



CONFLUCORE® AND SIGOMO®

Board and Management Imperatives for the 21st Century

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ConfluCore is a world-respected management consulting and executive development firm.



- **Serving exclusively 3 corporate stakeholders:**
 - **Boards**
 - **Chief Executives**
 - **Top Executive Teams**
- **Assisting them in 3 ways:**
 - **Holistic issue identifiers and problem solvers**
 - **Trusted advisors and coaches**
 - **Talent developers**
- **Focusing on futuristic initiatives and solutions:**
 - **Utilizing state-of-the-art, proprietary SIGOMO® method – respected globally**
 - **Providing complete, dynamic visualizations of organizational situations**
 - **Integrating multiple frameworks distinguishing different time horizons**
- **Founded in 2001 by world-recognized professionals who have:**
 - **Served in, and fully familiar with, the world's largest consulting companies**
 - **Held senior executive positions in Fortune-100 corporations**
 - **Authored cutting-edge management theories and practices**
- **Completed 250+ projects in 12+ industries on 6 continents**
- **Headquartered in Las Colinas – an upscale business suburb of Dallas, Texas, U.S.A.**

We have seen that corporate challenges of the 21st century are not well addressed by the prevailing traditional methods.



- **Traditional methods lack the approaches needed today as they:**
 - Base their analyses mostly on process improvement frameworks of the 1980's
 - Disregard and ignore the underlying dynamics of the business system
 - Are unable to handle the changing complexities emerging today
- **Today's changes are unlike those of the past and necessitate a dynamic approach:**
 - Crises, economic shocks, pandemics, and uncertainties are now recurrent – and not rare
 - Change is accelerating – even exponentially or fluctuating – and cannot be projected linearly
 - Past approaches that got us into today's problems will not get us out – nor help us succeed in the future
- **Tools determine the nature of the outcome:**
 - Benchmarks, correlations, quality certifications (ISO, EFQM, MBNQP, etc.), now have limited utility
 - Static outlines and views of problems yielded by traditional tools provide insufficient intuitions
 - *“...If [all] you have is a hammer, [you] treat everything as if it were a nail ...”* (Maslow)
- **What the 21st-century business leaders are needing is a method and set of tools that:**
 - Respect the nature, purpose, and potential of an organization
 - Visualize the business as it is – and should be – i.e., dynamic, living, and thriving
 - Discarding the linear, reductionist, static approaches by developing and adopting modern methods
- **This quest – for a nonlinear, holistic, dynamic approach – led us to develop SIGOMO® which provides superior insights and sustainable solutions to boards and top management**

SIGOMO® is a superior, futuristic approach based on modern tools surpassing traditional methods and excelling in results.

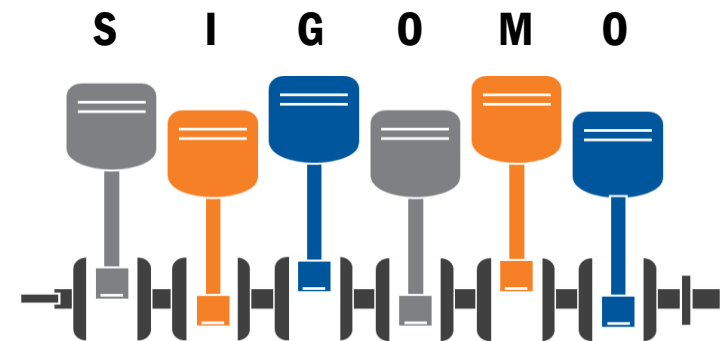


- ConfluCore's motto is: **Leading Thought** ↔ **Leading Business**
 - We challenge prevailing methods to ensure quantum leaps in management thought leadership
 - We apply thought leadership with all leaders in building and growing their business

- **SIGOMO® is a confluence of 6 core areas:**

- **STRATEGY:** Who we are; who we want to be
- **INNOVATION:** How we get to where we want to go
- **GOVERNANCE:** How we self-regulate and measure up
- **ORGANIZATION:** How we organize and change
- **MARKETING:** How we influence our stakeholders
- **OPERATIONS:** Our effectiveness and efficiencies

- **These 6 areas integrate the organizational ENGINE**



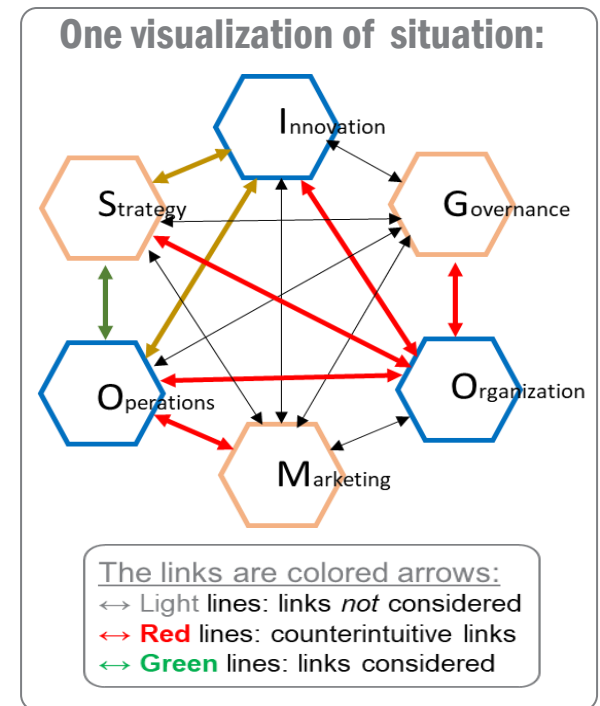
Imagine the 6 pistons powering an engine:
These must work in confluence for best performance

- **Dynamic confluence of these 6 core areas are fundamental to corporate success in the future:**
 - Each area has creative and innovative elements that must be considered in unison and be synchronized
 - These are always moving, not sidelines; exploiting Business Dynamics is essential to their confluence
 - Not all the areas ("cylinders") fire simultaneously; but they must be orchestrated optimally
- **Corporate support functions are like the axel, cam, etc., of the engine. These can be derived from and facilitate the SIGOMO® solution for your organization.**

A typical example of the application of SIGOMO® – when other methods failed to fully realize the organizational potential.

- A multi-billion dollar GCC company acquired another large company to:
 - Increase manufacturing capacity
 - Extend product portfolio
- Interactions between **S**trategy and **O**perations studied in detail for performance improvement using classical methods – engaging a top-level consulting firm.
- But, what **O**perational **I**nnovations were required to implement the strategy? These were merely skimmed over with the traditional approaches.
- Another crucial question emerged: How should the **O**rganizations be combined to optimize the unified **O**perations and **I**nnovation?
- The role of **M**arketing and its relationship to **I**nnovation to adapt to the increased capacity and extended portfolio were also overlooked.
- Missed above all was: How would the corporate Board and business CEOs apply a new **G**overnance structure for the combined **O**rganization?

Essentially, this was a typical acquisition with traditional tools resulting in an anemic outcome – with the acquiring company losing much in the process.



- ConfluCore was later called in for consultation – i.e., for second opinion – given its deep and wide expertise:
 - Applying our rich SIGOMO® method, we explained the missed and counterintuitive interactions limiting the outcomes
 - Our Causal Loops explained all the key interactions and provided a truly holistic set of recommendations to the CEO
 - We introduced and applied Business Dynamics as one of the most powerful, modern tools that helped sustaining growth
 - Synergy was created with huge innate potential of the company (and the acquired company) realized rapidly
- Working with Global-1000, we have surpassed old methods and tools, generating tremendous value for our clients.

We differentiate SIGOMO® against typical classical Consulting Methods and traditional tools prevailing in the industry.



TRADITIONAL METHODS	SIGOMO®
Classical estimates, methods, and tools – fixated in past century’s business environment	Futuristic methods: Business Dynamics, Leader Integrator, Systems Thinking, and the like
“Maximizes” individual business areas independently	Optimizes the entire business system – that makes Vision implementation highly successful
Focus on correlations providing typically short-term performance criteria	Focus on causality and the value created over multiple time horizons
Static frameworks, touting prevailing “best” practices and, “must do’s” what others do	Dynamic frameworks, with scenario simulations to facilitate the choices available to the CEO
Linear approximates and stopgap recommendations (“till the next time”)	Circular approaches explaining feedback relationships that are well managed over time
Benchmarking/ data analysis with comparative labeling to standardize roles and structures	Roles and structures are defined considering both the Vision and needed specific capabilities
Generic, one size fits-all (“playbook”)	Tailored, specific to each organization – evolved jointly with the needs of organizational leaders

We further distinguish SIGOMO® against methodologies based on Quality Management approaches of the 1980's.



- There are many quality-based improvement approaches that are very similar *but not very relevant* to all of today's complex business issues, i.e.:
 - European Foundation for Quality Management – EFQM
 - International Organization for Standardization – ISO
 - Malcolm Baldrige National Quality Program
 - Six Sigma Black Belt Certification Programs
 - And many more
- These methodologies aim to improve results by focusing on continuous performance improvement of operational execution (occasionally also strategic direction) of a business:
 1. These – by design – are limited at best to S and O areas – significantly more of O (i.e., operations).
 2. These approaches are aligned with the *stable business environment* of the 1980s.
 3. Accelerating changes in the intervening decades demand companies must transform the organization and its processes to the changing business environment as well as improve continuously.
 4. They have tried to adapt to the changes by adding more and more complexity and bureaucracy to their method, tools, and training – complicating what was originally fairly straightforward.
- SIGOMO® is based on Business Dynamics, Leader Integrator, and Systems Thinking practices:
 1. By design, comprehends all 6 key business areas and their interrelationships.
 2. Adaption to change is inherent in this method.
 3. Our approach is futuristic and succeeds in the tumultuous 21st-century business environment.
 4. Only selectively incorporate other tools and training (like TQM) *where they add value*.

ConfluCore has trusted relationships with academia, business executives, and industry leaders – who validate SIGOMO®.



- **ConfluCore partners are affiliated with leading business schools:**
 - A part of our RD&D has been critiqued at HBS, MIT, Stanford, and UTD
 - ConfluCore partners are themselves advisors and adjunct professors there
 - We are grateful for the tutelage of among the world's most respected academics
- **Industry observers and thought leaders have blessed our work since 2001:**
 - Jim Champy – World's most widely read organizational redesign authority
 - James Heskett – Foremost creator of management result measurements
 - Edgar Schein – The authority on organization, culture, and change
- **Our clients are both a source of inspiration and encouragement as well as sincere supporters of our trailblazing work:**
 - Government agencies, investment authorities, and public-private partners
 - Businesses desiring to raise their performance to their next levels
 - Implementors preparing for their multiples in ROIs, IPOs, and JVs
- **Among our hallmarks is our lean consulting:**
 - Scaling to the scope and size of the client challenge/issue
 - Assigning a team of consultants with the right confluence of expertise
 - Delivering rapid results in a collaborative, iterative manner with no surprises
- **Completed 250+ projects in 12+ industries on 6 continents**
 - Received several business and industry awards and recognitions



Appendix: A small sample of ConfluCore's leading-edge contributions in management theory and practice.



The Board-Executive Imperative: Involving Boards and Senior Executives in Supply Chains – In *Optimization of Supply Chain Management in Contemporary Organizations*, IGI Global – **Business Science Reference**, 2015 (Invited chapter and published as the very first chapter in the book).

The Strategic Management Process – In the global bestseller: *Strategic Management – Text & Cases, 10th Edition*, McGraw-Hill Education, 2021. (Included in Insights from Executives).

Business Simulations Aren't Just Fun and Games – In *BizEd*, the chronical of AOM Business Education magazine, April 2019. (Emphasizing engagement by Boards, CEOs, and Top Teams).

Dynamic Brand Management – In *The Economist* Intelligence Unit Report, *Retailing in the New Millennium*. (Chapter 7, with focus on changing from traditional branding to futuristic purposing).

Experts Say Time is Ripe for Businesses . . . – In *Dallas Business Journal*, 2014. (Interview of ConfluCore partner opinions on business growth and health in a vacillating ecosystem).

The Leader Integrator – The award-winning chapter in business bestseller, *The Leader of the Future 2*, Jossey-Bass/Wiley, 2006. (Authored exclusively by Peter Drucker's mentees).

Holistic Reengineering – In American Management Association magazine, January 1996, AMACOM. (Invited and included in Member's Spotlight).

Meeting Metaphors – Leaders Discern the Baleful and Benign Influences of Their Metaphors – In *Leader-to-Leader* magazine, New York, NY, Fall 2014.

Dr. Douglas Franco, Usman A. Ghani (Chairman), Peter Nauenberg, Dr. Curt Raschke, et. al.