

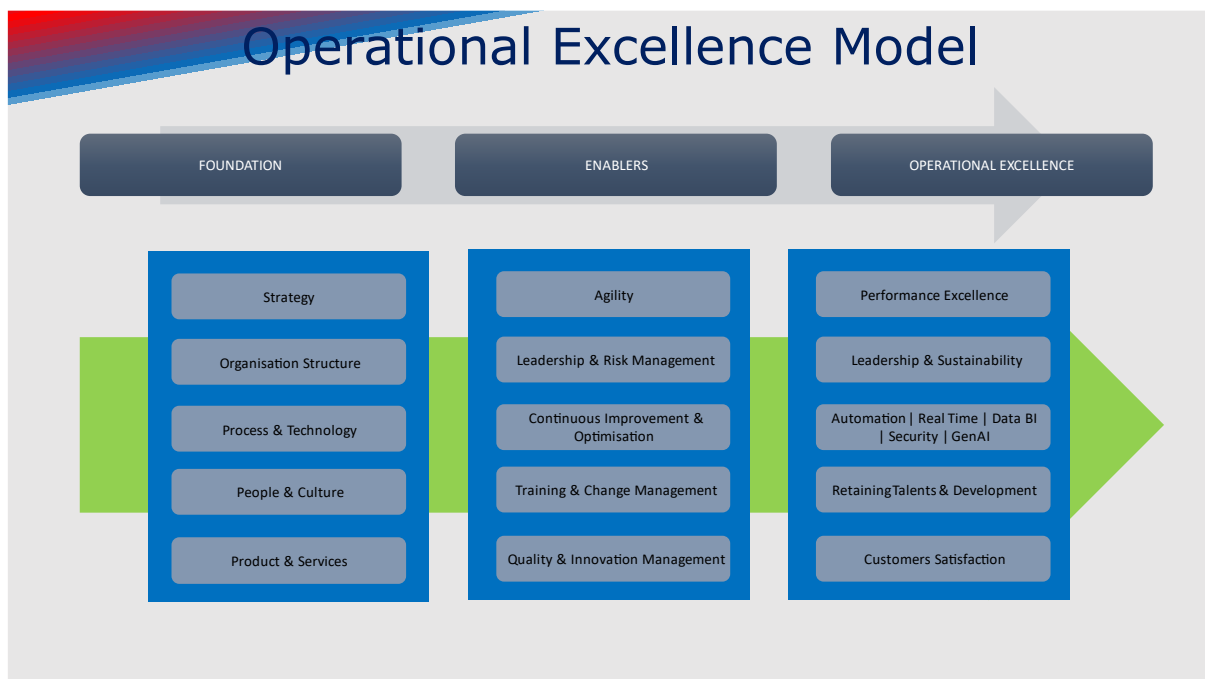
Operational Excellence Model

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Operational Excellence Model

The definition of Operational Excellence Model is not always an easy term to define, because it can be broad, and complex in terms of industries and sizes. However, YTT has a simplified version, that helps businesses able to position their status.

The three towers from the diagram below explain the movement from the business's current state, known as the 'Foundation' level of the business landscape, then 'Enables' are the tools & technology or human capabilities allowed the business to use and improve to achieve the future state of the operational excellence model.



Foundation of Operational Excellence model

1. Strategy: The current business model as a result may need to be reviewed and redesigned to achieve the target strategy business model. The factors that impact or drive this change are mentioned in the Target Operating Model article, for example: economic sustainability reason, change of working environment, regulations and compliance, industry changes, and technology drive.

2. Organisation structure: The structure of the current business may have to be reviewed and undergo a restructuring if the business model is going to change.
3. Process & Technology: Business or Finance processes and the current technology tools in use, will have to be reviewed due to repetition or technology fade out.
4. People & Culture: People lack development and unskilled, and lack diversity, equity, and inclusion - are the key areas that are very common in the current practice.
5. Products & Services: Products & Services have high defect rates and lack of research and development for products and services innovation.

Enablers of Operational Excellence model

1. Agility: the business can respond to the change of strategy quickly and flexibly.
2. Leadership and Risk management: to adopt the best practice leadership style to meet the needs of the business core values. This will harmonize the overall culture to reduce risk management clashes.
3. Continuous improvement and optimization: technology and processes to go a continuous improvement and optimization for automation and real-time.
4. Training & change management – people will need training to adapt to changes from organization change.

5. Products and services will need to have tools to measure their quality. Investment in research and development for innovation to sustain the products and services life cycles.

Operational Excellence model achievement:

1. Performance excellence includes increase market share, brand awareness, and market positioning globally.
2. Leadership and Sustainability – the best leadership style encourages trust and transparency, which lead to long-term sustainability.
3. Driving toward automation and advanced technology capabilities helps businesses achieve long-term goals and adapt to any unprecedented events. For example: efficient supply chain processes; real-time business intelligence data for decision-making, and process automation increase efficiency.
4. Retaining talents & development will help the business save costs and drive productivity.
5. Customer satisfaction – reduce defects rate, fewer complaints, and quality products.

In conclusion, YTT can help your business to understand the impact of the current state and work through the journey to achieve the 'Operational Excellence' future state.

YTT offers services for Operational Excellence including:

- Operational Excellence Due Diligence,
- Operational Excellence Planning,
- Operational Excellence Scope Alignment,
- Operational Excellence Implementation,
- Operational Excellence Go live and Evaluation.

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