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SPECIALIST TOPIC

TMG IMPULSE

Target Operating Model (TOM)

Aligning processes, organization and structures with the strategy

Corporate Success Requires Structure

Influences and challenges in the steering of a company

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Influencing factors and levers for corporate success

Operational hurdles that threaten the company's success

- Unclear responsibilities
- Grown structures and „principalities“
- Inconsistent understanding of objectives
- Dissatisfaction with strategy
- Information gaps and blind spots
- Manual performance monitoring

Regular critical review of the company's direction ensures that you are on the right track.

Getting Back on Track Through Realignment

Aligning processes, organization and structures with the target operating model

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The Target Operating Model helps you, …

… to align the **organization's actions** with strategic guidelines**,**

… to gain the necessary transparency on your **company's performance**,

…to identify and activate the **unexploited potentials** of the organization,

…to increase your **innovativeness and customer centricity,**

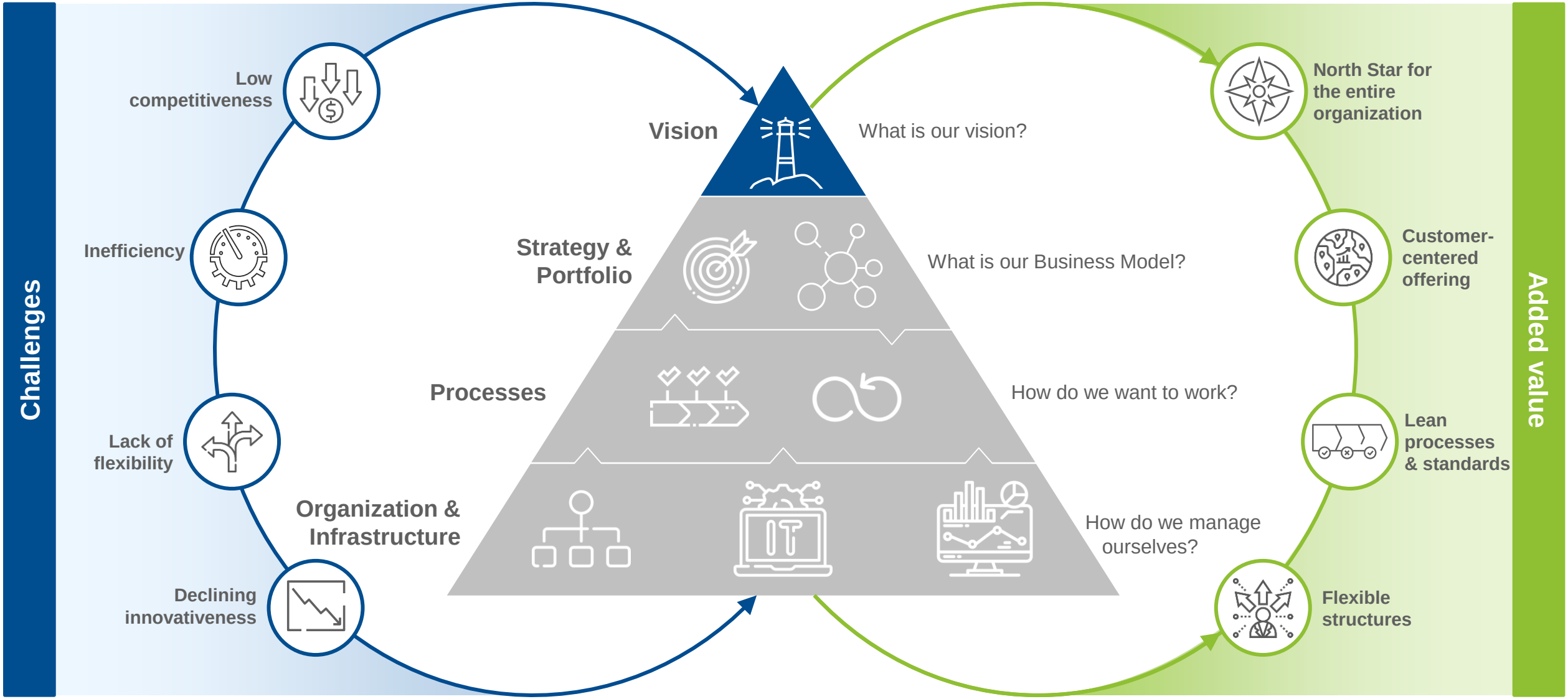
…to adapt the **organization flexibly** to market changes,

…to identify a **clear target picture of your company transformation.**

The Target Operating Model helps your company to remain successful in the long term.

Clear Structures in Line with the Vision

The target operating model as an enabler for corporate added value



Three Steps to the Target Operating Model

Top-down approach ensures consistent and sustainable success

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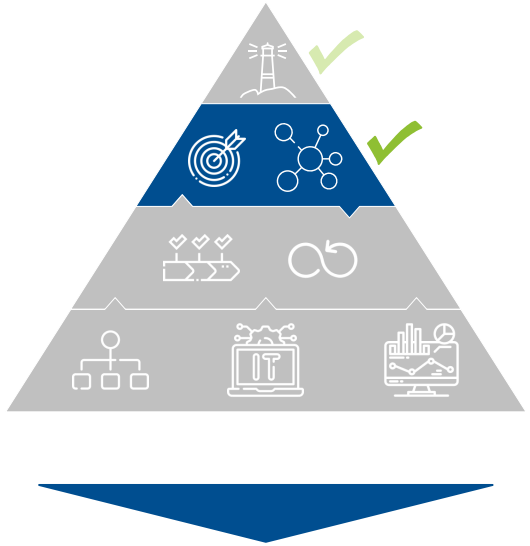
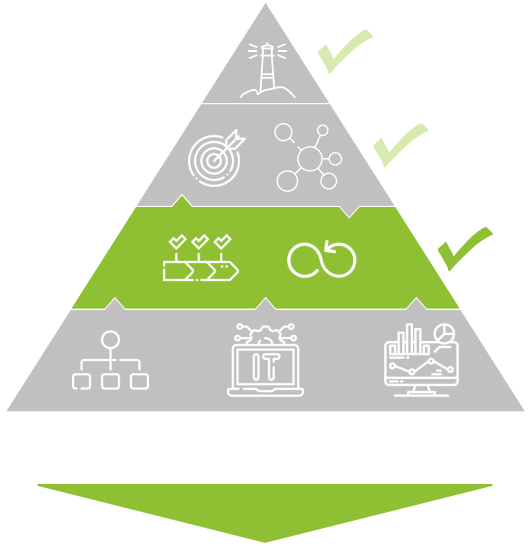
Strategy & Portfolio



Definition of strategic guidelines and the central building blocks for the customer-centric alignment of the portfolio and business models

Processes



Process design based on centralized business transactions ensures speed, customer focus and flexibility of the company

Organization & Infrastructure

Lean organizational structures and a high-performance IT landscape ensure efficient, flexible and scalable target achievement

Processes are the link between the company's goals and structures.

Translating a Vision into a Product & Service Portfolio

Design of strategy and business model in the target operating model

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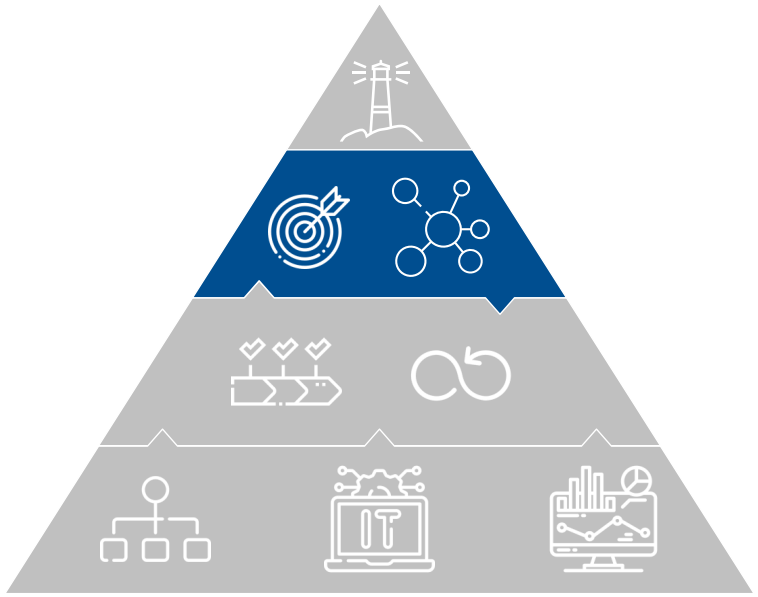
Strategy & Portfolio



Potential areas of action

Define strategic positioning

Service portfolio design

Understanding the customer journey

Align on the market

Increase Efficiency

Develop new business models

Guiding questions

- What strategic positioning do we want to have in the future (innovation leader, cost leader...)?
- How can we disruptively expand our business models?
- Which product and service areas are relevant for this positioning?
- Who are our customers and how will they evolve in the future?

Operationalization of the Strategy

Designing the processes for the target operating model

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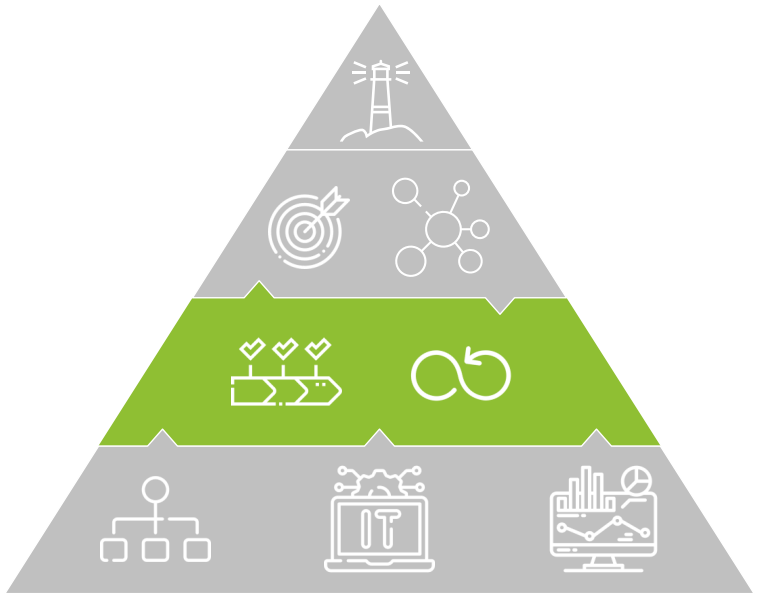
Processes



Potential areas of action

Optimize end-2-end processes

Drive standardization

Design scalable processes

Promoting digitalization & automation

Make processes measurable

Establish control mechanisms

Guiding questions

- How do we interact with the customer on the basis of which business transactions?
- Which processes form the core of our value creation for the customer?
- How do we control our processes within the company and how do we make the performance of the processes visible?
- How can we make our processes more adaptable?

The Foundation of Every Company

Design of organization and structures for the target operating model

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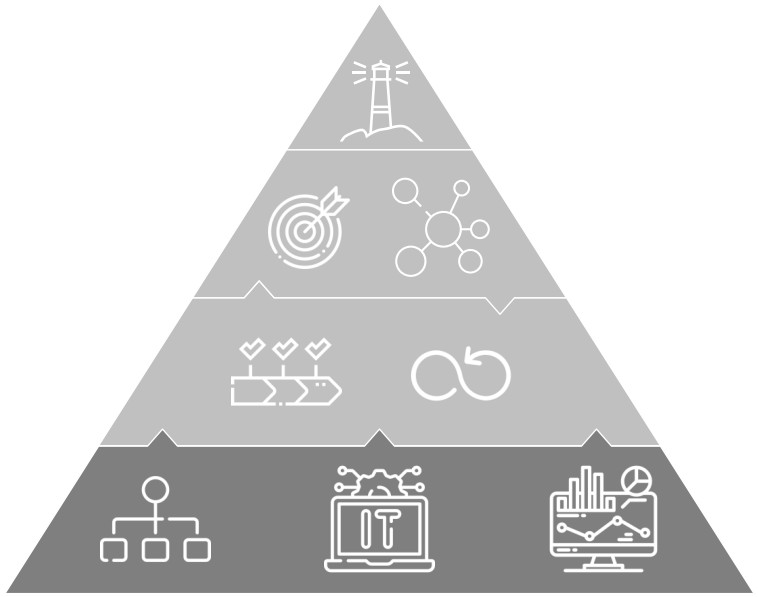
Organization & Infrastructure



Potential areas of action

Redesign organization

Redimensioning organization

Enable collaboration

Design IT-infrastructure

Targeted digitization

Designing a scalable infrastructure

Guiding questions

- What does an efficient organization look like and what resources are required?
- How do we design collaboration between interdisciplinary and global teams?
- How do we enable the workforce to pursue the organization's goals in a flexible and targeted manner?
- What does the optimal IT infrastructure look like in the target operating model?

With a Clear Roadmap to the Target Operating Model

Tried and tested procedure from project reference

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CUSTOMER EXAMPLE

Vision

- Definition of the North Star for 8,000 employees
- Identification of factors that influence the transformation of a global organization
- Deriving strategic framework conditions from the growth targets
- Objectives of the TOM

Possible design of the target operating model

1 Strategy & Portfolio

- Development of a global product strategy
- Focusing on relevant business areas
- Digitalization of the product and service portfolio

2 Processes

- Development of an end-to-end process map with a focus on project-oriented mechanical engineering
- Development of a control and reporting model
- Derivation of necessary roles, collaboration models & global and regional responsibilities

3 Organization & Structures

- Derivation of IT and system requirements
- Dimensioning and “rightsizing” the organization
- Identifying necessary changes

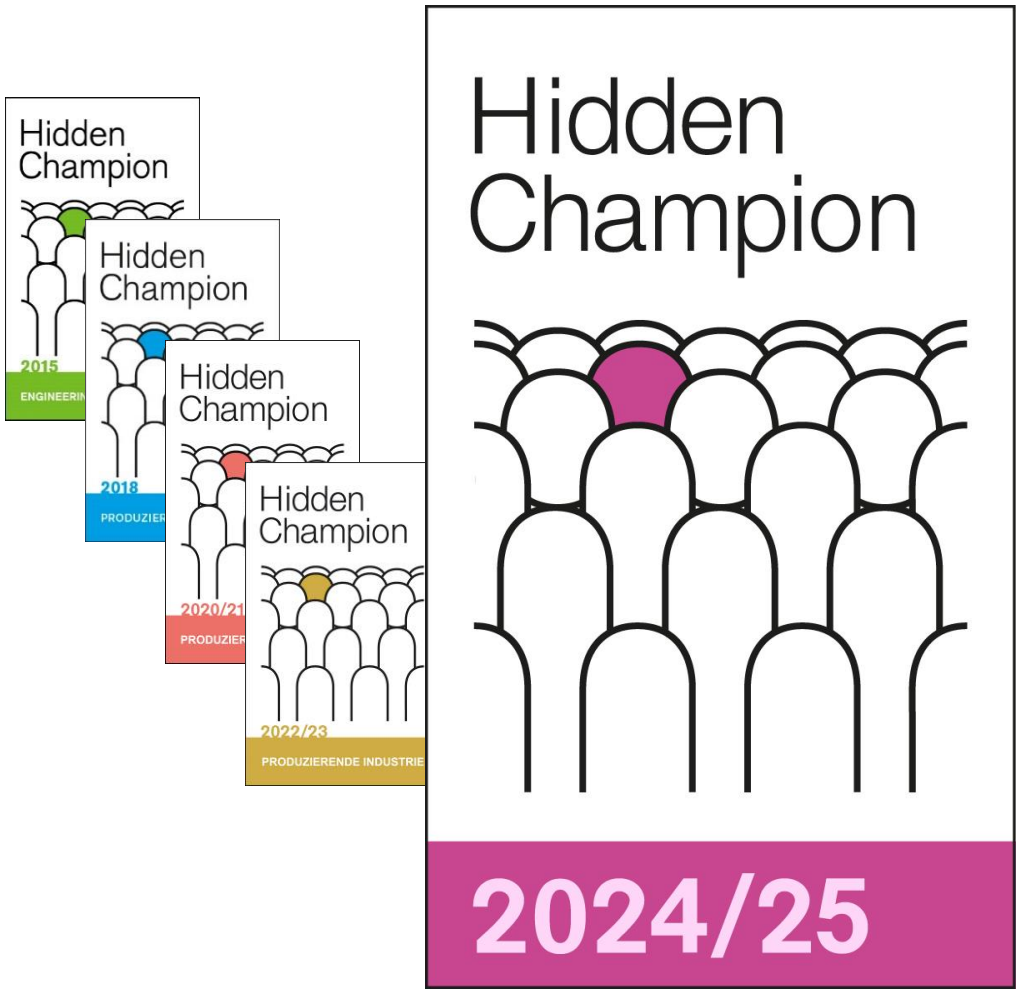
TOM implementation

- Introduction of the Target Operating Model incl. Hyper-Care
- Identification of further optimization potential
- Realization of the accompanying communication strategy

Accompanying change & transformation management

A structured approach ensures rapid effectiveness and clear results.

Why TMG Consultants



- The first consulting address for the manufacturing industry
- Leading provider of consultancy services for innovation, efficiency and execution
- More than 3,000 successful projects in the manufacturing industry
- Advanced level of seniority and experience
- In-depth industry expertise
- Speaking our customer's language – across all levels
- High level of technical expertise and methodological competence
- Consulting services along the entire value chain
- Awarded several times as Top Consultant and Hidden Champion

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