Six Rules Against Complexity

Idea In Short

Stop answering complexity with more committees, processes and dashboards. Understand what your people actually do, empower the integrators who work across silos, push power toward the customer and reward cooperation while penalizing the failure to help or ask for help. Simplicity is harder to create and easier to sustain.

More Complicated Is Not the Answer

The Boston Consulting Group (BCG) built a book around an argument every Fortune 500 veteran will recognize: companies respond to complex business environments by simply getting more complicated.1 The committees multiply, the processes thicken and the dashboards and metrics breed, all because too many organizations equate management with control. It feels logical, and the authors, Yves Morieux and Peter Tollman, argue it is wrong. Companies trap themselves in a false choice between two insufficient approaches. The hard approach deploys structure, process, systems and metrics. The soft approach deploys feelings, interpersonal relationships and traits. Neither changes what people actually do, so the authors propose six simple rules built on fewer systems, more flexibility and more autonomy, nearly the opposite of control.2

Rule One: Understand What Your People Do

The starting rule sounds basic and gets violated constantly, as anyone who has watched one team mystified by another can attest. The insight underneath is generous and accurate: people always have reasons for what they do, and every behavior is a solution to a problem. Nobody comes to work wanting to do a bad job. Employees react to what looks right from their silo, a myopic view of the environment that produces sub-optimized choices. Managers who trace the local logic behind frustrating behavior find levers that no policy manual contains.

Rule Two: Reinforce the Integrators

Rather than adding rules and managerial layers, remove the unnecessary ones and concentrate on integrators, the people who get things done cross-functionally. Give them the resources, authority and incentives the job demands. This is harder than it sounds, because integrators tend to be loved or hated, precisely because they push. Their work goes beyond coordination and collaboration into genuine cooperation, which involves individual risk, pain and sacrifice. Moving work across silos is difficult, and the people who do it are an organization's scarcest asset, not its loudest problem.

Rules Three and Four: Power and Reciprocity

The third rule, increasing the total quantity of power, is the least intuitive. New centers of power can be created without reducing anyone else's, because power inside an organization is not a zero-sum game. The goal is a win-win in which people make smart decisions closer to the customer, where value actually gets added. The fourth rule increases reciprocity by enhancing connections between teams so that mutual success becomes personal success. However touchy-feely that sounds, the mechanics are hard-edged: sometimes you remove resources so people must cooperate, and you tolerate fuzziness in responsibility when the fuzz drives collaboration. Clean accountability charts that let teams ignore each other are tidier and worse.

Rules Five and Six: Time and Rewards

The fifth rule extends the shadow of the future, making clear that today's work determines tomorrow's outcomes. Tighter feedback loops, forcing teams to see how their work affected others and keeping people involved through the end all shorten the distance between action and consequence. The sixth rule may matter most and effectively summarizes the argument: reward those who cooperate. As BCG's summary explains, blame and risk aversion sit at the heart of organizational culture, and smart organizations reduce the payoff for those who fail to contribute to solutions. Performance evaluation and reward systems are the key lever, used not to punish failure but to punish the failure to help or to ask for help. One sentence of policy, an entire culture of consequences.3

A Starting Diagnostic

Leaders wondering where to begin can run a simple audit before touching any rule. Count the approvals required to serve one customer request end to end, because that number measures complicatedness better than any survey. Identify the three people who most often bridge silos, then ask whether their incentives reward the bridging or merely tolerate it. Review the last five performance cycles for anyone penalized for failing to help a peer, since a zero there means rule six exists only on paper. Finally, ask front-line teams what problem their most frustrating workaround solves, applying rule one directly. The audit takes a week, costs nothing and usually reveals that the organization already knows where its complexity hides. The rules then supply the response.

Why the Argument Lands

The case is relevant and compelling because the world keeps getting flatter, more competitive and faster, and complexity must be fought with simplicity. Organizations cannot simply manufacture more rules, processes and policies to control people. That path is dehumanizing, bureaucratic and boring. It ignores employee judgment and creativity and degrades management into mere risk avoidance, a sad and two-dimensional profession. The alternative asks more of executives, not less. Clarify your thinking, cast a vision of the future, set the strategy for getting there, empower the people who get it and make refusal to cooperate unacceptable. Retire the process zealots who elevate procedure above customers and progress. The elegant, simpler solution is harder to create and easier to sustain, which is exactly the trade a durable organization should want.

A Caveat and a Maturity Test

This medicine is not for everyone. Organizations barely surviving, suffering leadership gaps and turnover, will find that open-ended cooperation makes things worse rather than better, because the approach presumes the basics of organizational performance already exist. Freedom is harder to run than top-down bureaucracy, and making rules is always easier. Think of the six rules as the upper floors of a maturity model. The decentralized, judgment-rich organization they describe is the kind of place thoughtful and motivated people want to work, responsive to changing customer needs and, in plain speak, awesome. Getting there is a climb, and the climb is the point.

- 1Boston Consulting Group
- 2Complexity
- 3TED

Summary

Organizations meet complex environments by getting more complicated, and the cure is simplicity: understand behavior, reinforce integrators, expand power, increase reciprocity, extend the shadow of the future and reward cooperation. The approach demands maturity, and it builds workplaces where thoughtful people thrive.