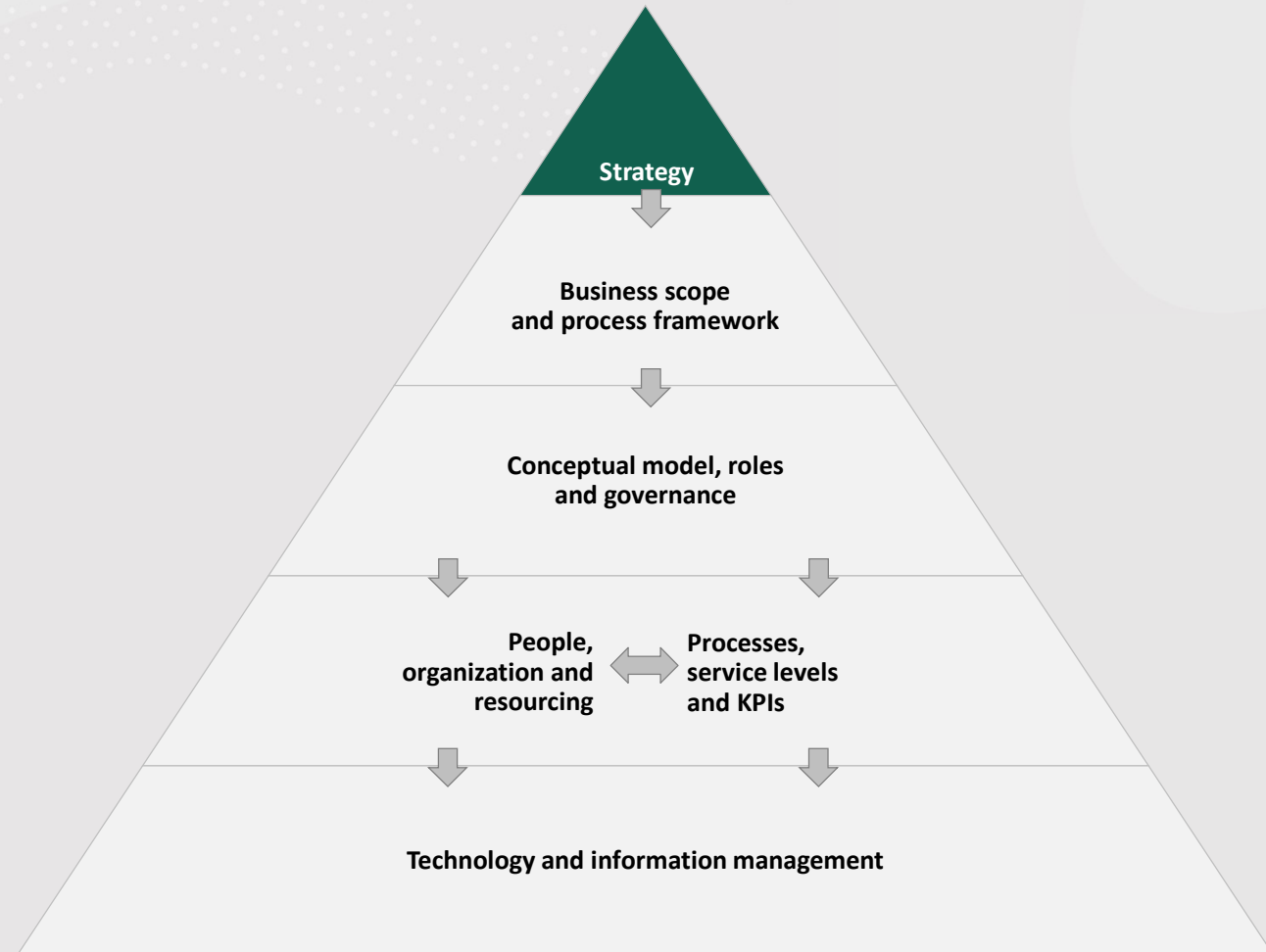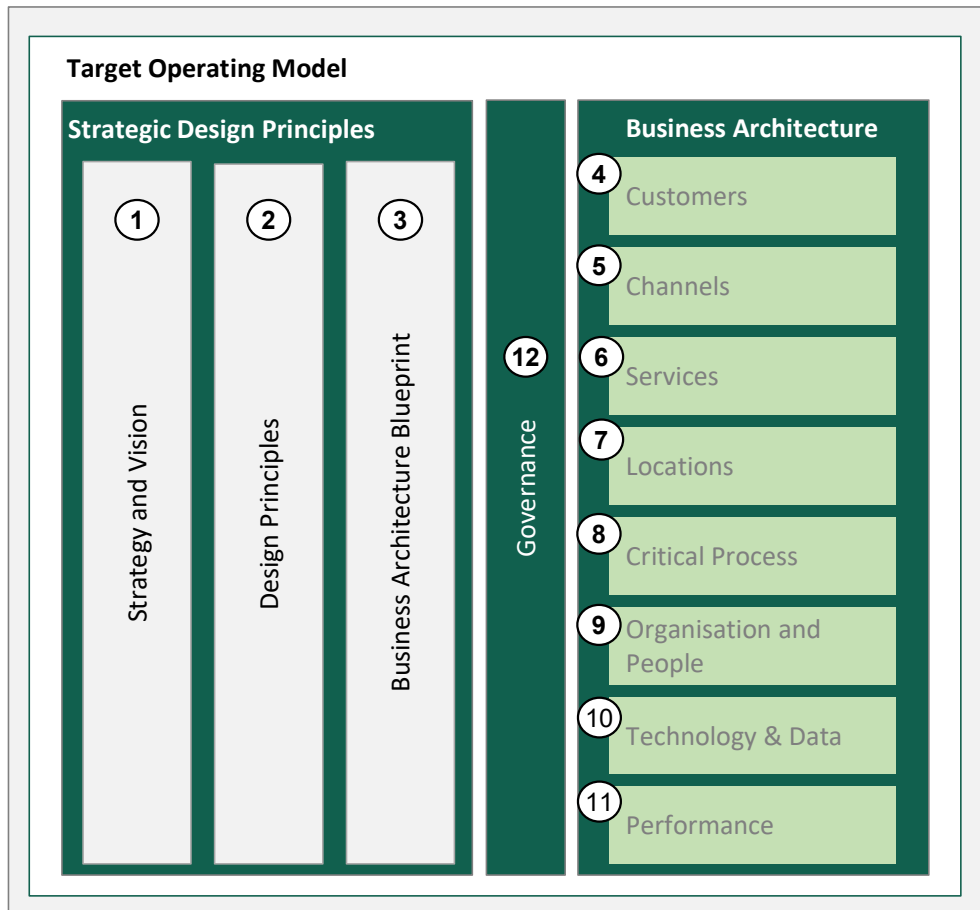# Target Operating Model

Consultation Draft: March 2021

Elements of a target operating model

Target operating model

Target Operating Model

Strategic Design Principles

1. Strategy and Vision
2. Design Principles
3. Business Architecture Blueprint

12. Governance

Business Architecture

4. Customers
5. Channels
6. Services
7. Locations
8. Critical Process
9. Organisation and People
10. Technology & Data
11. Performance

1. The overall Vision and Strategy which in turn will drive the Operational Strategies (Customer, Product & Service, etc.). These strategies need to incorporate targets, objectives and standards.

2. The Design Principles then drive the development and agreement of the core TOM design principles which should be embedded in the design of the other core TOM components.

3. The Business Architecture Blueprint should determine the organisation type and align its strategic objectives and tactical demands in terms of its functions, capabilities, processes and information.

4. The components of the business architecture are required to enable, deliver and support the business, process and technical objectives. Embedded within these components are KPIs, reports and evaluation procedures to ensure effective Performance.

12. Governance ensures strategy is aligned with design and delivery and ensures the appropriate controls and principles are in place within the TOM.

Target Operating Model
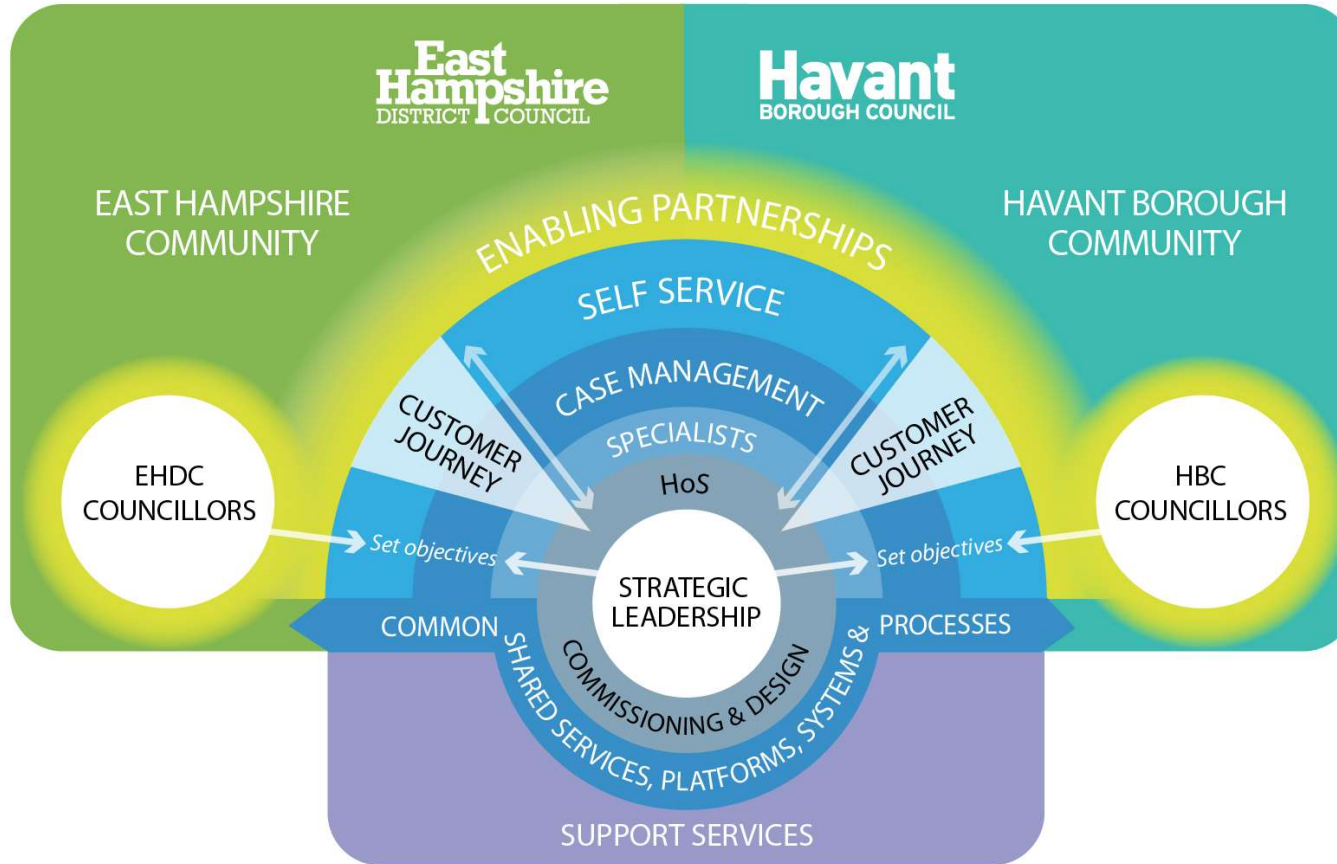
Strategy and Vision

Our **goals** are informed by the similarities and differences in local needs aspirations.

Our **vision** sets out how we want things to be and are based on political choices made by members

Our **objectives** describe the difference we want to make to the lives of people living, visiting and doing business in our communities.

Our **priorities** lead us to act in the areas that effort is most needed, based on data and evidence

Our **strategies** are evidence based and draw on best practice and innovation

Our **resources** are organised to meet our priorities.

We **measure** the impact of our efforts in the community and use this evidence to adjust and improve our approaches to local issues.

We will have the **honesty** and **courage** to act in radically different ways when the evidence demands that we change

We are **adaptive**, investing to develop the knowledge and skills we need to be able to transform ourselves accordance with the needs of our ever changing environment.

We are financially **sustainable,** with the resources to meet our goals and the **resilience** to be able to deal with shocks

Councillors and officers **work together** towards a shared vision for the future that acknowledges the differences and similarities between the two places and their councils

Design Principles

We are two organisations working closely together to collaborate where there is mutual advantage

We work to deal with the root causes of demand

First and foremost, residents and communities are enabled to help themselves

Next we act as catalyst and facilitator, working with our partners to build community capacity.

Where **necessary** or **required** we provide services to meet the needs and aspirations of communities

We are customer focused and act as a single organisation to meet needs that may cross more than one service

Our services are co-designed and tested to ensure they are effective in meeting their stated objectives

Our limited resources are aligned to current priorities, we draw on specialist systems, expertise skills and knowledge as necessary

We are disciplined organisations sharing common systems and processes by default and specialist systems by exception

We are internet era organisations and are open to new technologies to provide innovation for our communities

Business Architecture Blueprint

Our overarching target operating model is as a **government platform;** an organisation that draws together the networks of provision in our two communities to serve them better

We deliver services from our platform, meeting needs and achieving outcomes

We act with commercial awareness to leverage brand and assets to gain income where possible

The organisation is divided into a number of layers representing a stage on the customers journey along the customer pathway

Our culture is **'tight-loose';** 'tight' to use common tools to promote collaboration and 'loose' to serve any difference in the needs and goals of the two Councils

Our support services cater for the needs of both Councils

We are an **agile organisation**, using data to track changing needs and responding accordingly

Customers

We serve our customers using channels that align with their resources and abilities

There is one doorway to all our services, and people are customers of our whole organisation, with personal accounts

Our customer pathway offers self-service at first and signposting to other organisations where appropriate

Where enquiries cannot be met by self-service, customers will have to tell their story only once
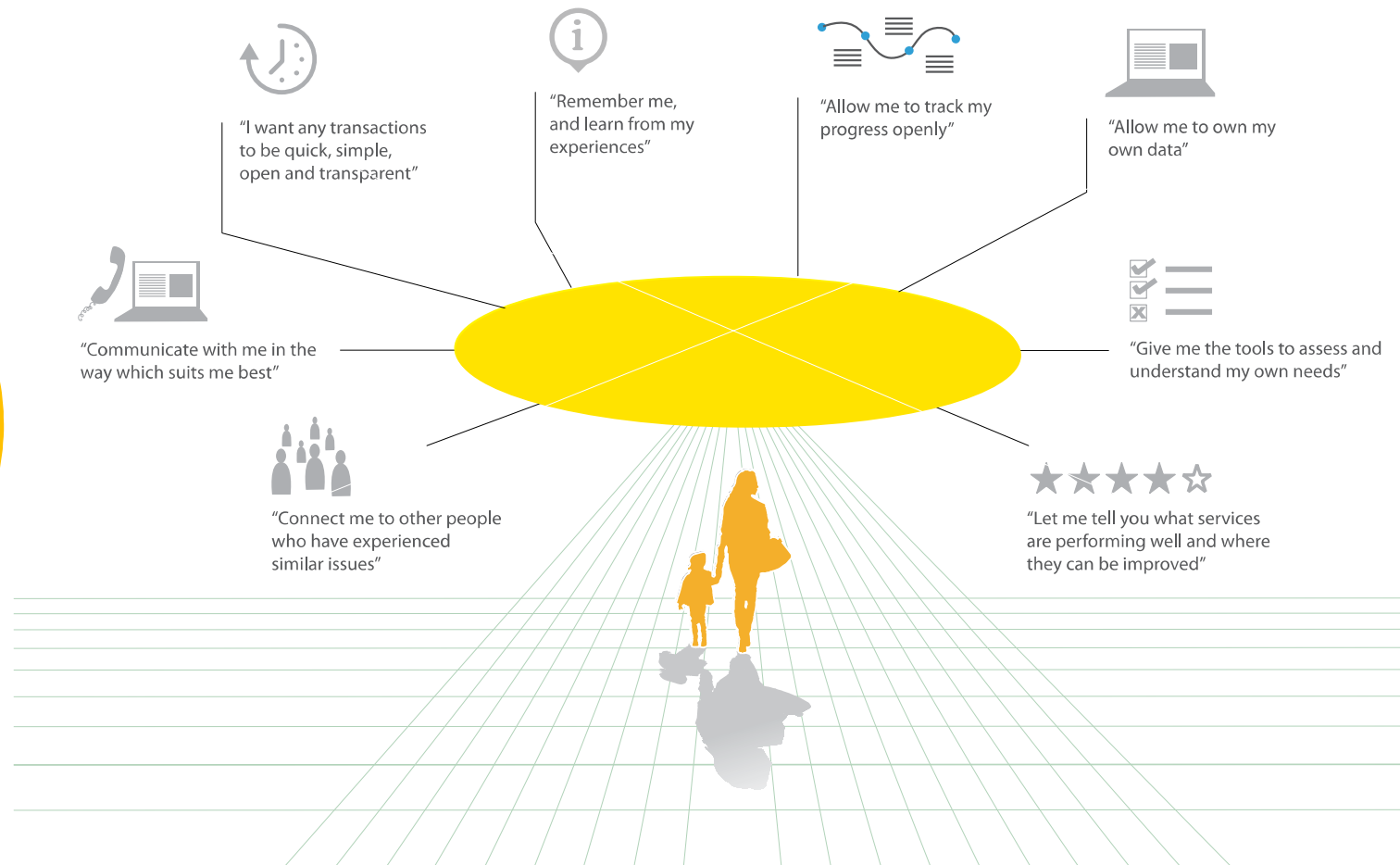
Specialists will be involved only as and when necessary

People will be able to track transactions and give feedback on their experience

Customers will input into the design of our services

Customer Vision

"I want any transactions to be quick, simple, open and transparent"

"Remember me, and learn from my experiences"

"Allow me to track my progress openly"

"Allow me to own my own data"

"Communicate with me in the way which suits me best"

"Give me the tools to assess and understand my own needs"

"Connect me to other people who have experienced similar issues"

"Let me tell you what services are performing well and where they can be improved"

Channels

Our preferred channel is online and web based for those that are able to transact with the Councils in this way

We maintain telephone and face to face channels also and will provide training for greater online access to people accessing the councils in person

We maintain a presence through social media

We provide a channel to partner services

We enable forums for communities of place and of interest

Services

We provide service that meet our community objectives and our statutory requirements

We provide high quality services, co-designed with service users and monitored for their effectiveness

We work with partners to ensure that services join up to meet the needs of people

Locations

We operate from physical and virtual locations that best support customer access and our desired working practices

We recognise the progress working online and will encourage and enable this to grow

We recognise the need and benefit of maintaining a physical presence in communities and where possible will co-locate with public sector partners

Staff will work from the location that best supports their job role and our ambitions for cost effectiveness and equality and diversity in our workforce

Critical processes

Our critical processes are those that

Relate to the decision-making processes in the Councils

Represent the high-volume transactional process that determine the experience of customers

Are common to all service across the Councils

Enable the councils to identify and manage risks

Our organisation maps and optimises these processes to ensure efficiency and consistency

Our critical processes are supported by our IT infrastructure

People and Organisation

Our structure supports the successful delivery of our goals and contains consistent layers and spans of control

One agile and flexible workforce delivering the corporate priorities of two councils

Our people are equipped and developed to deliver the highest standards of service and continuous improvement

We promote a culture of collaboration between the two councils and the officers serving them

Our organisational structure is designed to deliver the Councils' priorities in the most cost effective and efficient way

A flexible workforce that focusses on the current priorities of the organisation

Technology and Data

Our IT is based on an enterprise wide architecture that aligns with our design principles; common systems by default and specialist systems by exception

Our IT platform is secure but not closed, we intend to create a low code platform that allows local application development

Our approach to data is to use it to understand, predict and change demand
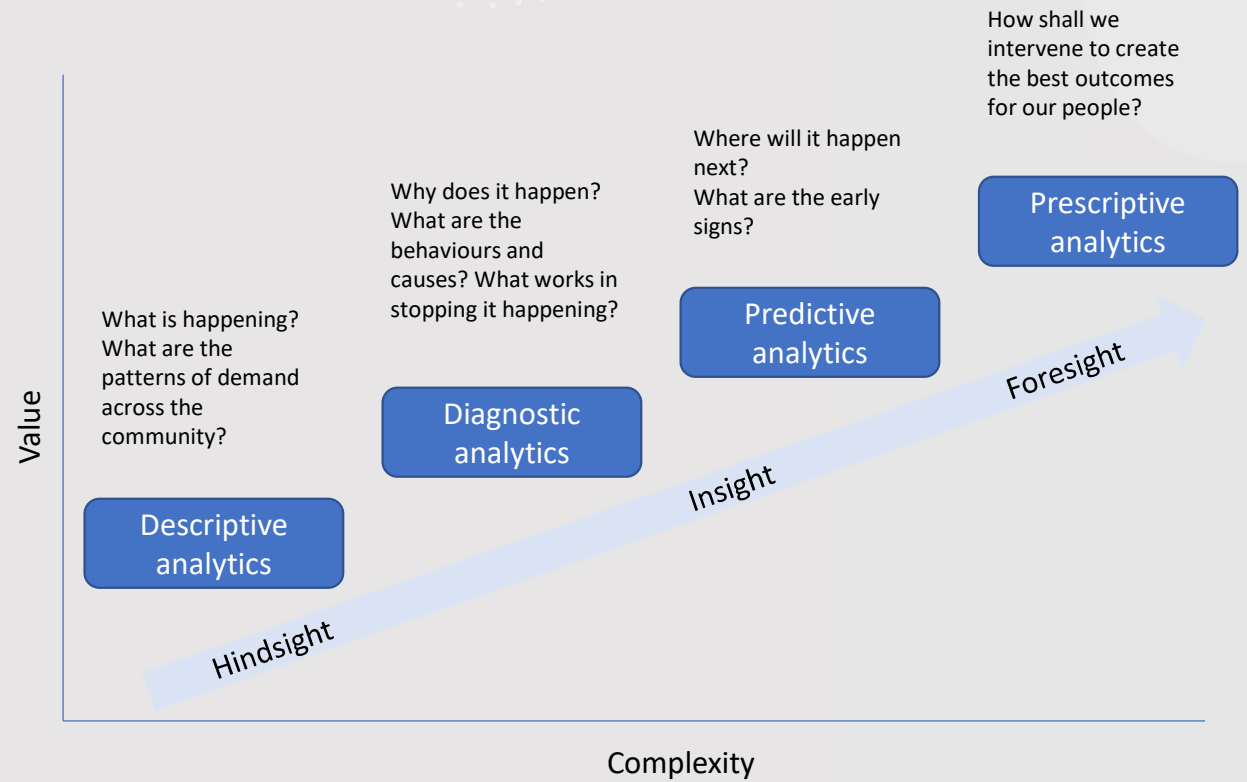
Performance and reward

We are an organisation that provides high levels of challenge *and* high levels of support to all our staff

We are an objectives driven organisation that manages performance at a whole organisation, department, team and individual level

Accountability at different levels is linked by the golden threads of our objectives and values

Our employees achievements are driven by a desire to make a demonstrable difference to people's lives

Performance is based on clear leadership and lived values

Our culture enables individual innovation and collective responsibility

Governance

We are a democratic organisation that works in the service of the public

Our governance arrangements ensure that the Councils:

Behave with integrity and demonstrate strong commitment to ethical values

Ensure openness and comprehensive stakeholder engagement

Demonstrate clear purpose and leadership

Take evidence-based decisions

Have clear schemes of delegation

Develop the capacity to achieve objectives

Manage risks and performance through robust internal control and strong public and commercial financial management

Implement good practices with transparency, reporting and audit to deliver effective accountability

Target Operating Model Development and the Transformation Programme

Target Area	Transformation Programme Actions	Responsibility/workstream	Design (by end)	Implement (from)	Savings contribution
Strategy and Vision	1. Develop organisational objectives	EB	Q1	Q3	
	2. Create strategies for achieving our objectives	EB Performance Management	Q1	Q3	
	3. Prioritise our activity based on our objectives	Service Model	Q2	Q3	
	4. Achieve financial sustainability in line with middle case financial scenario a) reduce people spend by x%, b) contract spend by x%, c) budget spend by x% d) increase income by x%	Overall programme	Q2	Q3(22)	
Design Principles	5. Understand nature of demand for services	Demand led transformation	Q2	Q3	
	6. Re-design services	Digital redesign	Q2	Q3	
	7. Common systems, strategies and architectures	Next level sharing	Q2	Q3	
Business Architecture Blueprint	8. Adopt the platform concept as an overarching organisational design	EB		Q2	
	9. Determine which services should be continued, divested or provided via an alternative delivery model	Service model	Q2	Q3	
Customers	10. Achieve a channel shift in favour of online self service of x%	Next level sharing	Q2	Q3	
	11. Procure and embed a single CRM system for case management	Next level sharing/digital	Q2	Q3	
	12. Enable web 2.0 platform with customer interaction and feedback	Next level sharing/digital	Q4	Q2(22)	

Target Operating Model Development and the Transformation Programme

Target Area	Transformation Programme Actions	Responsibility/workstream	Design (by end)	Implement (from)	Savings Contribution
Channels	13. Create pathways to partner services	Next level sharing/digital	Q4	Q2(22)	
	14. Create low code platform to host local developers	Next level sharing/digital	Q4	Q2(22)	
	15. Create forums for communities of interest	Demand led transformation/digital re-design	Q4	Q2(22)	
Services	16. Create service re-design approach	Demand led transformation/ Digital re-design	Q2	Q3	
Locations	17. Achieve a significant shift in home/remote/hybrid working	Next level sharing/digital re-design	Q2	Q3	
Critical processes	18. Map the critical process in the Councils and create consistent and efficient processes supported by IT	Next level sharing/digital re-design	Q2	Q3	
People and organisation	19. Design and implement an applied course in service re-design to support the Target Operating model	Programme	Q2	Q3	
	19. Create an organisational structure to support the implementation of the TOM based on new roles and consistent spans and layers	EB	Q3	Q4	

Target Operating Model Development and the Transformation Programme

Target Area	Transformation Programme Actions		Responsibility/workstream	Design (by end)	Implement (from)	Contribution
Technology and data	21.	Create system wide IT architecture to support the TOM	Digital re-design/Next level sharing	Q3	Q4	
	22.	Create a low code platform for local application development	Digital re-design/Next level sharing	Q3	Q4	
Performance and reward	23.	Design and implement a performance management system at the organisation, directorate, team and individual level	EB/Next level sharing	Q2	Q2	
	24.	Build transformation expectations into role descriptions for different leadership tiers	EB	Q2	Q3	
	25.	Ensure performance and reward system supports the culture we want to create	EB	Q2	Q2	
Governance	26.	Provide governance to the programme	EB	Q1	Q1	

Target Operating Model Template

(12) Governance
- Defines the decision making that will underpin the TOM, including policies, roles and accountabilities
- Defines the high level governance and functional ownership of the processes,
- Provides the framework to ensure discipline and consistency across the organization

(1) Strategy and Vision
- Sets the strategy, vision and targets for the organisation
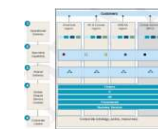- Provides the rationale and business case for why change is necessary and engages stakeholders

(2) Design Principles
- Translates the strategy into a set of rules defining how the 'to-be' organisation should operate
- Ensures the implications of the strategy are understood
- Provides rigour, consistency and structure to guide the design process
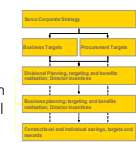
(3) Business Architecture Blueprint
- Confirms the end-to-end value chain and defines 'to-be' core competencies
- Identifies the level of change required from 'As-Is' to 'To be'
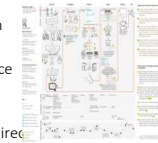
(11) Performance Metrics
- Defines financial and qualitative performance metrics to be set, measured and evaluated
- Enables the cascade of metrics down the organization through to individual performance agreements

Target Operating Model

Strategic Design Principles
- (1) Strategy and Vision
- (2) Design Principles
- (3) Business Architecture Blueprint

(12) Governance

Business Architecture
- (4) Customer
- (5) Channels
- (6) Propositions
- (7) Geographies
- (8) Process
- (9) People
- (10) Technology & Data
- (11) Performance

(4) Customers
- Segments the customers based on need and interaction
- Defines future customer experience maps for each major interaction detailing the desired experience.
- Identifies the level of change required from 'As-Is' to 'To be'

(10) Technology & Data
- Defines the IT strategy and technology architecture to support business processes and augment resourcing.
- It should also detail standards around data and information management.

(5) Channels
- Defines the channels to be used for customer groups
- Defines the channel experience and performance that will be delivered
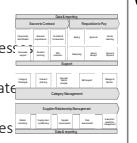- Identifies the level of change required from 'As-Is' to 'To be'

(9) People & Organisation
- Articulates the organisational culture for the TOM
- Defines the competencies and skills required
- Provides a organisational structure uniting functions to critical processes
- Clear allocation of responsibility and accountability

(8) Critical Processes
- Defines and streamlines the core process which underpin business operations
- Facilitates process efficiency and allocate responsibility
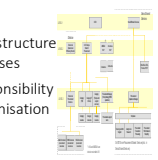- Identifies design issues and complexities the service delivery

(7) Location Footprint
- Defines the location in which the organization will operate
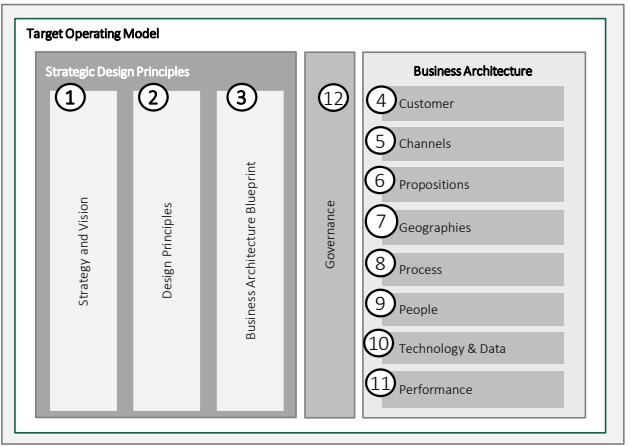- Facilitates crucial decisions around people and technology

(6) Propositions
- Provides a organisational people structure uniting Functions to critical processes
- Enables a clear allocation of responsibility and accountability within the organisation