

Implementing a new operating model

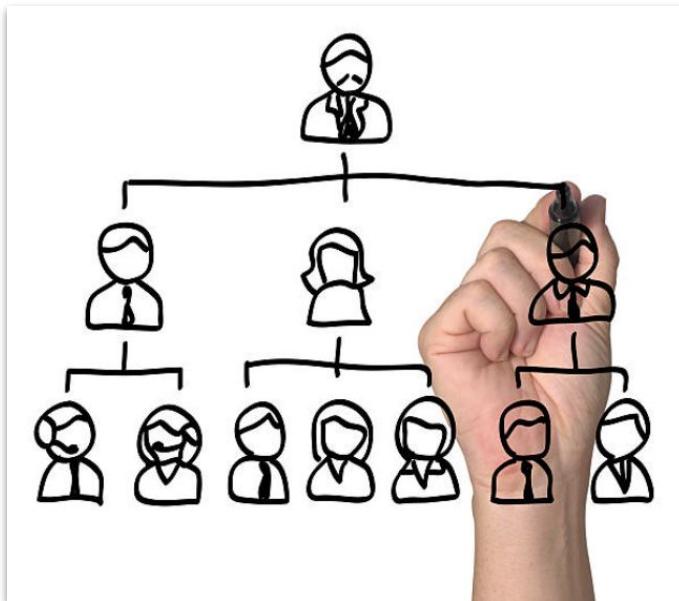
Opportunities and challenges of doing the small things right

*Ovidiu Solomonov at ICMA Conference
Barcelona, October 5, 2022*



We tend to focus on “What?” rather than “How?”

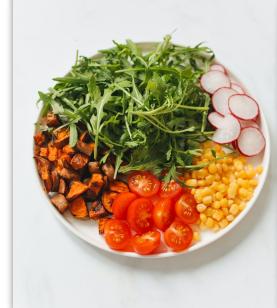
“WHAT?”



“HOW?”



There is no magic pill - need to build good habits



Complication - Everyone has to develop the right habits



- Clarity - “Where are we heading?”
- Engagement - “How does my work contribute to the company goals?”
- Alignment - “How do I work with the others?”
- Incentives - “What attitudes and actions are being rewarded?”

The drumbeat brings it all together



- Everyone hears the drumbeat
- Teams know what their moves are
- Everyone expects the others to do their part
- No hope that “maybe it will fade away”

What worked for us - the PEAK[®] operating model



PRIORITIZE
OUTCOMES



EMPOWER
AUTONOMY



ALIGN
COLLABORATION



KNOW TO
DISCOVER&DELIVER

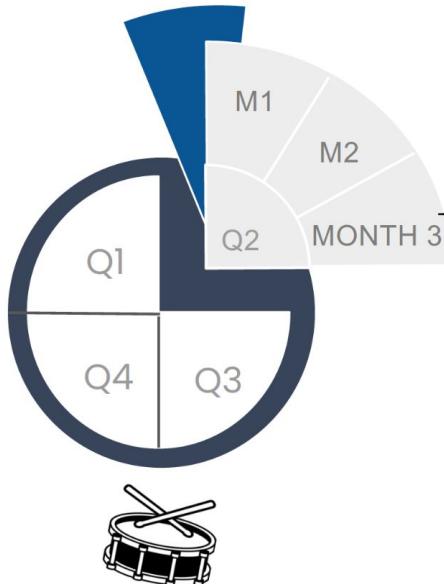
- Outputs vs Outcomes
- KRs vs Health Metrics

- Autonomous teams
- Limit dependencies

- Drumbeat
- Predictable governance

- Develop knowledge
- Iterate on operating model

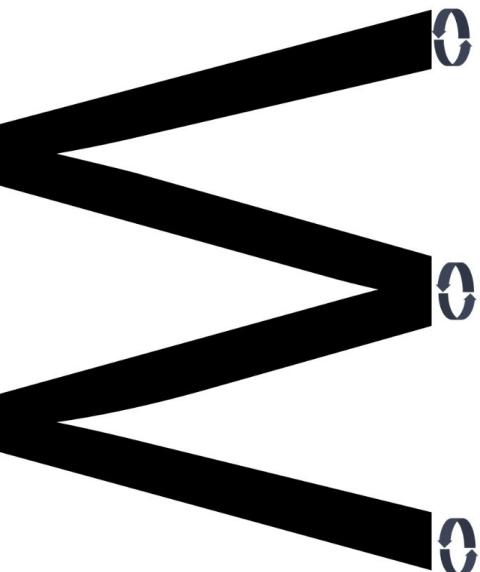
The Big Drum - quarterly rhythm to define priorities



MONTH 3

Teams work on their proposal and alignments

Teams work and align after the feedback.



Management Guidance:
Management Team gives guidance using the yearly KRs and Health Metrics with the iterations needed (or not) to achieve success at the end of the year.

Management Feedback:
Teams and Management get together to review:

- a) OKRs ambition
- b) Alignment: Shared OKRs and/or dependencies handshake.

Retrospective, Recognition and Handshake.

The Small Drum - weekly rhythm to drive execution



Weekly Gemba = “where the truth is”

- What is your level of confidence to achieve your OKR by the end of the Q?
- What is the projected OKR value by the end of the Q?
- Where are you focusing in the next weeks to achieve the OKR?
- Where do you need help to remove obstacles?

We also stumbled upon some collateral benefits

- ✓ Hybrid / remote work
- ✓ Central / local alignment
- ✓ Transformation (eg transactional)
- ✓ Talent attraction and retention

Thank you!

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