



Operating blueprint

Delivering a measurable operating blueprint

- Do you want a practical articulation of what your operations will look and feel like in one to three years time?
- Is your current portfolio of projects fully aligned to delivering this?
- Are your sales, marketing, operations, service and support functions all heading in the same direction under clear and consistent leadership?

This paper sets out a practical, measurement-based approach that can help you convert a strategic vision into a practical plan to deliver a well-defined operating blueprint – with buy-in from all parties.

What is an “operating blueprint”?

You may have a portfolio of projects underway to deliver major change to your operations. However, is there an overarching statement of what these projects, taken together, are aiming to achieve? If not, you risk delivering a set of operational capabilities – sales, marketing, service, HR etc – which don't fit together coherently, or which have important elements missing.

Such an overarching statement of target capabilities can be thought of as an “operating blueprint”. Based on a set of guiding principles, a blueprint sets out the target processes, people capabilities and technology in each part of the organisational structure, and how these fit together to deliver the organisation's strategy.

An operating blueprint is sometimes also known as a “target operating model”.

What are the benefits of developing an operating blueprint?

An operating blueprint can help you:

- create quantifiable measures to assess the effectiveness of your organisation's operational capabilities;
- validate that the current portfolio of projects will deliver what your organisation needs; and
- where the projects are not sufficient, put in place further actions to cover any gaps.

The process of developing a blueprint can help you challenge your assumptions about what is possible for the organisation to deliver. This can result in a significant increase in levels of ambition within the top team, and a greater cohesion within the team.

What are the steps in developing an operating blueprint?

The key steps in developing an operating blueprint are:

- **Set out your guiding principles:** agree a set of principles that will inform all your target operations. These should be derived from your organisation's strategy and should cover all stakeholders including customers, staff, shareholders and local communities.
- **Agree a timeframe:** a timeframe of 1 to 3 years is probably most appropriate – any less is too short for substantial change, whilst any longer risks being derailed by external events.
- **Assess your portfolio of projects:** obtain or create a comprehensive list of all major projects currently underway, including a concise statement of each project's business objectives.
- **Draft individual blueprints and measures:** initially, the head of each organisational area should assess their own current operational capability. Based on this assessment, the current portfolio of projects and any local initiatives, he or she should then draft a set of statements of their own target operations after the agreed timeframe. Crucially, this statement should include clear measures and when the measurements will take place.
- **Jointly validate the individual drafts:** this step will normally involve a workshop for the top team of one or more days. Based on the individual drafts, the team develops a joined-up statement of the operating blueprint as a whole. Outputs will include:
 - challenges to the current portfolio of projects – will it deliver a coherent set of operational capabilities?
 - an action plan to address any gaps not addressed by current projects – with clear owners
 - greater understanding of the goals and challenges facing all members of the top team - a unified team, heading in the same direction with clear and consistent leadership
- **Lock in:** Incorporate the measures into individual annual performance objectives – from the top team down.

Will it work for you?

If you would like to discuss how to develop an operating blueprint for your organisation, contact Ian Hadden of Root Six Consulting for an initial conversation.

