools affect the communication and collaboration between different stakeholder groups. (Open-ended)

18. What difficulties do you experience when using digital tools for stakeholder engagement and how do you solve them? (Open-ended)

19. What are the advantages that have accrued to you from utilizing digital tools in stakeholder engagements, specifically in the improvement of BPM? Provide examples. (Open-ended)

20. In what ways do emerging technologies (e.g., AI, machine learning, data analytics) influence stakeholder engagements and BPM outcomes in your organization? (Open-ended)

Section 7: Impact of stakeholder engagement

21. What overall effects does stakeholder engagement have on your organizational bpm outcomes? please elaborate on any outcome indicators or qualitative outcomes that you may have observed. (open-ended)

22. What areas of stakeholder engagement need the most improvement in your organization, in your opinion, to see direct enhancement in bpm performance? (open-ended)

23. In what ways does effective stakeholder engagement contribute to long-term sustainability and strategic goals? give examples, if possible. (open-ended)

24. How does corporate social responsibility find its imprint in your bpm stakeholder engagement strategies? any results observed as a consequence of this integration? (open-ended)

25. Is there anything else that you would like to share about insights or experiences in stakeholder engagement and how it influences BPM?

Thank you for your time and contribution. Your detailed input is highly valued in furthering research on stakeholder engagement and BPM performance.