

Business Modelling

Description

What it is	Focus on optimising organisation performance through policy development & deployment, organisational analysis, use of a balanced scorecard of performance measurement.
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Case Study	See Attachment for examples of all following tools
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Objective

Outcomes Expected	High performing organisation
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Why Used	Optimise company performance
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Scope

Where Used	Company wide
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How Used	Integral part of annual planning process
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Deployment

Tool Training	
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Generic Tasks	
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Business Modelling - Organisational Analysis

Description

What it is	Organizational analysis is the process of reviewing the, work environment, personnel, and operation of a business in line with the business objectives. This review is often performed in response to crisis or changing business environment
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Case Study

Objective

Outcomes Expected	Aligned organisation
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Why Used	Response to changing business needs, processes or environment, organisation crisis or re-aligning the business for performance improvement
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Scope

Where Used	In any business structure that needs to be re-aligned
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How Used	Annual organisation review in conjunction with policy development and deployment and in response to an organisational crisis
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Deployment

Tool Training

Generic Tasks

Business Modelling - Policy Development & Deployment

Description

What it is

Hoshin Kanri (also called Policy Deployment) is a method for ensuring that the strategic goals of a company drive progress and action at every level within that company. This eliminates the waste that comes from inconsistent direction and poor communication.



Case Study

Objective

Outcomes Expected

Individual work plans aligned with company goals,

Why Used

Optimise company performance

Scope

Where Used

Company wide

How Used

Annual top level strategy review, Annual operating plans developed, department and individual workplans developed

Deployment

Tool Training

Generic Tasks

Business Modelling - Balanced Scorecard

Description

What it is

The balanced scorecard is a **strategic performance management tool** you can use to manage and measure your business performance in areas that are crucial to its success. It combines financial measures with other key performance indicators to give you a balanced snapshot of how well your business is doing now and how it will perform in the future. The system focuses on four areas:

- learning and growth
- internal business processes
- customer perception
- financial health

Case Study

Objective

Outcomes Expected

All metrics aligned, balanced, consistent with company objectives

Why Used

Optimise performance of entire organisation

Scope

Where Used

In all organisations

How Used

In conjunction with policy deployment

Deployment

Tool Training

Generic Tasks

Business Models – Case Study Examples

Policy Development & Deployment

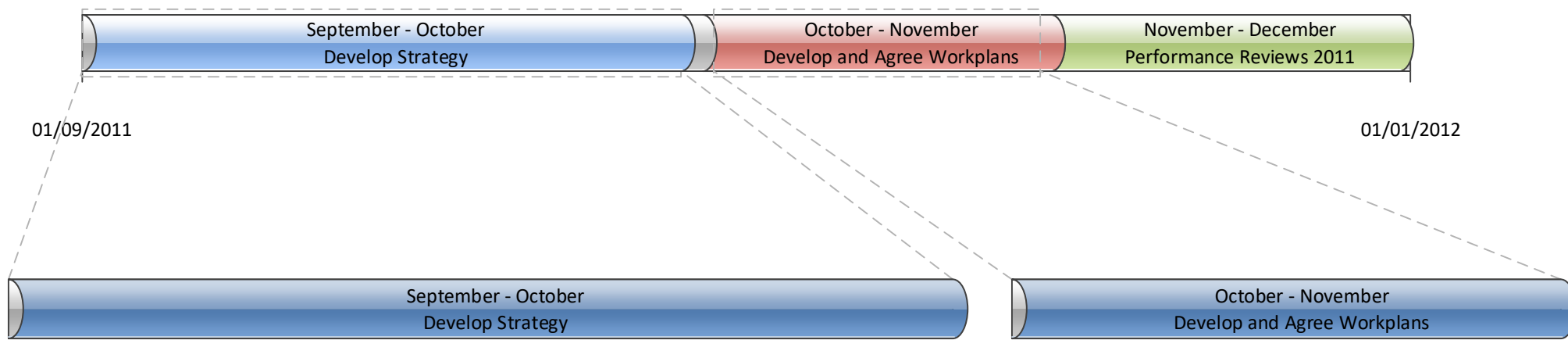
Balanced Scorecard

Organisational Analysis

Business Models – Case Study Examples

Policy Development & Deployment

Policy Development & Deployment - manufacturing business



	What		How	How Much	Key Initiatives	Responsibility
Profitable Growth	£30m sales by 2015	Grow Existing Products	Grow CT sales into New and Existing Markets Maintain Stair Sales across Existing/New Markets	+£2m +£0m	Develop New Markets Develop Existing Markets	Nial Owen
		Introduce New Products	Bendy Delcer	+£5m +£3m		
	10% Net Profit Existing Product	Upsell Features	Sell Value Package to Customers	Base price + tgt 5%	Develop Sales Capability	Owen
		Product Cost Out	Reduction in Manufacturing & Assembly Costs Reduction in BOF Parts	-5% -5%	Lean Manufacturing Lean Sourcing, Improved Design	Rory Donal/Adrian
	20% Net Profit New Products	Set & Achieve Target Price/Cost	Structured approach to setting and managing Sales/Cost targets	12mths to achieve target NP	Project Management & Measurement Capability	Chris
Customer Focus	Meet and exceed customer requirements	Quality	Develop a proactive quality programme and rapid response to customer complaints	0% T3/T12 defects	Lean Manufacturing	Rory/Owen
		Delivery	Develop a lean manufacturing and supply chain	100% ontime to requirements	Lean Manufacturing	Rory/Donal
NPI	Fastest to Market vs Competitors		NPPDI process in place	<24mths	Capable Engineering Team, Strong Cross functional working, NPI Team	Adrian/Ronan
	Adopt a Clear NPI Process					
	Plan for New Products			1 New product launched		
People	Effective Business Structure				Training, development, clear workplans agreed to and achieved	Ronan
	Capable People					

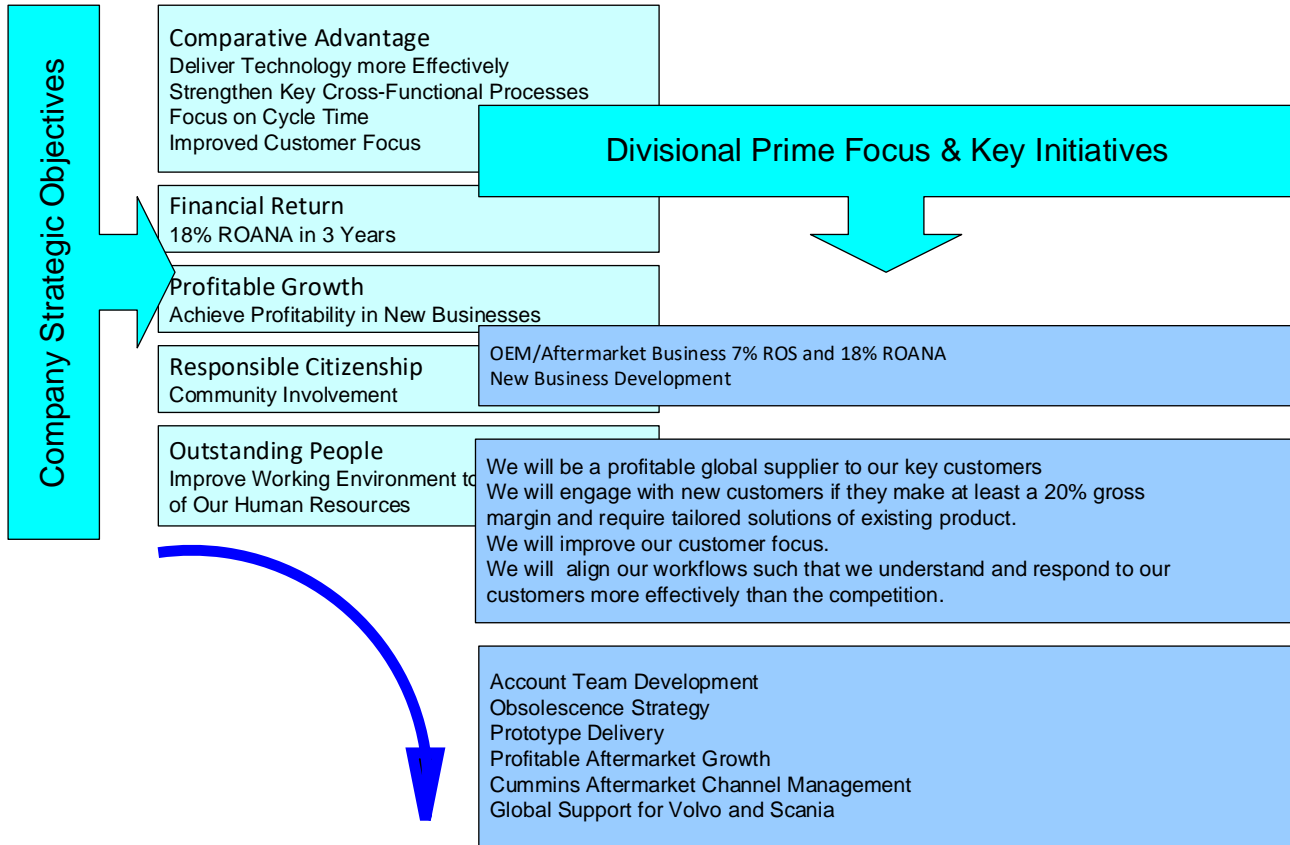
NAME: RORY MULLAN (example only)

MALLAGHAN WORKPLAN 2012

PROFITABLE GROWTH – IMPLEMENT A LEAN MANUFACTURING STRATEGY					
GOALS		INITIATIVES		STATUS	
				Q1	Q2
• ENSURE THAT ALL PRODUCTION OUTPUT AND DELIVERY TARGETS ARE MET	<ul style="list-style-type: none">Weekly delivery targets achievedFactory cost targets achieved – overtime/manningQuality targets achieved				
• TAKE OVER PRODUCTION PLANNING PROCESS	<ul style="list-style-type: none">Chair signoff meetings – to agree build slots in master programmeTransition management of master build spreadsheet from Chris to Ronan				
• FULL IMPLEMENTATION OF LEAN MANUFACTURING IN FACTORY	<ul style="list-style-type: none">Complete visual factory rolloutPilot 5S rollout area in VM bayIntroduce weekly housekeeping audits using shop floor teamsDevelop a strong operations team – support ops team				
• INTRODUCE LEAN MANUFACTURING INTO BK	<ul style="list-style-type: none">Set targets for BK to organise his factory using lean techniques				
• PRODUCTION STRATEGY COMPLETED	<ul style="list-style-type: none">Determine factory capacity requirements for the next 3 yearsDevelop a long term sub-contracting strategyDevelop an in house manufacturing and assembly strategy				
• SITE FACTORY MASTERPLAN COMPLETED	<ul style="list-style-type: none">Develop a new factory layout based on the production strategy				

Balanced Scorecard

Business Strategy to Balanced Scorecard - manufacturing business



Divisional Balanced Scorecard

Financial Outcome		Target	Sep	Oct	Nov	Dec
ROS YTD	20 %		24.4	24.5	25.2	24.8
ROANA YTD	40 %		58.6	59.6	60.8	62.1
Sales growth	- %		91	91	91	92
Inventory turns	3.4 Qty		3.1	3.5	3.5	3.7
AR days	57 Qty		50	49	48	46
Past dues	9.3 %		17	15.3	5.5	26.1
Inventory turns	4.1 Turn:		3.2	3.8	3.9	4
Customer Outcome			Q1	Q2	Q3	Q4
Customer Satisfaction Index	Improving %		60	67	67	64
Account plans in place	20 Qty		0	0	0	0
CRR completions	20 Qty		9	9	9	14
Monthly Volumes - All Makes	1200 Qty		1000	666	907	752
Customer Value			Sep	Oct	Nov	Dec
On time delivery - Overall	>95 %		95	94	87	83
Engine down Same Day/ Next Day deliv	>95 %		95	96	95	99
			Q1	Q2	Q3	Q4
YTD All makes project released	10pa Qty		1	1	3	3
YTD Number of retrofit request received	14pa Qty		4	4	4	7
Retro cycle time (NPPD&I)	27 Wks		27	39	43	59
Internal Outcome			Sep	Oct	Nov	Dec
Main Plant: 'Turbo & Core' Arrears	0 Qty		1597	1788	3161	4207
Main Plant: 'Small/Piece Parts' Arrears	0 Qty		21296	20305	54654	70110
Hours per turbo	2.5 Hrs		N/A	2.9 N/A	N/A	
On time delivery - Mechelen	98 %		90	93	89	86
On time delivery - Memphis	98 %		97	82	92	81
On time delivery - Independents	75 %		88	89	88	78
Reman Warranty	0.5 %		0.51	0.59	0.48	0.01
Learning and Growth			Q1	Q2	Q3	Q4
Training measures	%		87	71	71	71

Organisation Analysis – Customer Services in a printing business

Webtech - Organising for the Customer
Developing a Customer Service – Sales Team structure that fully supports the customer

Issues to discuss and resolve

- Structure
 - What they do
 - Work activities
 - Workload
 - Capabilities required
 - Reporting/Accountability
 - Mark/Brian
- Future Proof
 - 2-3 years
 - Cope with growth
- In place by end of Feb
 - Roadmap for implementation

Goal for Customer Service

- CS to be 1st point of contact for ALL day to day communications

Meeting Goals

Day to day communications

Them to Us

Existing business

Call ofs

Quality issues

OPA planning

RFQ

NPI

Us to them

Delivery

Pricing

Confirmations

Relationship Stuff

Project Management activities

Account management activities

	Today	Future
Existing business	X	X
Call ofs	X	X
Quality issues		X
OPA planning		X
RFQ		X
NPI		X
Us to them		X
Delivery	X	X
Pricing	X	X
Confirmations	X	X
Relationship Stuff		X
Project Management activities		X
Account management activities		X

Current Customer Service Communication Activities

Kieran

Silke

Silvie

Shirley

Ciara

Steven

15
6
10
0
6
9

Customer Support<> Customer Matrix

Current Customer Webtech Communication

		Webtech				
		Operations	Finance	Engineering	Cust Svce	Quality
Customer	Buyer				X	X
	Ops			X		X
	Finance		X			X
	Design			X		
	Quality	X				X

Webtech <> Customer Communication Lines

25%

Progress Chasing

Tweaking

Call off/Despatch

50%

Order raising

Communications

Pecas will reduce this to 50% of day

Split of Customer Service Day