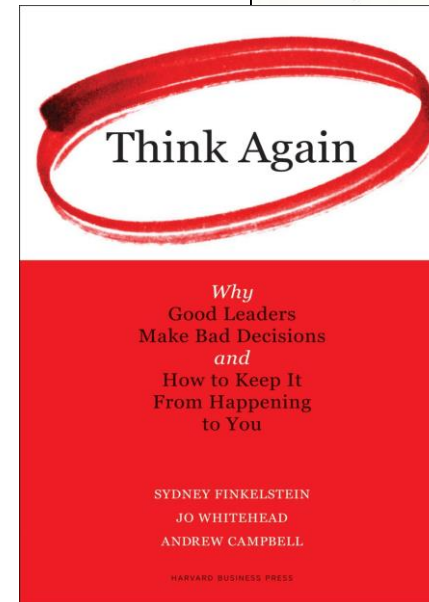
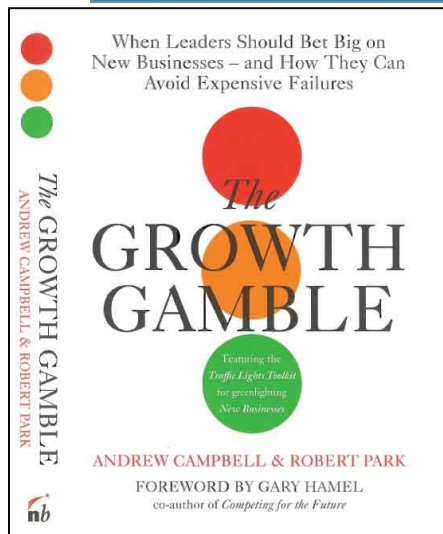
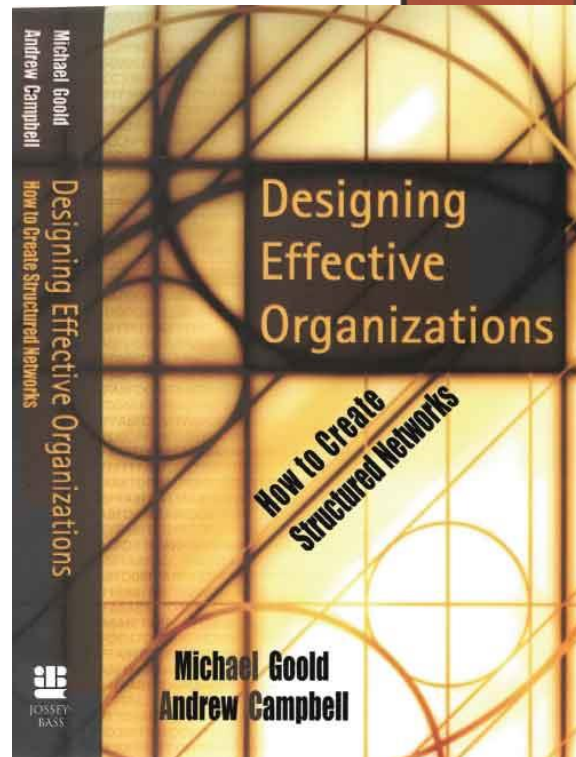
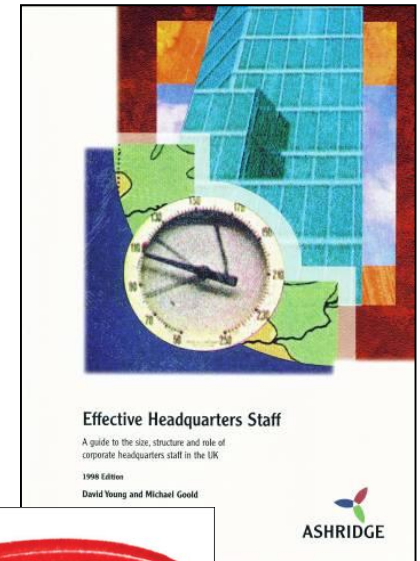
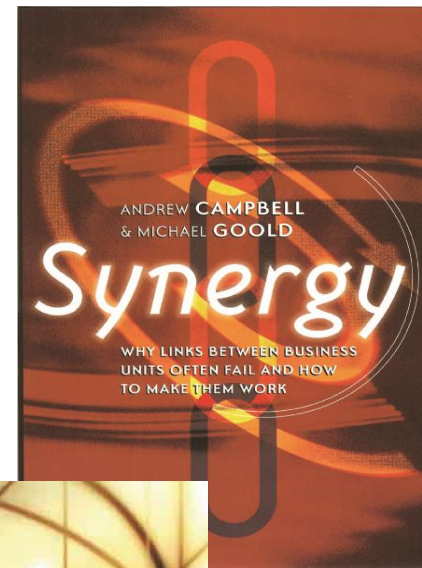
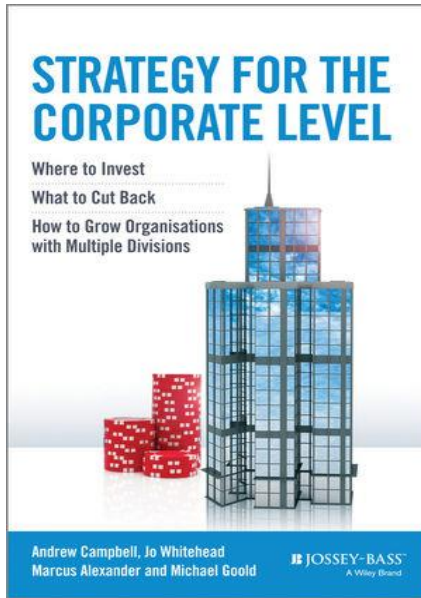


Andrew Campbell



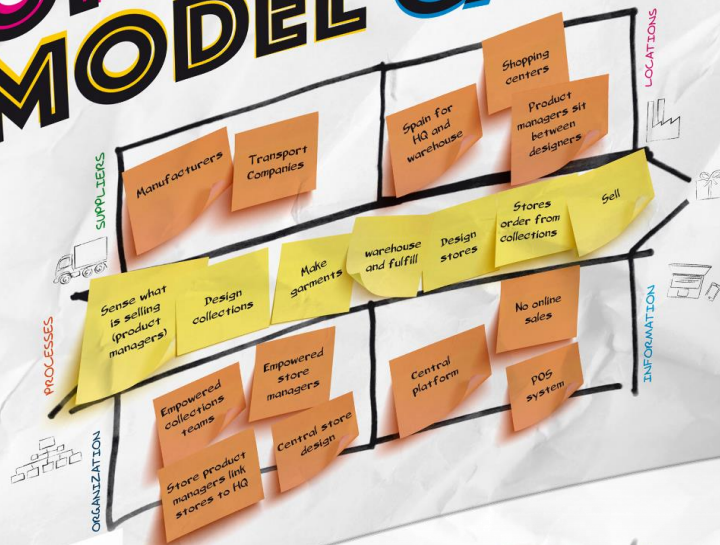
OPERATING MODEL CANVAS

Andrew Campbell
Mikel Gutierrez
Mark Lancelott

Aligning operations and organization with strategy

OPERATING MODEL CANVAS

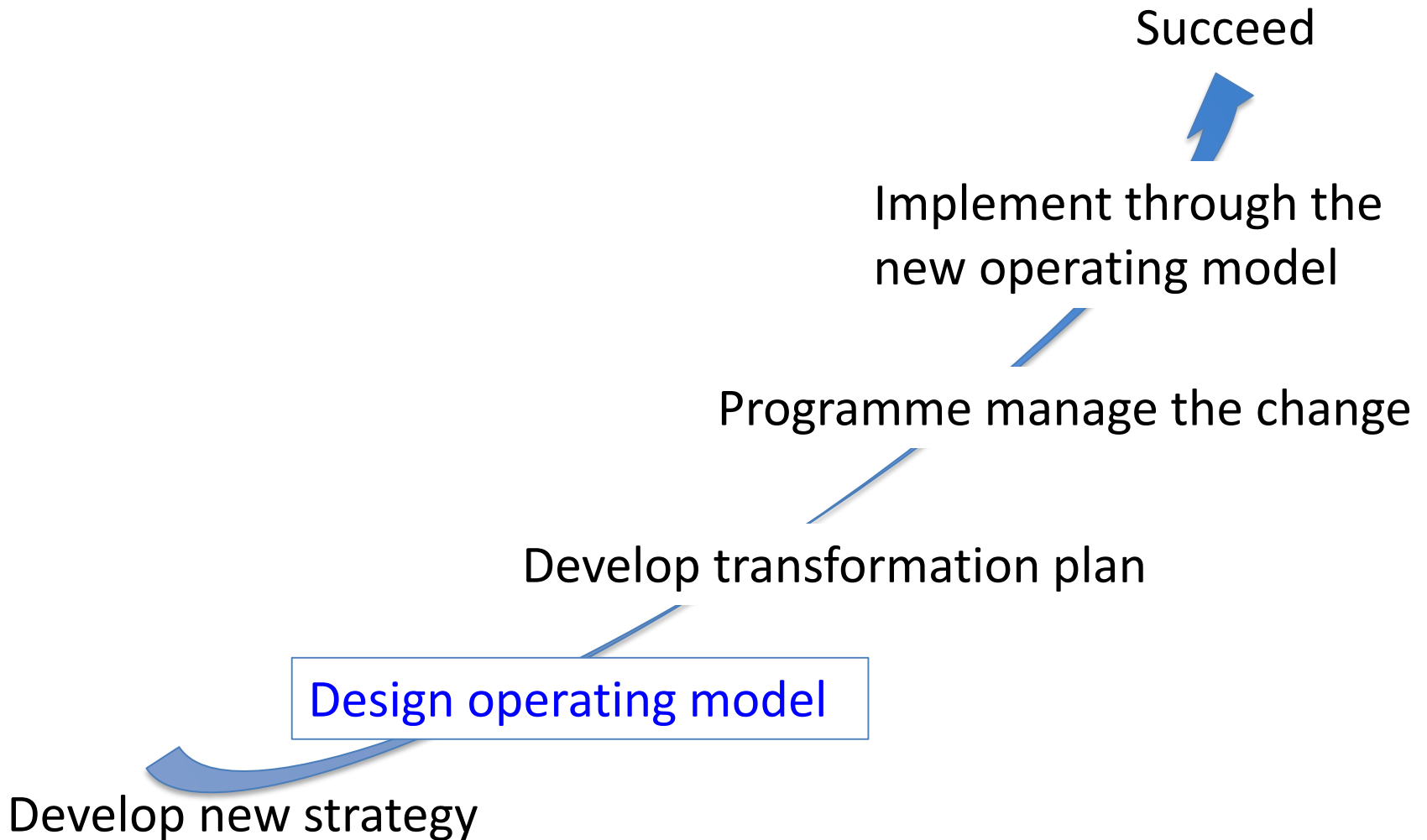
Andrew Campbell
Mikel Gutierrez
Mark Lancelott



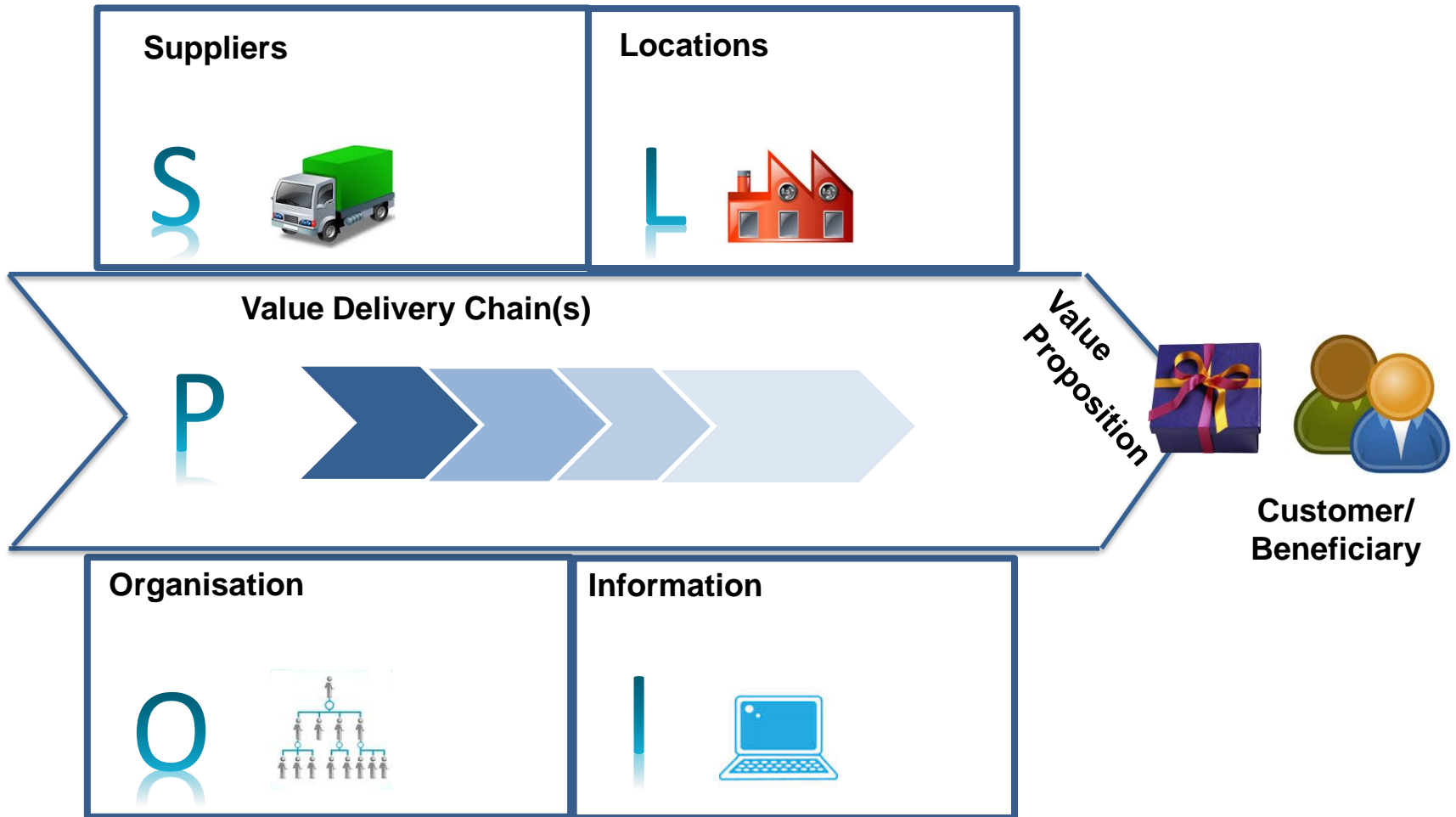
Van Haren PUBLISHING

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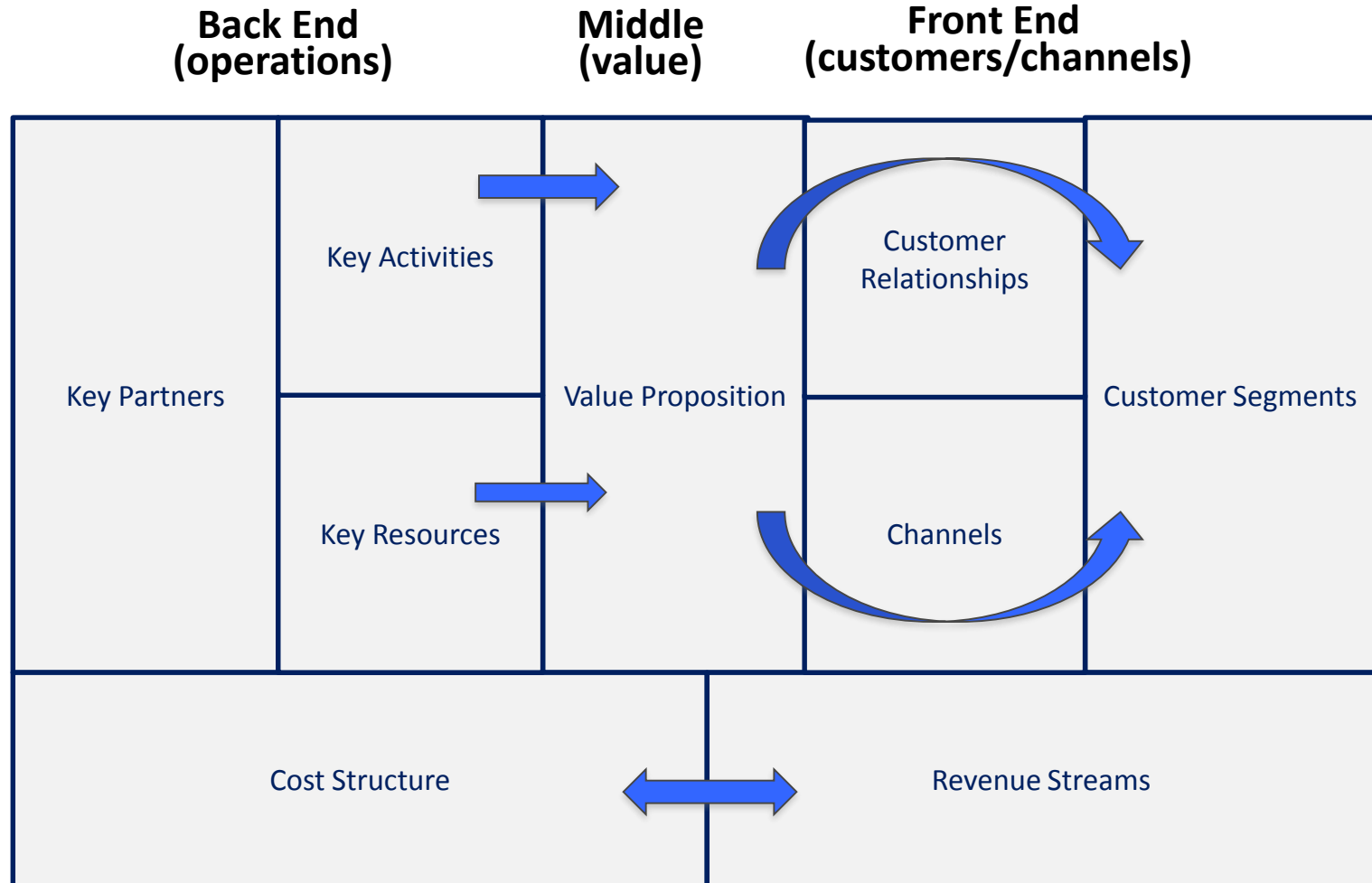
Strategy to success



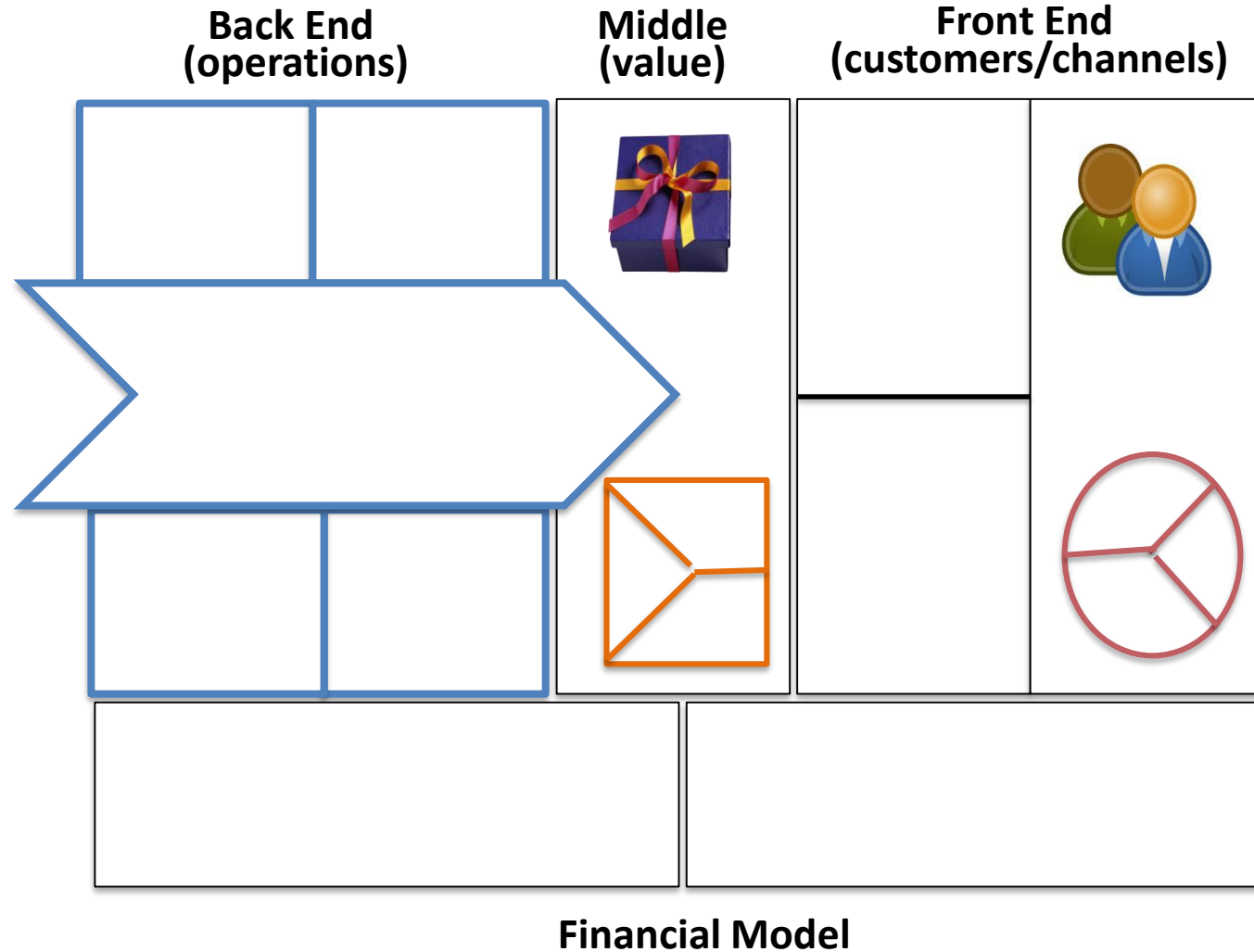
The Operating Model Canvas



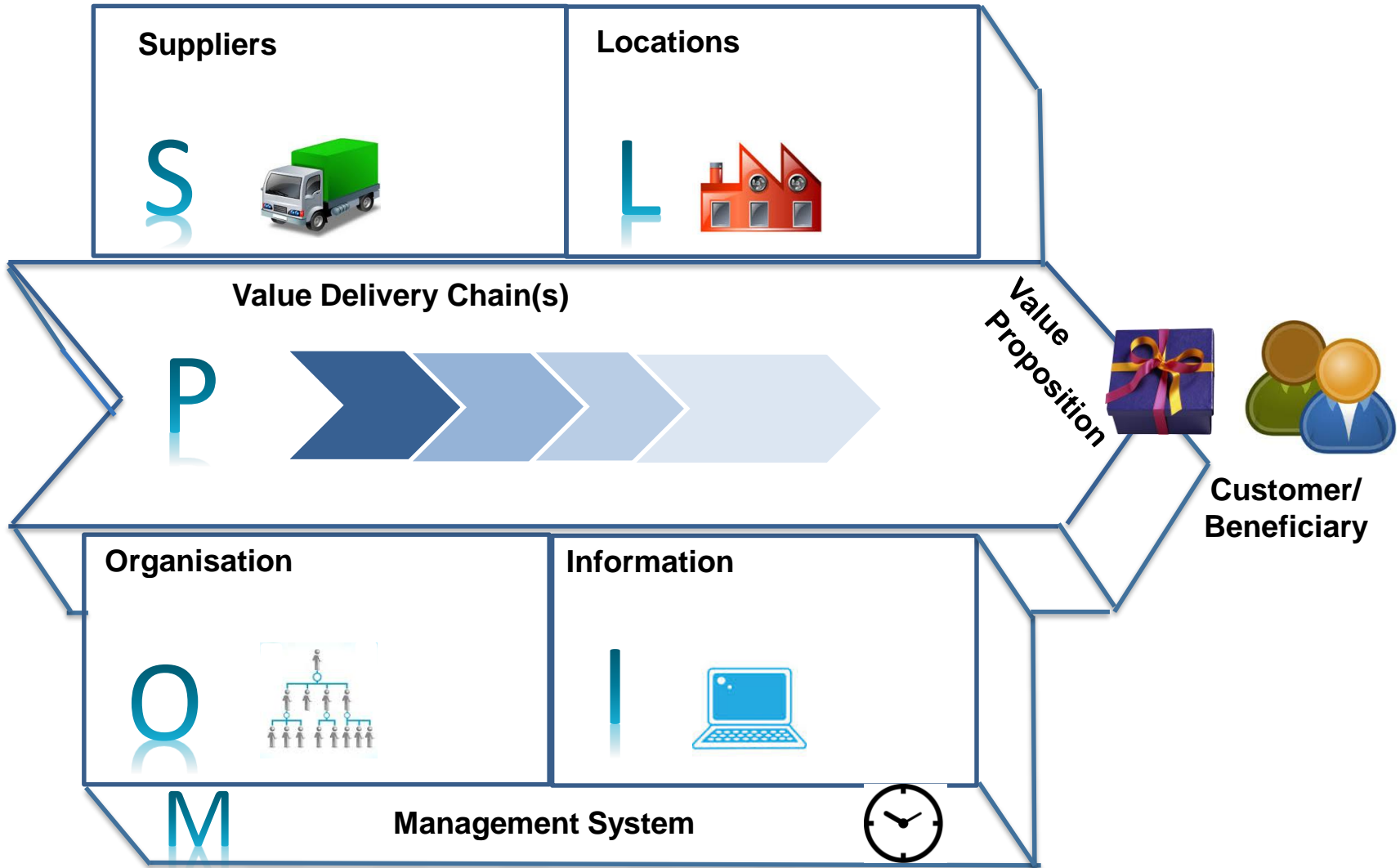
The Business Model Canvas



Enhanced Business Model Canvas



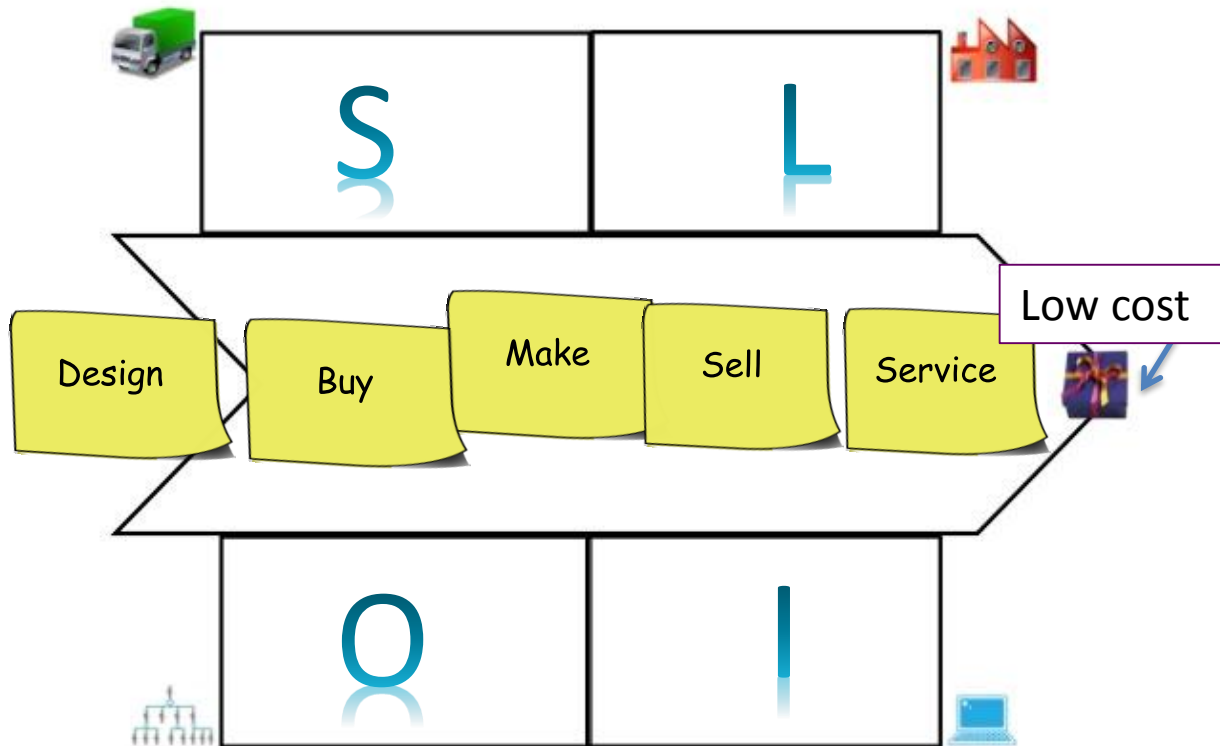
The Operating Model Canvas



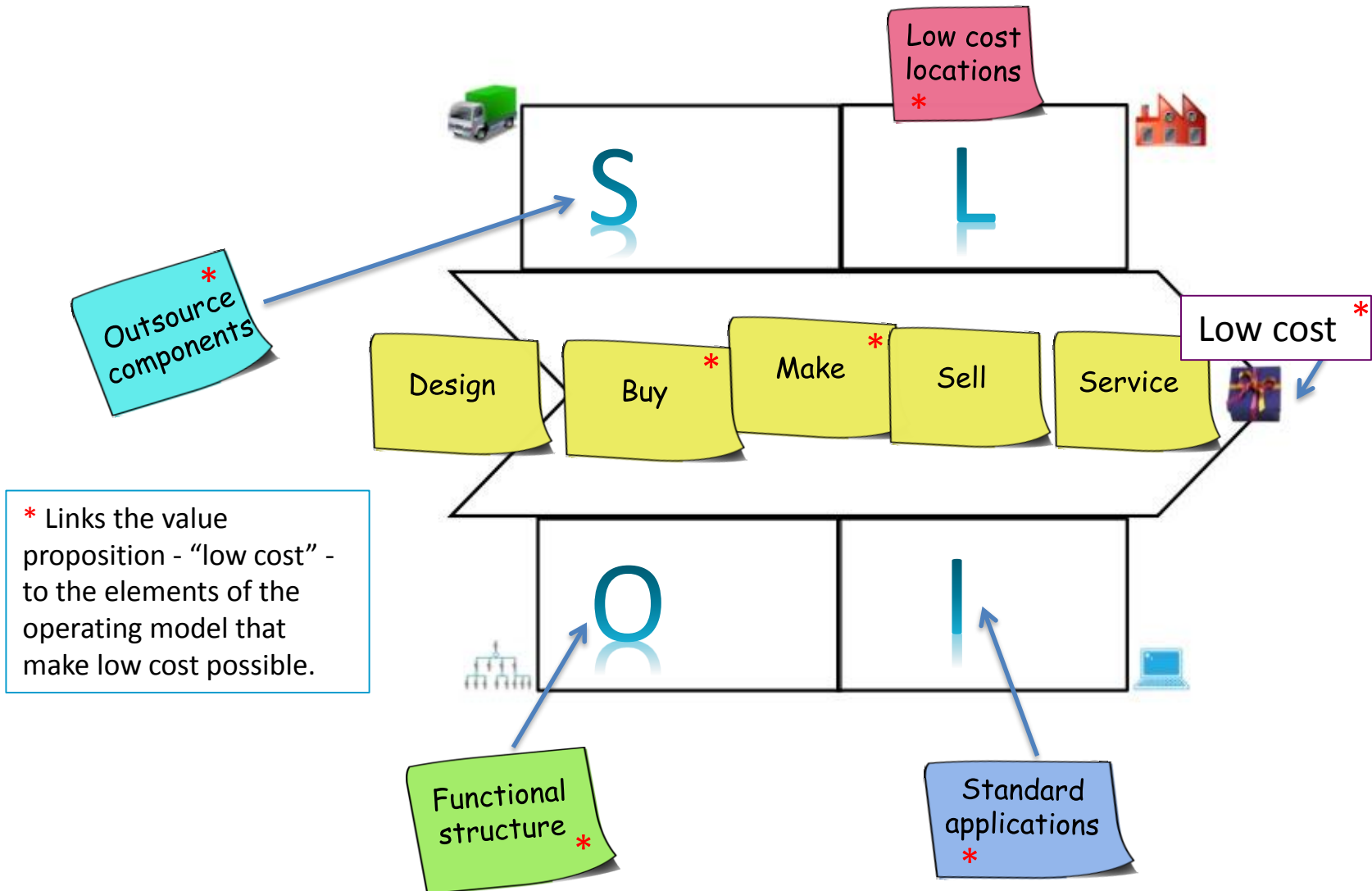
Benefits of the Canvas

- One page – can be extended to 10 pages
- Promotes dialogue between managers
- Limited space ensures a focus on the important
- Easy to share/communicate
- Provides enough guidance for briefing transformation project leaders

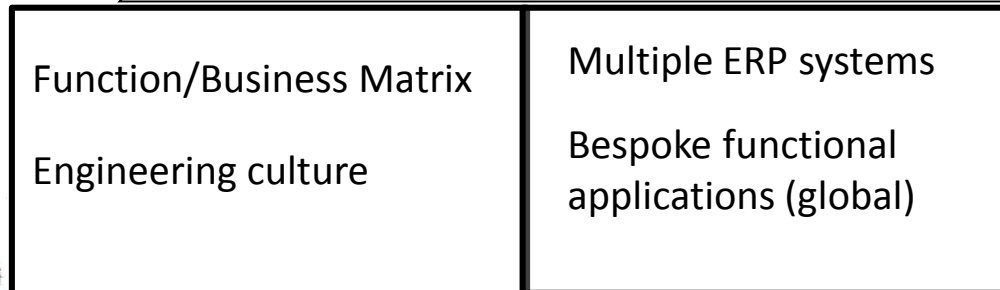
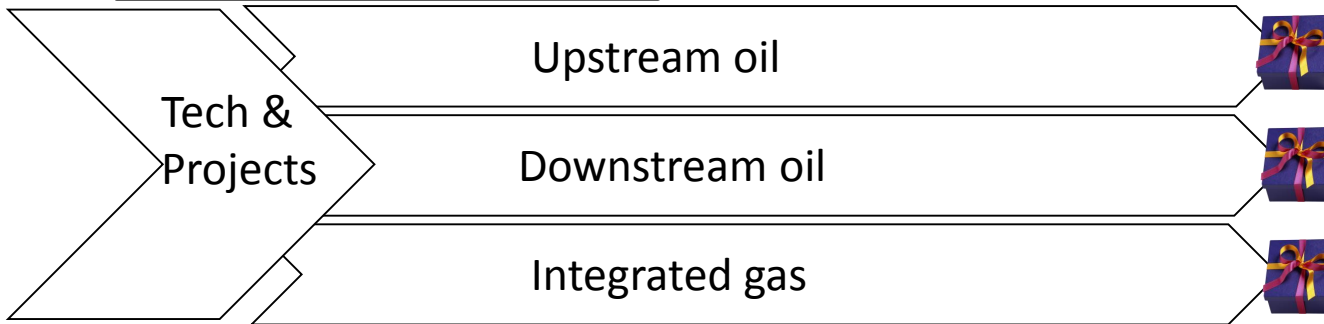
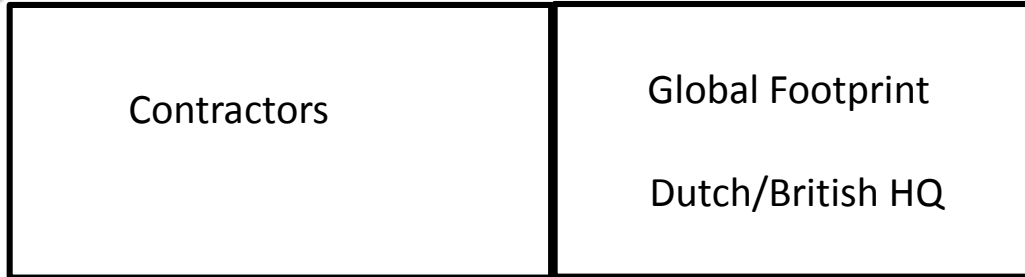
Start by laying out the value chain(s) needed to deliver the value proposition(s)



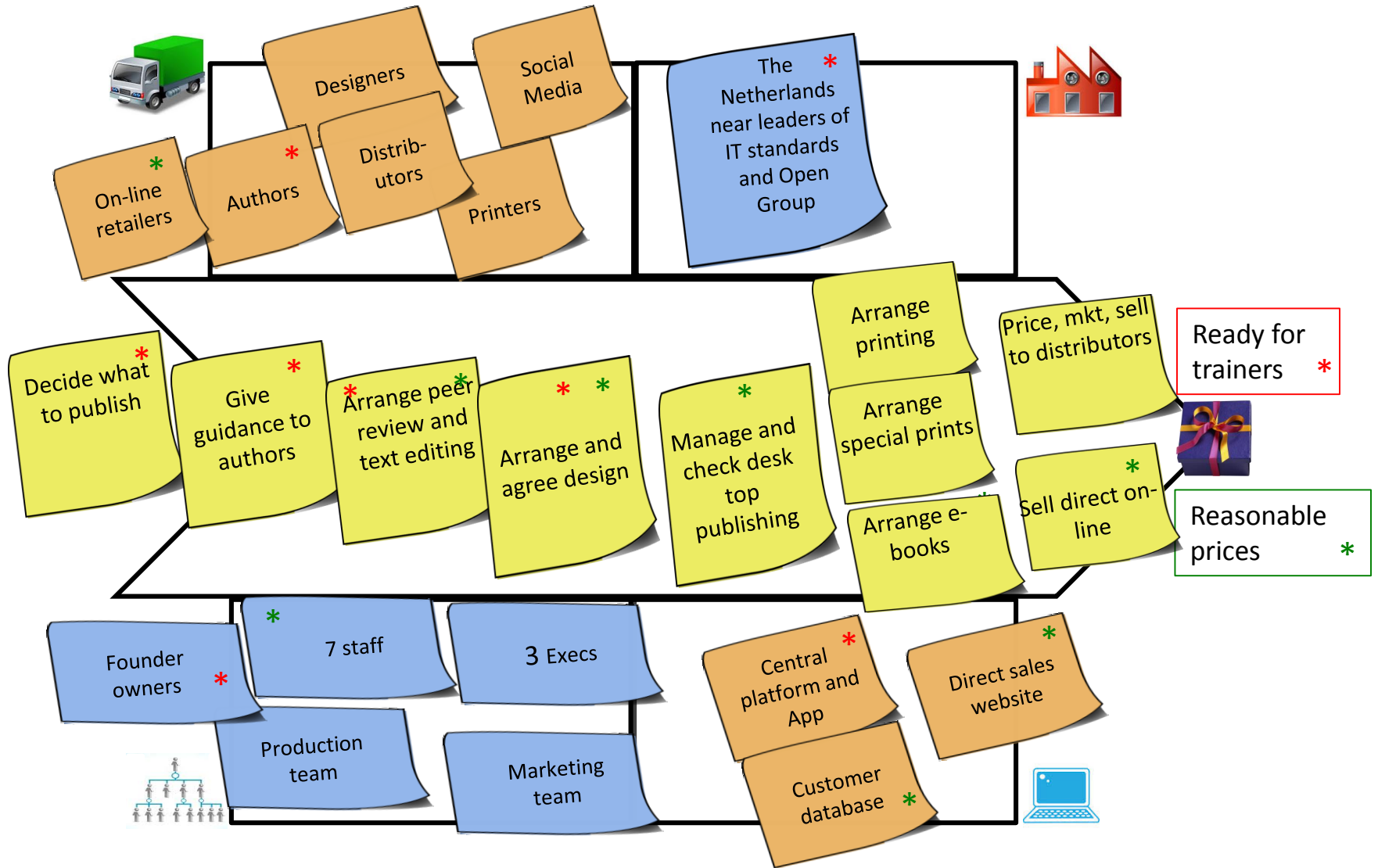
Choose what else to put on the Canvas based on what is important to the value proposition



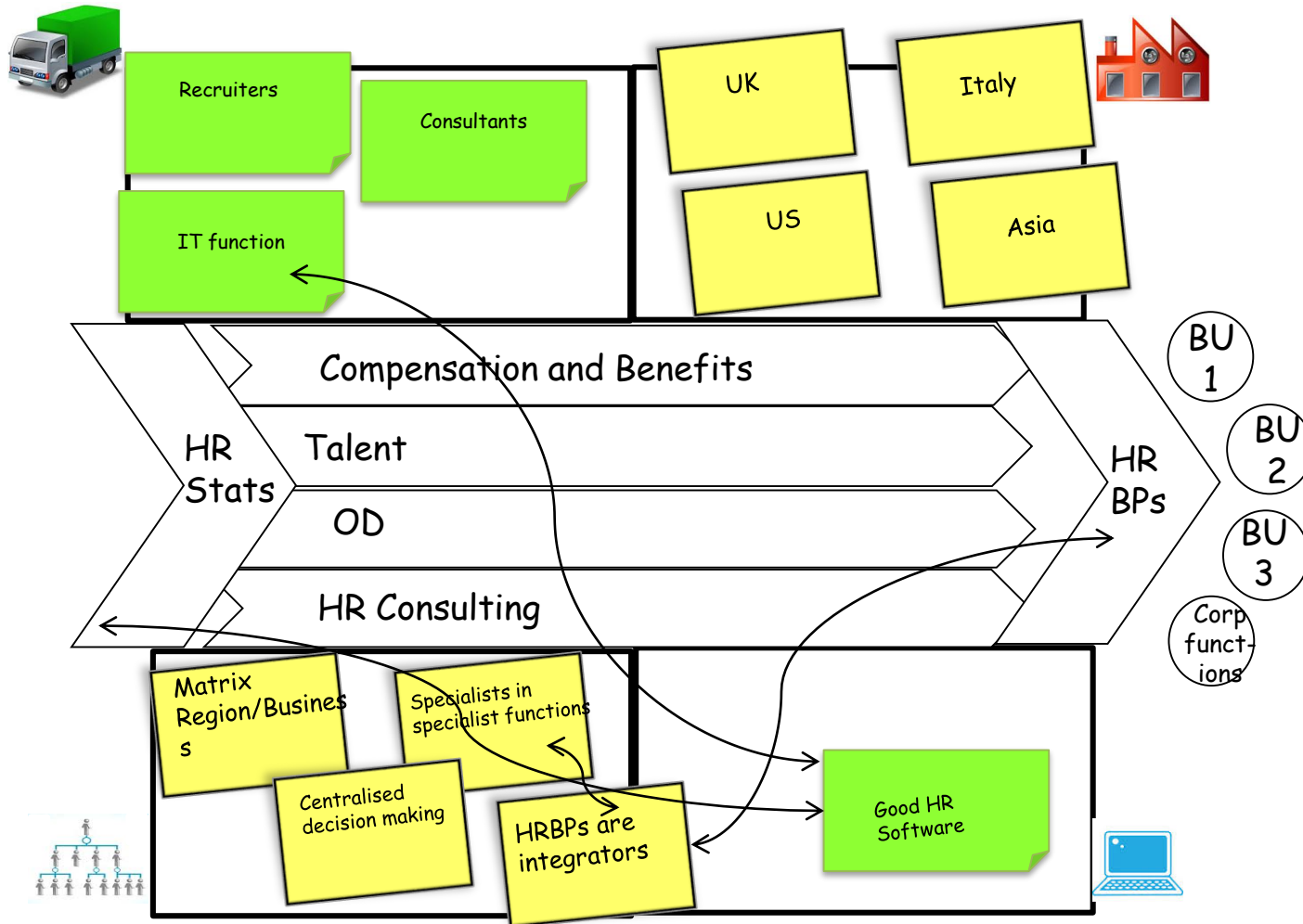
Shell



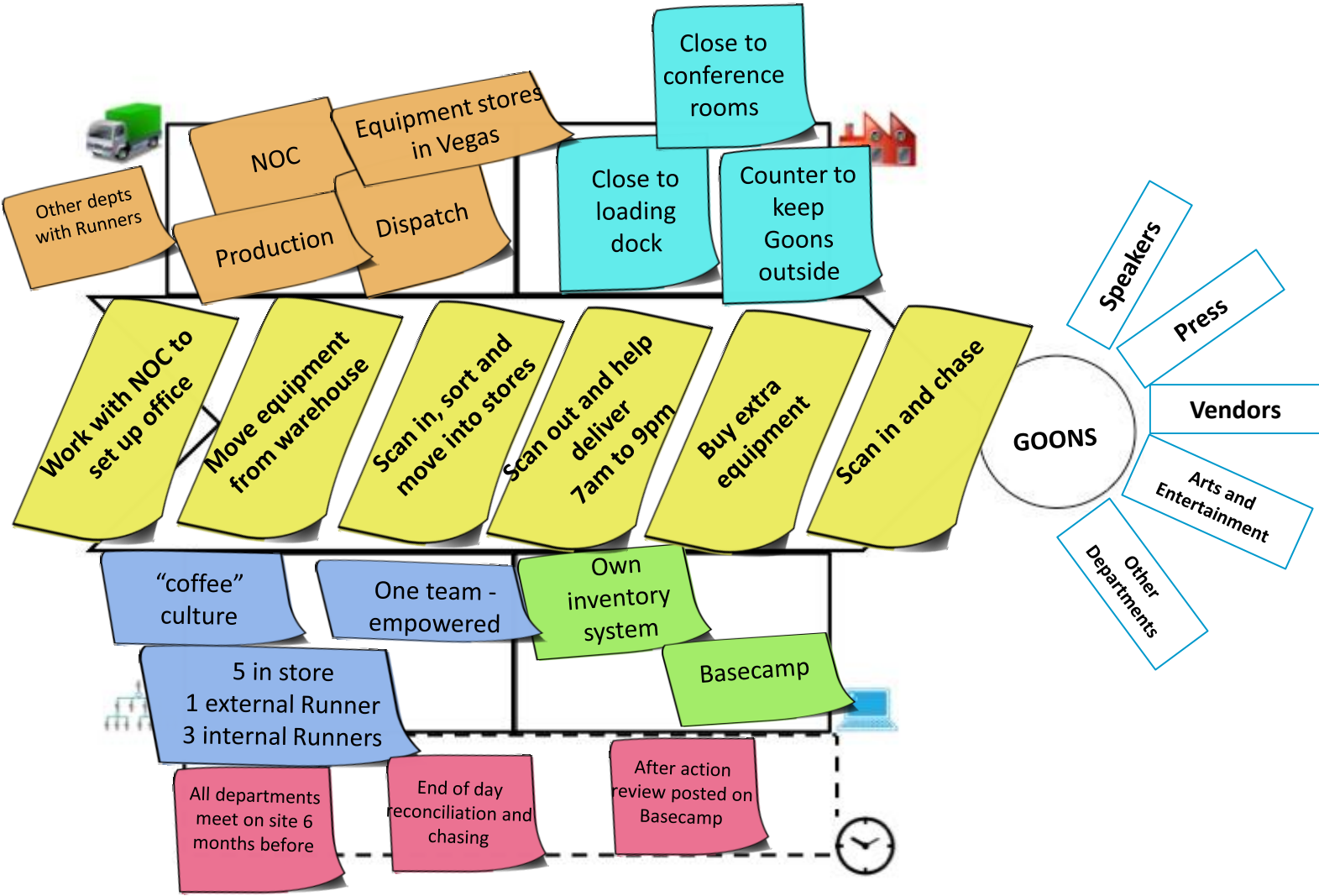
Ivo van Haren



HR Function for on-line retailer

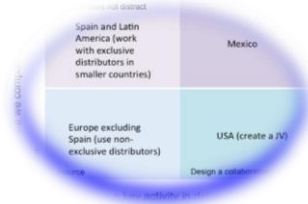


Quartermaster Stores at DEF CON



Five core tools

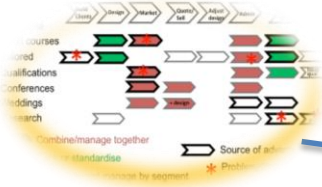
Supplier Matrix



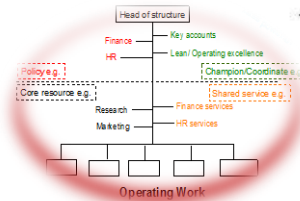
Locations Footprint



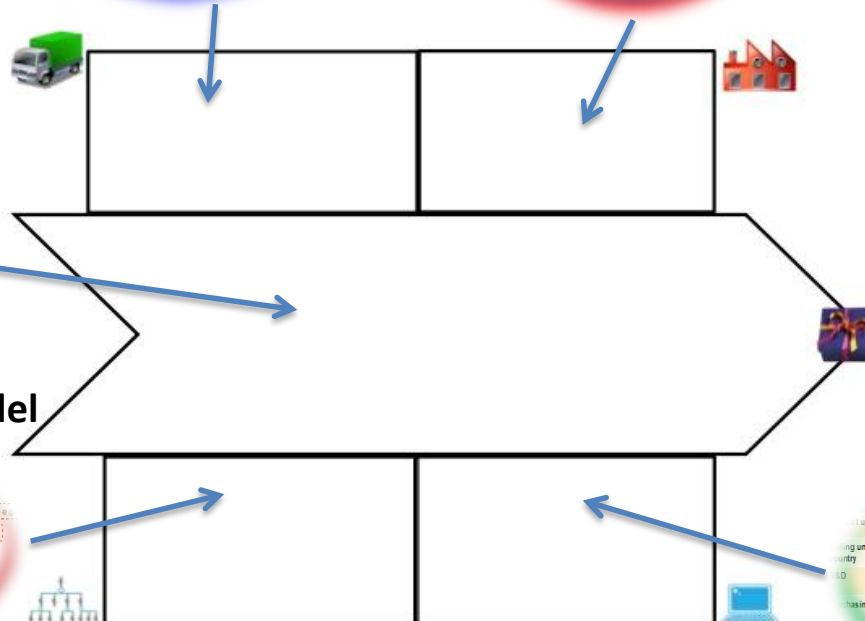
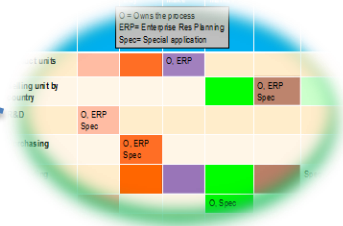
Value Chain Map



Organisation Model

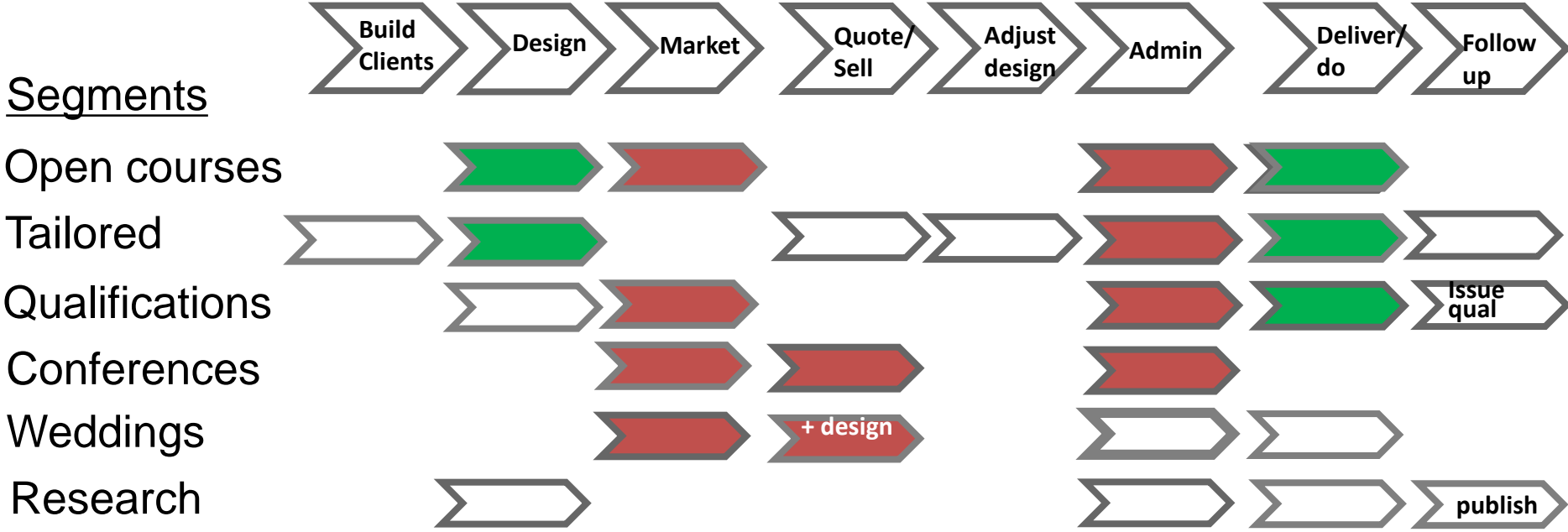


IT Blueprint



Core Tool: Value chain map

All Value Chain Steps

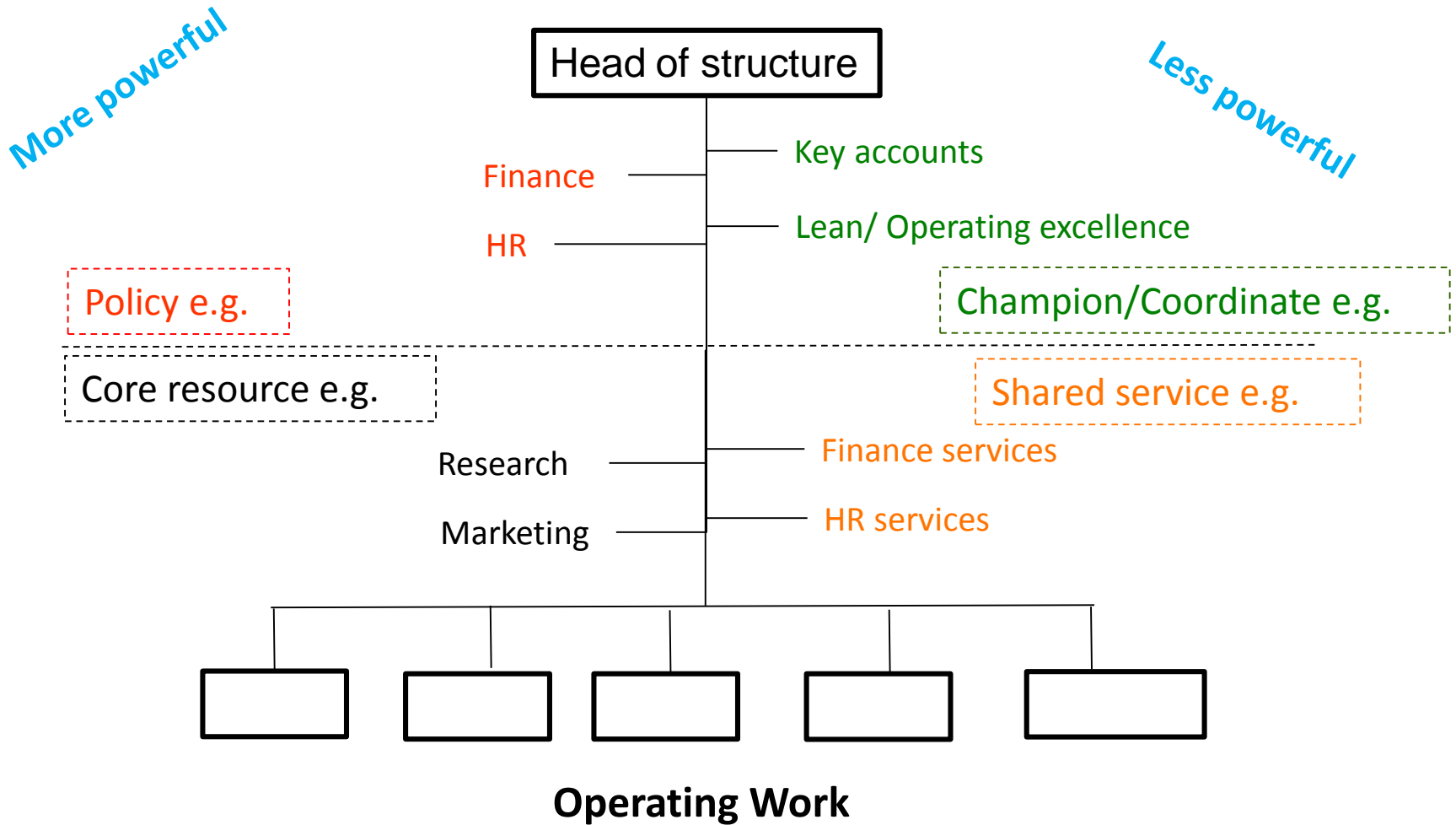


 Report by function

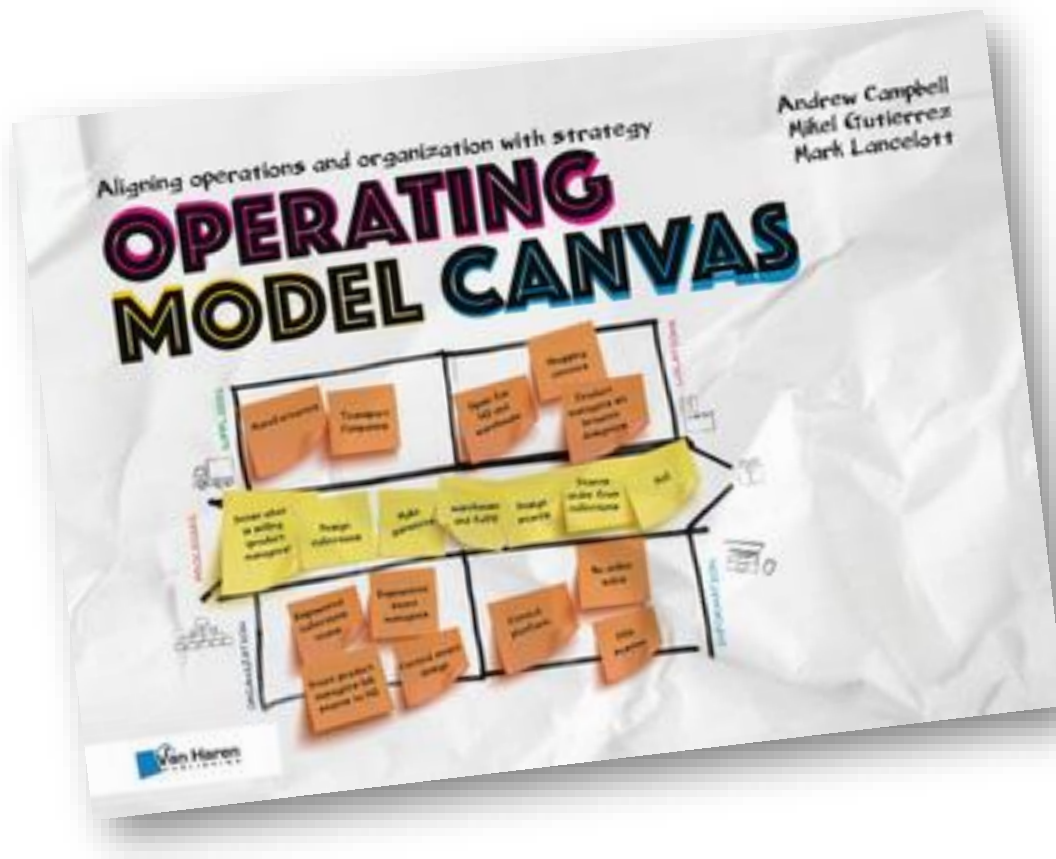
 Report by value chain and link

 Report by value chain keep separate

Core tool: organisation model



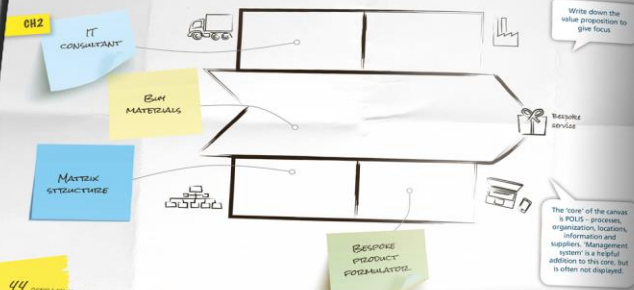
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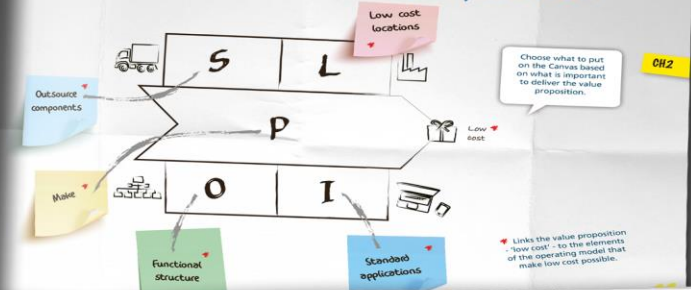
Order Now

The Operating Model Canvas is ...



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.. focused on the value proposition

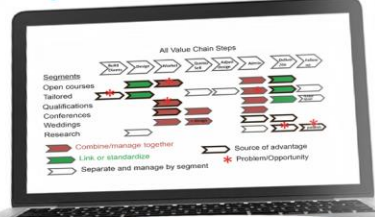


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Value chain map

The value chain map displays the operating processes that create and deliver value. It represents the heart of the operating model - the middle arrow in the Canvas.

Asbridge Executive Education



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Creating a good value chain map is not always easy. It can be hard to find the best way of segmenting the organization's customers/offers. It can be hard to identify the best way of defining the different process steps, and it can be complex. But, in our experience, a good value chain map is a powerful analytical and communication tool.

There are many ways to segment the value chain. It is often helpful to try more than one way and more than one level of detail to test alternatives. Typical ways of segmenting are:

- By customer type;
- By geography;
- By product or service;
- By technology.

A value chain map for a regulator of two types of qualifications



Once customer segments have been defined, the chain of work for delivering value to each segment is summarized in four to eight process steps. Where process steps are similar, they are positioned in columns. This makes it possible to look at each column and ask three questions:

- Are the needs of the segment sufficiently different that the steps in the column should be kept separate to allow for solutions and skills that are tailored to the segment?
- Are there significant economies of scale or other reasons that suggest the steps in the column should be combined into a single unit?
- Are there opportunities to save cost or improve the offer for customers by linking the steps in the column?

These judgements inform later decisions on the organization and other parts of the operating model.

3. Organization chart

The organization model is the most powerful tool for developing options for the organization structure



Four types of support work:

- Policy - sets rules;
- Champion - sells ideas or methods;
- Core resource - unique resource or capability;
- Shared service - service provided.

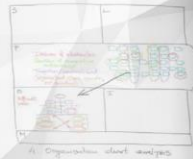
Three ways to structure operating work:

- Value chain;
- Units;
- Matrix.

What is operating work?

Operating work is the work required to complete the value delivery chains. The value chain map defines the operating work. The main structure - with the 'segments' unless all of the process steps have been 'combined/consolidated' across the value chains.

Core Resource and Shared Service are larger 'doing functions'.



How to allocate support work?

- allocating roles for support work is a design choice
- Some 'functions', like HR, have multiple roles
- Policy and Champion are small units of 'agents'
- Core Resource and Shared Service are larger 'doing functions'

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EEI's - organization

EEI considered four organization options for structuring the operating work.



The best option was chosen by comparing options against design principles

	Products	Market	Customer	Matrix
Maintain	OK	Not good	OK	OK
Sell	Not good	Best	Not good	Not good
Other	OK - with Specials	Not good	OK - with Develop unit	OK - with Develop unit
	OK - if profit centers	OK - if profit centers	OK - if profit centers	OK - if profit centers



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