As illustrated below, the primary purpose of a TOM is to enable the application of a corporate strategy or vision to a business or operation. It is a high level representation of how a company can be best organised to more efficiently and effectively deliver and execute on the organisation’s strategy. Moreover, it provides a common understanding of the organisation by allowing people to visualise the organisation from a variety of perspectives across the value chain as every significant element of business activity is represented. People, processes and technology are key components underlining any TOM and are critical to ensure its success.

**Vision and Strategy**
Analyse the vision and strategy of the organisation so that the business goals are aligned to the strategy, such as:
- Customer service
- Cost reduction
- International expansion
- Greater agility

**Target Operating Model**
Define the principles and operating model
- End to end value chain
- Front office/ back office
- Outsourcing/ shared services
- Interfaces/hand offs

**Organisation design:**
Define the organisation that will deliver the strategy:
- Organisation structures
- Role responsibilities, skills & capabilities
- Role Performance Measures KPIs

**Governance & reporting:**
Define governance arrangements and reporting requirements to run the organisation in an efficient and effective way

**Technology:**
Identify what technology is needed to deliver your products and services to your customers through your chosen channels, optimising your processes

**Process:**
Define the business and functional processes to support the business objectives

**People:**
Defining the level and capability of people required to meet the objectives and serve the customers:
- How many people do you need?
- How do you remunerate them?
- With what skills and knowledge?
- What ways of working and what culture do you need?