



17 NOVEMBER 2014

## Interview with the author of Business Model Excellence, Søren Laungaard.

//PRESS RELEASE First NorthWest Publishing

What is the prime message in Business Model Excellence? Business Model Excellence is about outperforming competition by designing speed, agility and efficiency into the company business model.

Why should people buy it? People should buy the book to learn how to accelerate their own excellence efforts, and get substantially more out of their efforts. Generating faster and better results will be of tremendous value to any company, and I wish that I could have bought this book earlier in my own career.

In what way is it different from other books you have read? The main difference is that the book covers all aspects of business models and performance, whereas many books deal with mainly one subject. Businesses are the most complex systems on Earth and optimising performance requires that several parts of the business model are improved simultaneously, and that the complex interdependencies are mastered. The focus of the book is to provide a complete, systemic and practical model that will enable companies to significantly (and sustainably) enhance their performance. This requires finding all the potential performance levers and creating a mind-set of excellence.

Can you provide examples of performance leverage from the book - and from everyday life? A simple example is running a marathon. Think about covering the same distance on a bicycle, where you can move faster using less energy. That bicycle has a multiplying effect on the efforts - that is leverage. The book outlines 48 Excellence Building Blocks and related concepts, models or tools which create leverage - for example how to optimise the company decision structures, implement lean and customer-oriented processes, design and deploy strategies, master complexity or enhance the business model maturity over time.

---

Which companies can benefit from the book - and how?

Any company - large or small - can benefit from the book when seeking to enhance their results and build their internal excellence foundation. The book will provide inspiration for how to approach different aspects of creating a superior business model, and in this way accelerate the excellence journey.

You mention that this is for companies stuck in relentless competition - what do you mean by this?

There is always a lot of hype about the stock market's darlings - for example technology companies, the rise of social media or the current hot brands - i.e. the current front-runners that enjoy above-normal profits today. However, most companies are stuck in relentless competition, finding it difficult to create an edge in the markets, and each day the competition is intensifying and the company platform is slowly eroding. These types of companies can benefit greatly from Business Model Excellence, learning how they can move ahead of competition.

Can the "hyped" companies also benefit from Business Model Excellence?

Yes, naturally, however, it is often much more difficult to accept the need for changes when you are very successful. Nevertheless, business model sustainability requires that companies always prepare for the next phase, and not only in terms of products or services. Companies should always work on the next business model configuration and the next step in business model maturity - that is, developing the next generation business model. The secret is looking beyond the current cycle and having a continuous improvement mind-set. Also the hyped companies face growing business model complexity and changes in markets and technology, and will sooner or later find themselves in positions of fierce competition.

Where does LEAN, Six Sigma, Process Excellence, Business Process Management, etc. fit into the Business Model Excellence Framework?

These are all fantastic methods - but these only constitute a small part of the complete Business Model Excellence Framework. LEAN and Six Sigma tools, etc. are thus part of the Framework together with hundreds of other useful concepts, models and tools. Different concepts and tools are required for different purposes, and it is extremely important to select and apply the correct methods when optimising performance.

---

How long time will it take from starting applying this framework until a company will start seeing benefits?

I would say immediately. There are normally significant benefits in simply starting the journey, and the benefits will materialize gradually and depend on how aggressive the rollout is. Naturally, the framework is very comprehensive and it will take years to master everything, and there is certainly a learning curve to climb. True excellence requires tenacity and complex problems often take time to solve - however, the benefits are then also larger, and can create breakthroughs in performance.

A lot has already been written about strategy - what can companies learn from the strategy chapter?

The 16 Strategy Building Blocks provide a complete framework and roadmap to strategy design, while integrating the company strategy with the company operational and business governance systems. It is a way of ensuring that the strategy exploits the company potential while being executable, and it provides a straightforward method to come to the right strategy leveraging the company's current position and capabilities.

How should a leader approach implementing the Business Model Excellence Framework?

Naturally, it depends on the starting point of the company. The first step is assessing the current state of the nation. There is often a natural sequence in the work, which follows the maturity of the company, its strengths and weaknesses, and the challenges it is facing.

Does your company offer any assistance to companies in applying the framework?

This is what we have delivered to companies as part of our management-for-hire business since 2008. Now we have formalized the Business Model Excellence Framework in the book, and established the Business Model Excellence Institute, to make it accessible to a wider audience. We will of course be delighted to assist companies with getting started on the excellence journey.