



OPERATIONS

(Operational Driver)

Operations is one of the commonly “weak” drivers for businesses, yet it is one of the drivers that has a larger than normal impact on the enterprise value.



The Operations Driver is broken down into five (5) Indicators, delving deeper into the operational structure of the business:

- Delivery Objectives: You have operations objectives that are executable, measurable, and updated regularly.
- Delivery Process: You have clear and documented operational processes such that an outsider could learn them quickly, easily jump in, and be effective.
- Performance Metrics: You regularly measure how well your company is meeting its operational objectives, driving its processes and making good on its commitment to customers.
- Industry Standards: You follow, or comply with, industry standards ranging from government regulations, best practices and independent certifications.
- Suppliers and Contracts: Goal - You have written supplier contracts defining the relationships between your company and your suppliers.



The first three Indicators are about tracking your internal operational structure: Does your company have delivery objectives, a delivery process and is it measured? Is there a system in place for getting your product/services “out the door”?

The last two Indicators are about making sure you follow best practices with the outside. This Driver may bring up issues that are “old hat” to you, it is what you do every day. But taking the time to explore and

understand what your processes are is an important step to finding and fixing any major or hidden issues.

GOAL: *Your company should have the ability to consistently deliver on the sales promises made to the marketplace and to do it in a systematic and process-driven manner with the process well outlined and documented so that someone new could understand the steps and deliver on the sales promises.*

Delivering on sales promises is critical for any business, but it can be especially difficult for businesses in operations-driven industries such as manufacturing. By having a well-defined and documented process that outlines how your company delivers on its sales promises, you can help ensure that your operations are running smoothly, that your customers continue to be happy with the products or services you provide and that you are not missing out on a heavily weighted business value opportunity.

If you're looking for an assessment of your operations driver, or any of the other 18 drivers for business excellence, contact us today. Maybe things are going well, maybe they could be better. Either way, with an initial 20 minute assessment we'd be happy to help you know for sure!