

WHITE PAPER

MODEL BEHAVIOR

LEGACY **OPERATING MODELS** ARE KILLING GROWTH.
READY TO BUILD ONE **FIT FOR THE FUTURE?**



Senior executives worldwide are facing a stark reality.

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Your customers, employees, and partners expect more than ever before—and most organizations are failing to keep up. The traditional way of operating—rigid hierarchies, siloed functions, and efficiency-driven workflows—has become dead weight in today's experience-driven economy. Customers don't care about your internal processes; they care about how your brand makes them feel. Employees no longer tolerate outdated systems that stifle creativity and hinder innovation. The rules have fundamentally changed. You are either intentionally designing remarkable experiences or allowing your outdated operating model to erode them.

Why Traditional Operating Models Fail

Operating models commonly fail due to deeply entrenched organizational behaviors that resist change. Corporate inertia drags businesses back into familiar patterns, making it painfully difficult to adopt new ways of working. The organizational immune system aggressively rejects anything that challenges the status quo, and this stubborn resistance stalls necessary transformation. Corporate myopia—an obsessive focus on short-term gains—prevents leaders from embracing the long-term vision required for meaningful innovation and sustained growth.

*The only thing more dangerous
than an outdated operating model
is the illusion that it's still working.*

This destructive cycle leads to disconnected experiences across all interactions. Customers encounter frustrating bottlenecks, inconsistent service quality, and fragmented communications. Employees grapple with bureaucratic hurdles, slow decision-making processes, and a general inability to innovate. These inefficiencies directly translate into declining customer engagement, lower employee morale, missed opportunities, and ultimately lost revenue. The longer these dysfunctional patterns persist, the more entrenched they become, and the harder it is to reverse course.

Putting Experiences at the Core of Your Operating Model

Breaking free requires organizations to fundamentally reframe their approach: instead of chasing efficiency alone, companies must prioritize experience above all. Exceptional experiences must become the core of every business model—internal and external alike.

The starting point is clearly defining and intentionally designing these experiences. Customers should feel interactions are effortless, personalized, and rewarding. Employees must feel empowered, inspired, and fully supported in their roles. Partners should experience seamless, collaborative interactions that make working with your organization a distinct competitive advantage. These are not abstract aspirations—they are foundational principles upon which a resilient, adaptable, and effective operating model must be built.

Organizations that master this transformation proactively reimagine their structures rather than merely reacting to external pressures.

► **Figure 1:** Our Approach to Target Op Model Design & Implementation



They develop operating models that place people—not processes—at the center of decision-making. Working backward from the ideal user journey, they redesign processes, technology, and governance frameworks around the human experience. By eliminating unnecessary friction and aligning every operational decision with clear, experience-driven outcomes, they set themselves apart in an increasingly crowded market.

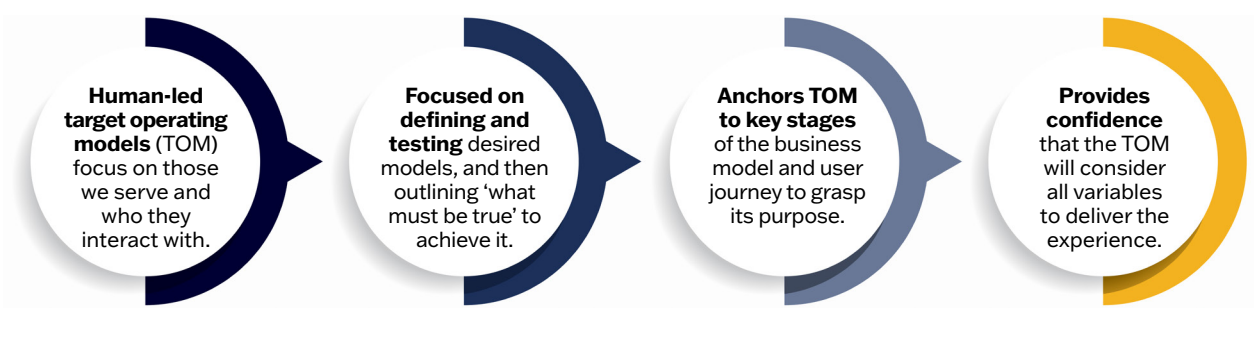
Dynamic Models Built on Culture and Agility

A truly effective operating model dynamically adapts to shifting customer needs, technological advancements, and evolving market expectations. Instead of remaining static, successful organizations continuously integrate real-time feedback, leveraging insights from data analytics and artificial intelligence to rapidly evolve. This continuous refinement ensures that they avoid the pitfalls of traditional models: sluggish responses, misaligned priorities, and chronic resistance to innovation.

Culture is the ultimate determinant of success in any organizational transformation. Even the most thoughtfully designed operating model will fail if employees resist the underlying changes. To thrive, companies must nurture a culture that is agile, collaborative, and resilient. Employees must be involved deeply in the transformation process from day one, not just informed after the fact. This level of inclusion ensures buy-in, aligns team members around shared goals, and significantly reduces resistance.

Governance structures should also be redesigned to facilitate agility. Layers of redundant decision-making processes slow progress, create frustration, and suffocate innovation.

► **Figure 2:** Why We Use This Method



Instead, leaders must embrace simplification—eliminating processes and structures that do not directly add value to the user experience. Decision-making should be decentralized and democratized wherever possible, empowering frontline teams to respond quickly and effectively to customer needs. Automation and AI technologies should be thoughtfully integrated—not as replacements for human judgment, but as powerful tools to augment and elevate human capabilities, freeing employees to focus on more meaningful, creative, and impactful work.

Execution: The Critical Differentiator

Yet even a brilliantly designed operating model can falter during execution. Many transformation efforts stumble because they prioritize meticulous planning over practical results. Organizations must build resilience and adaptability into their approach, prepared to pivot quickly in response to disruptions rather than adhering rigidly to predefined plans. Mike Tyson famously said, “Everyone has a plan until they get punched.” Business is no different—your ability to quickly adapt and iterate in response to unforeseen challenges will ultimately determine your success.

Companies that excel in operating model transformations understand that the human experience is not merely a strategic afterthought—it is the cornerstone of competitive advantage. They align leadership priorities, financial investments, and strategic initiatives around the continuous improvement of customer and employee experiences.

This requires an unwavering commitment to ongoing learning, constant innovation, and decisions grounded in robust, data-driven insights.

A Model for the Future

The organizations poised to dominate the future share several distinctive traits.

They are customer-obsessed—every decision, investment, and initiative is purposefully designed to deliver exceptional experiences. They move quickly, recognizing that speed and responsiveness have become critical competitive differentiators. And they lead boldly, understanding that substantial transformation requires courageous decision-making and unwavering conviction from senior leaders.

These organizations also invest heavily in talent capable of navigating complexity and uncertainty. They foster a workforce culture that embraces change, rewards experimentation, and encourages cross-functional collaboration. They integrate technology strategically, leveraging automation and AI to enhance human decision-making rather than supplanting it. Their governance frameworks remain flexible, clearly defining accountability without unnecessary bureaucracy.

In short, the companies that win the future will be those most adept at embracing continuous transformation. They will be agile enough to evolve alongside shifting consumer expectations and rapid technological change. Those that refuse to rethink their operating models will inevitably fall behind, overtaken by competitors who proactively shape their futures.



Leaders must embrace simplification; governance structures should be redesigned to facilitate agility by eliminating processes and components that do not directly add value to the user experience.

Authors



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As founder of Insigniam and a partner at Elixirr, Ms. Bina has over 35 years of experience working with CXOs to generate and execute enterprise-wide transformation in healthcare delivery, life sciences, retail, media, and fast-moving consumer goods, and more. In 2016 and 2021, PharmaVOICE named Ms. Bina as one of the 100 Most Inspiring People in Life-Sciences, and in 2014, the Healthcare Businesswomen's Association named her Woman of the Year.



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A recognized thought leader in innovation, transformational change, strategy, and operations, Mr. Bichler has over 20 years of experience growing businesses across multiple sectors. As a partner at Elixirr, he helps clients build environments where innovation thrives—driving cultural, behavioral, and operational change. Mr. Bichler is closely connected to startup and venture capital communities in Silicon Valley, New York, London, Tel Aviv, Bangalore, and Beijing, and mentors entrepreneurs through the Envestnet | Yodlee Incubator.

ABOUT ELIXIRR

Elixirr is an award-winning global consulting firm working with clients across a diverse range of industries, markets and geographies.

Founded in 2009, the firm set out to be the 'challenger consultancy' and do things differently than the large corporate consultancies dominating the industry: working openly and collaboratively with clients from start to finish, delivering outcomes based on innovative thinking, not methodology, and treating each client's business like their own.

Elixirr has been quoted on the AIM market of the London Stock Exchange since 2020. In addition to strong organic growth, Elixirr has acquired seven boutique firms—Den Creative, Coast Digital, The Retearn Group, iOLAP, Responsum, Insigniam and Hypothesis—to grow the Group's capabilities, diversify the business, expand into new geographies and access new clients.

ABOUT INSIGNIAM

Over 35 years ago, Insigniam pioneered the field of organizational transformation. Today, Insigniam is a trusted partner to senior executives of the world's best-run companies for whom speed to transformation, breakthrough and innovation are imperatives.

By integrating our unique and potent methodology with end-to-end capabilities in terms of customer experience, strategy, AI and machine learning, data analytics, and digital optimization, we bring efficiencies and scale to clients in around the world, thereby delivering the very best that technology and being human can offer global enterprises.

We promise your people will think newly, act differently and deliver unprecedented results.®



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