ESTABLISH GOVERNANCE

WHAT IT IS
OpEx governance refers to the rituals, routines, and activities that are necessary to keep business leadership engaged in driving operational excellence and the workforce accountable for improving the business.

The OpEx governance model defines the frequency at which the implementation of OpEx methods and their associated business impact is reviewed at different levels of the organization.

WHY IT’S IMPORTANT
Because businesses tend to be overcome by the “tyranny of the now” when left to their own devices, a robust governance model is essential to the long-term success of OpEx within the broader organization.

Without a mechanism designed to hold people accountable, the improvement agenda of the business will suffer. Additionally, the governance model creates opportunities for leadership to formally engage with OpEx in a meaningful way.

HOW TO SUCCEED
Consider an OpEx Scorecard
A critical success factor for the OpEx governance model is the level of transparency that leaders at all levels have on the nature, status, and impact of improvement work that’s taking place. A well-designed scorecard will show the status of all strategies and improvement projects and highlight the operational maturity of the organization.

Consider whether OpEx Governance Should be Distinct from the Overall Governance Model
The OpEx governance model does not have to be a “stand alone” from the overall performance governance model of the organization. In fact, ideally can be fully integrated into that model.

SAMPLE EXECUTION STEPS
1. Develop a basic OpEx governance model that outlines the meetings that need to take place at each level, the desired frequency for those meetings, and expected participants.

2. Socialize that model with select key stakeholders at each level to create alignment.

3. Develop the second level of detail for the governance model, including meeting agendas and schedules, tools to be used in support of each meeting, and pre- and post-meeting requirements.

SAMPLE ASSESSMENT
1. Has the organization defined an OpEx governance model?

2. Does this governance model outline the meetings that need to take place at each level, the desired frequency for those meetings, and expected participants?

3. Has the organization implemented an OpEx scorecard to support the governance model?

Ready to start your assessment? Yes, give me access to the interactive version. Not yet. I’ll explore more content first.