

STRATEGIC INTELLIGENCE CIRCULAR real thinking, better ideas.



Q1

Is your business taking off? Or stalled on the runway...

Exploring our different perspectives: An in-depth journey into different management techniques

Managing the distribution of leadership

- In this edition we examine how capable
- managers feel with the concept of distributed leadership. Can you control it? Or is this a natural phenomenon?

Other deep-dives in this circular

- Are you considering net-contribution margins?
- What have we been reading, and why?
- Understanding your employees better.
- A.I., what could you use

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Shining a light on distributed leadership

Understanding Hierarchy: Does it even matter?

"Creativity drives change for the better."

imagine a company where every employee, regardless of their position, feels empowered to contribute their ideas and expertise.
A company where leadership isn't concentrated at the top but is distributed throughout the organisation, fostering a culture of innovation, collaboration, and shared ownership. This is the essence of distributed leadership, and it's transforming the way we think about organisational dynamics.

Distributed leadership is a paradigm shift from traditional hierarchical structures, where decision-making authority is centralised at the top. Instead, it involves sharing leadership roles, responsibilities, and influence across various levels and individuals within an organisation. By tapping into the diverse talents and perspectives of its workforce, an organisation can foster a more inclusive and adaptive work environment.



CHECKLIST FOR SUCCESS

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- Driving Innovation: When leadership is distributed, it encourages diverse viewpoints and fosters an environment where new ideas can thrive. This diversity of thought fuels creativity and problem-solving, enabling the organisation to stay ahead of the curve.
- Employee Empowerment: In a distributed leadership model, employees at all levels are empowered to take ownership of their work and contribute meaningfully to the organisation's goals. This autonomy boosts morale, engagement, and overall job satisfaction, leading to higher productivity and retention rates.

Let's have a look at some examples...



A software startup in 2020:

A software company implemented distributed leadership by encouraging cross-functional teams to collaborate on product development. This approach enabled employees from different departments to share their expertise, resulting in innovative solutions that better addressed customer needs.

Adaptability and Resilience: In today's rapidly changing business landscape, agility is key. Distributed leadership enables organisations to adapt quickly to new challenges by decentralising decision-making processes, ensuring flexibility and responsiveness.

Fostering Collaboration: When leadership is distributed, collaboration becomes an integral part of the organisational culture. Teams work cohesively towards common objectives, breaking down silos and fostering a sense of unity and camaraderie.

"Regularly evaluating your leadership span and structure is crucial. You need the right balance of oversight without overloading your managers. Get it right and you unleash productivity across the organisation." Carolyn McCall OBE, CEO of ITV plc



A healthcare company



A large healthcare organization implemented distributed leadership by forming cross-functional teams comprising doctors, nurses, administrators, and support staff. These teams were empowered to make decisions related to patient care, resource allocation, and process improvements across the organization's network of facilities. This approach fostered a culture of accountability, continuous improvement, and quicker response times to local challenges, while also developing future leaders through shared decision-making opportunities.

Key Positive Points:

Improved patient outcomes and experience through localized, collaborative decision-making.

Cultivated a strong leadership pipeline by providing opportunities for professional growth and development.

Pay heed to what your people say, and think.



Tribalism, the hidden risk.

To mitigate the risks of tribalism, organisations must prioritise inclusivity, transparency, and open communication:

Promote a Culture of Inclusivity: Encourage open dialogue, respect diverse perspectives, and actively work towards breaking down barriers that contribute to tribalistic behaviour. Provide training and resources to help employees understand and appreciate cultural differences.

Transparent Decision-Making: Ensure that decision-making processes are transparent and inclusive, with opportunities for input from all stakeholders. Clearly communicate the rationale behind decisions to foster trust and understanding.

Foster Cross-Functional Collaboration: Implement initiatives that encourage collaboration and teamwork across different departments, functions, and levels of the organisation. Cross-functional projects, job rotations, and shared workspace can help bridge divides and foster a sense of collective purpose.

Invest in Leadership Development: Equip leaders at all levels with the skills and competencies necessary to navigate complex organisational dynamics, promote inclusivity, and build cohesive teams. Provide training on effective communication, conflict resolution, and change management.

Measure and Monitor: Regularly assess the organisational culture and employee sentiment through surveys, focus groups, or other feedback mechanisms. This data can help identify potential tribalistic behaviour and inform targeted interventions.

Embracing distributed leadership.

In today's dynamic business landscape, embracing distributed leadership is not just a choice; it's an imperative for success. By unlocking the power of shared leadership and actively mitigating the risks of tribalism, organizations can cultivate a workforce primed for innovation, adaptability, and resilience.

Distributed leadership fosters a collaborative culture where diverse perspectives are valued, empowering employees at all levels to contribute meaningfully. This approach not only drives creativity and problem-solving but also enhances employee engagement, job satisfaction, and retention rates.

However, it's crucial to strike the right balance by promoting inclusivity, transparency, and open communication. Organizations that prioritize these values can navigate the potential pitfalls of tribalism, fostering a cohesive and unified workforce committed to shared goals.

In an era where agility and responsiveness are crucial, distributed leadership provides a competitive edge, enabling organizations to adapt swiftly to changing market conditions and customer needs. By decentralizing decision-making and leveraging the collective wisdom of their workforce, companies can stay ahead of the curve and outpace their rivals.

The path to long-term organizational success lies in embracing distributed leadership as a strategic imperative. By empowering their people, breaking down silos, and fostering a culture of collaboration, organizations can unlock their true potential and thrive in an ever-evolving business landscape.

Clean path



A product designed to improve your people through complex data analysis made simple.

Over 2,000 data points analysed, compared and compounded into one easy reading report about your team.

A core focus on what drives your people such as: Knowledge Psychology Ability Confidence Self-awareness Passion

Collaboration



A comprehensive overview detailing the road ahead. We're not like other analysts that provide the what without the how. Focus Shift provides a simple solutions based route forward.

Better Performance. Better Collaboration. Better Results.



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NET-CONTRIBUTION

MARGINS

WHY THEY MATTER IN YOUR BUSINESS





Set Yourself Up For Success

In the intricate realm of business management, understanding and optimising financial metrics is paramount to achieving sustainable growth and profitability. Amongst these metrics, the net contribution margin stands out as a fundamental indicator of a company's financial health and operational efficiency. Let's delve into why net contribution margins are crucial to businesses and how they wield significant influence over strategic decision-making processes.

DEFINING NET CONTRIBUTION MARGIN

In simple terms, net contribution margin represents the revenue generated from sales after deducting variable costs directly associated with producing those goods or services.

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STRATEGIC PRICING



WHY NET **CONTRIBUTION MARGINS MATTER**

Net contribution margins serve as a litmus test for the profitability of products, services, or

DECISIONS:

By understanding the cost structure and profit potential of each product or service, companies can set prices that strike a balance between maximising revenue and maintaining competitiveness

business segments.

By dissecting revenue streams and variable costs, businesses can identify which offerings are lucrative and which ones may be draining resources.



OPTIMISING RESORUCE ALLOCATION

Net contribution margins guide decision-makers in allocating resources—such as capital, people-power, and marketing efforts-towards high-margin products or services that yield the greatest returns on investment.



PERFORMANCE **EVALUATION AND IMPROVEMENT**

Net contribution margins serve as a litmus test for the profitability of products, services, or





RISK MANAGEMENT

business segments.



By understanding the cost structure and profit potential of each product or service, companies can set prices that strike a balance between maximising revenue and maintaining competitiveness

What the leaders say



"Relentlessly driving higher net margins is paramount. You must ruthlessly prioritise your most profitable products and channels. That laser-focus on the bottom line separates the winners from the also-rans."

Sir Martin Sorrell, Founder of WPP

"Thoroughly reviewing net margin contributions is vital. You must understand which products, services and channels are genuinely profitable. That clear-sighted analysis allows you to concentrate efforts on the money-spinners."

Satya Nadella, CEO of Microsoft



Book

Corner

FOR BUSINESS

Black box thinking: Matthew Syed

An interesting read on how industries differ on health, safety and approach to corporate problems. A useful insight on what you might be able to apply to your business.

FOR PLEASURE

The Ferryman: Justin Cronin

A dystopian thought process that challenges your thinking on what the world will be, can be and is. The world is not the world.

The 5%

Everytime you work wtih us we make your world better.



Why we do, what we do.

Join our movement, business

shouldn't just be about profits above people. It should be socially responsible for improving the lives around it

| | Goals | Actions | Analysis |
|---|---|---|--|
| Outreach Community engagement | To promote the interests of our customers | The quick brown fox jumped over the lazy dog into a shimmering pool. | To engage with over 50 community and local heroes to support them |
| Fundraising Laying down the road | To begin trends that encourage others to work with us on the projects we fund. | Call to action our stakeholders, friends and networks. | To raise over £100,000 for charitable causes. |
| Volunteer To lead by example | To promote our people to engage actively in volunteering. | To provide protected space for our people to work as volunteers. | To provide over 100 hours of volunteering per year per person. |
| Community To foster a strong network | To bring people together to share experiences and foster collaboration. | To actively seek to bring people together through targeted events. | Arrange over 20 events that focus on improving commonality |
| Expansion The quick brown fox jumped over the lazy dog into a shimmering pool | As our business grow so should our support for others. | Increase the numbers supported proportionate to the businesses growth. | Grow the 5% club by at least 5% each year when profitable. |

CHANGING PERSPECTIVES

PIQODIQ HAVE DEPTH

Hope is a waking dream. - Aristotle

> Quite often leaders are not looking at the people within their teams. They look at the skills they hold rather than the person as a whole. There are people within your team that can do much more than you give them credit for. We explore how you can choose a different management path. Have you ever considered that the personalities behind the people in your team are worth a lot more than you realise? Let's remove the mask on a often missed business exploit.

COLOUR MATTERS

In the kaleidoscope of team dynamics, each member brings a unique set of strengths, perspectives, and contributions. By understanding and leveraging these diverse attributes, teams can unlock their full potential and achieve collective success.

One popular framework for categorising individuals based on their strengths is the "Colours" model, which assigns different colours to represent distinct personality traits and preferences.

Let's explore how people within teams can be categorised into different colours aligned with their strengths, illuminating the vibrant spectrum of human potential. De-coding

Colour

Using your people's strengths to your businesses advantage.





Red (Dominant): Red individuals are assertive, goal-oriented, and decisive. They thrive in leadership roles, excel at making tough decisions, and are driven by a desire for results and efficiency. Reds are natural leaders who value autonomy, authority, and tangible outcomes.

Yellow (Energetic): Yellow individuals are creative, spontaneous, and optimistic. They bring enthusiasm, energy, and innovation to the team, often inspiring others with their ideas and vision. Yellows thrive in dynamic environments where they can explore new possibilities and think outside the box.



Blue (Harmonious): Blue individuals are empathetic, diplomatic, and relationship-focused. They excel at fostering teamwork, building rapport, and resolving conflicts with sensitivity and tact. Blues prioritise collaboration, communication, and emotional intelligence in their interactions.



Green (Analytical): Green individuals are analytical, detail-oriented, and methodical. They excel at problem-solving, data analysis, and strategic planning, leveraging their logical thinking and systematic approach to uncover insights and drive informed decisions. Greens value accuracy, precision, and intellectual rigour.

"The best leaders don't let their drive for success blaze out of control. They harness that inner fire, keeping it contained yet white-hot to power sustained, calculated progress." Lord Karan Bilimoria, Founder of Cobra Beer

"Unchecked passion is a ladder to ruin. Truly great leaders learn to command their fire from within, stoking it to purifying intensities while never allowing the flames to stray." Martha Lane Fox, Founder of LastMinute.com

"The passion to succeed must never be ARE A leaders control that fire within, leaders control that fire within, channeling it as an intense but focused heat source that forges great achievements." Karren Brady CBE, Vice-Chairman of West Ham United F.C. allowed to become a raging inferno

Change was here yesterday...

ARTIFICIAL INTELLIGENCE

If you're are not thinking strategically about Al prepare for a life in the slow lane.

What do we mean?

How much time do you spend thinking about automation and workflows. If not it's time to start doing your homework. This is where the real game changer will come with AI in the near future. The development of automated administration like never before.



Food for thought, something to ponder on.

We at SI&C would like to extend our gratitude for taking the time to read our publication. We sincerely hope you found the content insightful and useful. And to leave you with a thought-provoking consideration:

As artificial intelligence capabilities advance, there is potential for substantial cost reductions in professional services such as the legal sector. If AI enables more affordable litigation and legal proceedings, businesses across industries may face a surge in cases brought against them.

Whilst the timeline remains uncertain, we are confident this issue will become an eventuality firms need to prepare for.



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- Local grassroots organisations such as sports teams
- Food and clothing banks
- any registered charity of your choice such as Cancer UK.





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