

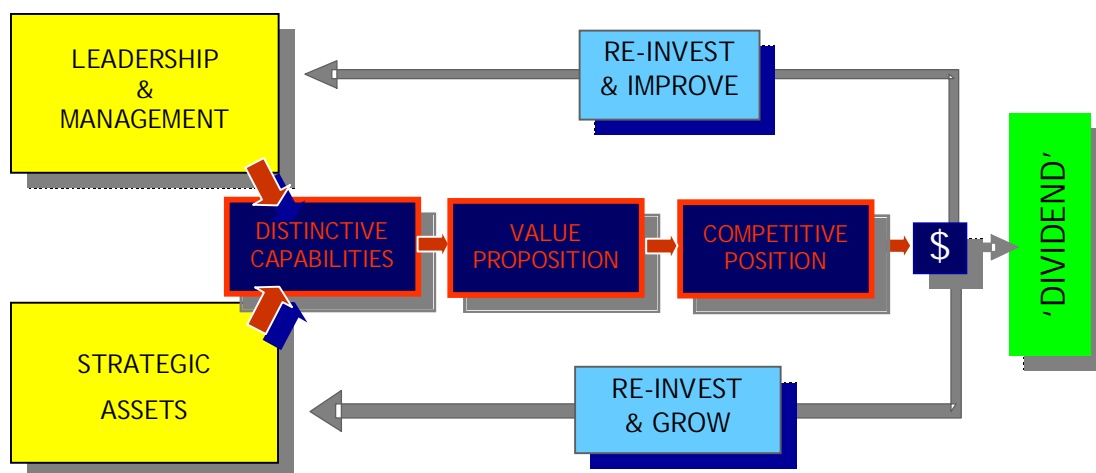
The Linnergy 'Business' Excellence Model

This particular model was faxed to me by a colleague some years ago. It was partly handwritten and very scrappy. It was sent with a note saying "you may find this interesting" and no further explanation. I did find it interesting, it 'struck a chord' with me the instant I saw it. I have been unable to trace the source and have not seen it presented anywhere since. If you are aware of where this model comes from please contact us so we can properly attribute it.

So although we call it [The Linnergy Business Excellence Model](#) it is not something we have developed or can lay claim to – we have adopted it as the way we see the foundations for developing a successful business.

As you look through the processes we use you will see how this model influences our thinking.

The reason why the title has business in inverted commas is that we see the model applying to businesses, Government Departments and Not for Profits or any other enterprise.



This model indicates that the two foundations of a successful business are:

- Leadership/Management and
- Strategic Assets.

Strategic assets are the 'real' assets of the business and are not, in most instances, the assets of the entity. The latter is what is shown in the balance sheet of the entity. Strategic assets are *the assets of the business of the entity*. What assets is the business based on? Perhaps the easiest way to understand strategic assets is by asking the question – if someone were to buy your business (assuming it were possible to do this if your 'business' is a Government Department or a not for profit organisation etc) then what would they (really) be buying? Some examples may include:

- Brand/reputation/positioning in the market etc.
- Client base/relationships/Distribution Channels/access to markets etc.
- People.
- Knowledge, systems, processes, IP etc.
- Exclusive licenses.
- Unique facilities.

...and, no doubt, you could think of many more.



Generally a business will have a small number (3 to 5) strategic assets that are essential to its positioning in the market and its future. You will also notice that most strategic assets do not appear on the balance sheet of the organisation and this often hinders management of them or even appropriate attention being given to them, yet they are the very assets that financial performance is based on!

The role of leadership and management, according to the model, is therefore to understand these strategic assets and how they can be utilised to develop:

- Distinctive capabilities which can then be turned into...
- Value propositions for clients which in turn results in...
- Competitive advantage(s) and competitive position for the business.

It is these then that give the business its position in the market so that it may attract funds (not for profit business) or 'make money' (commercial business).