

# BCG

## Smart Simplicity

[morieux.yves@bcg.com](mailto:morieux.yves@bcg.com)

August 24<sup>th</sup>, 2014

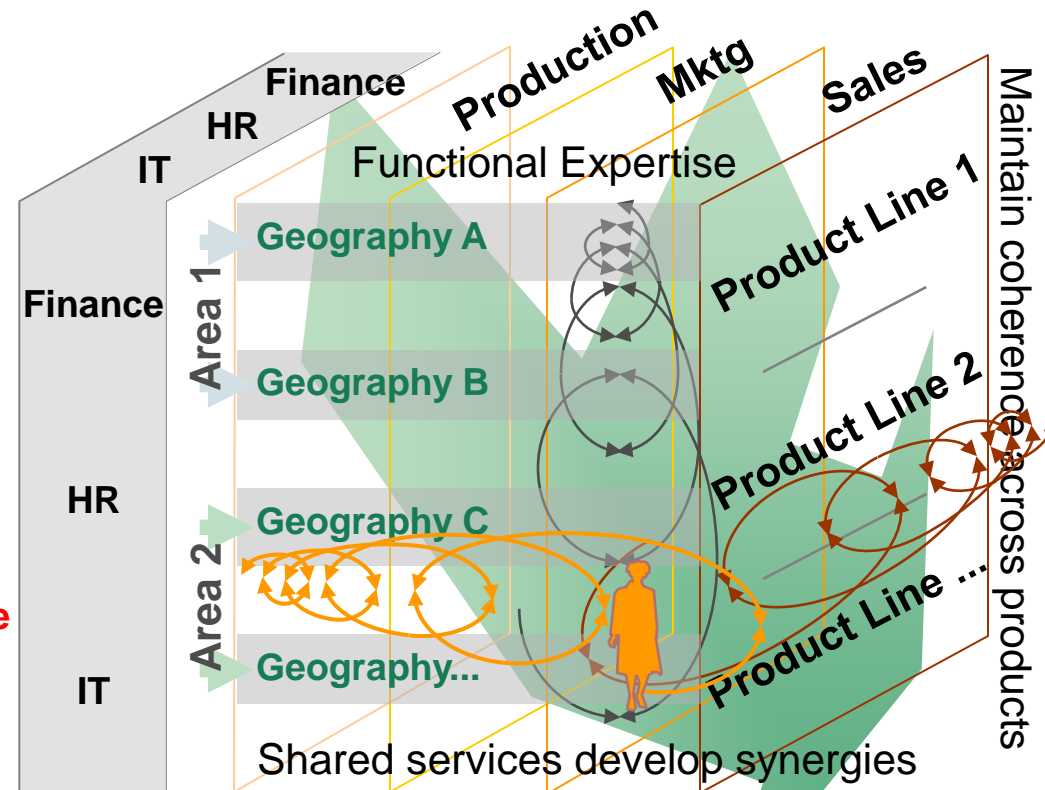
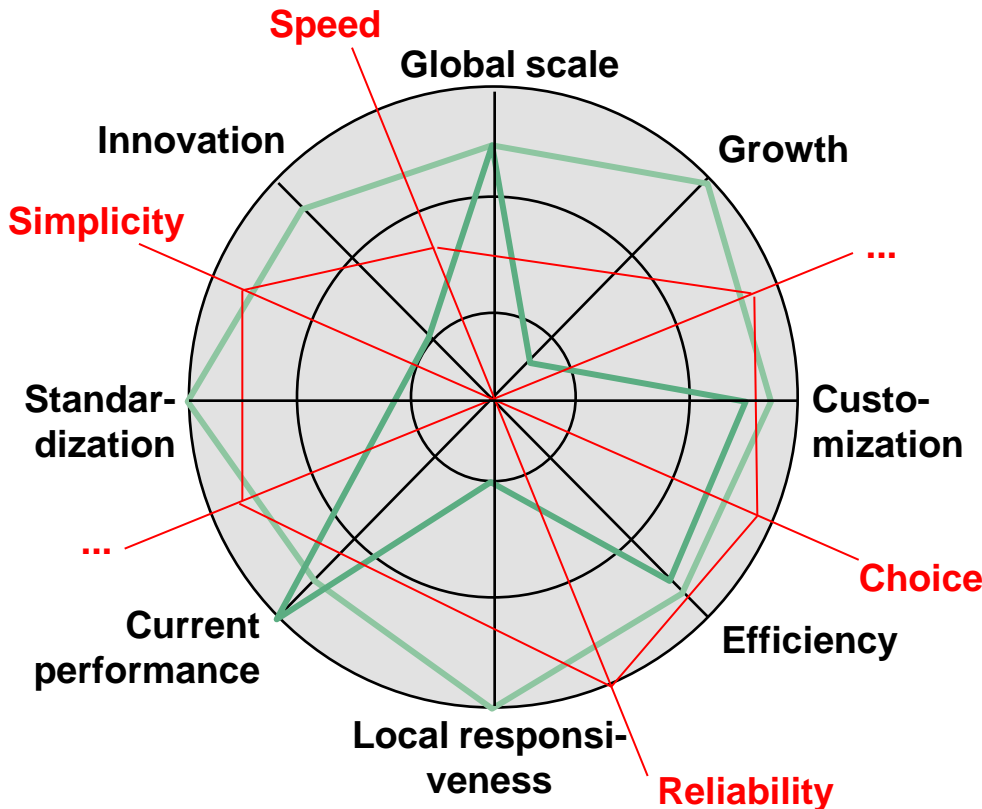
THE BOSTON CONSULTING GROUP



# Organizing for competitive advantage: Complicatedness trap

New business complexity to face

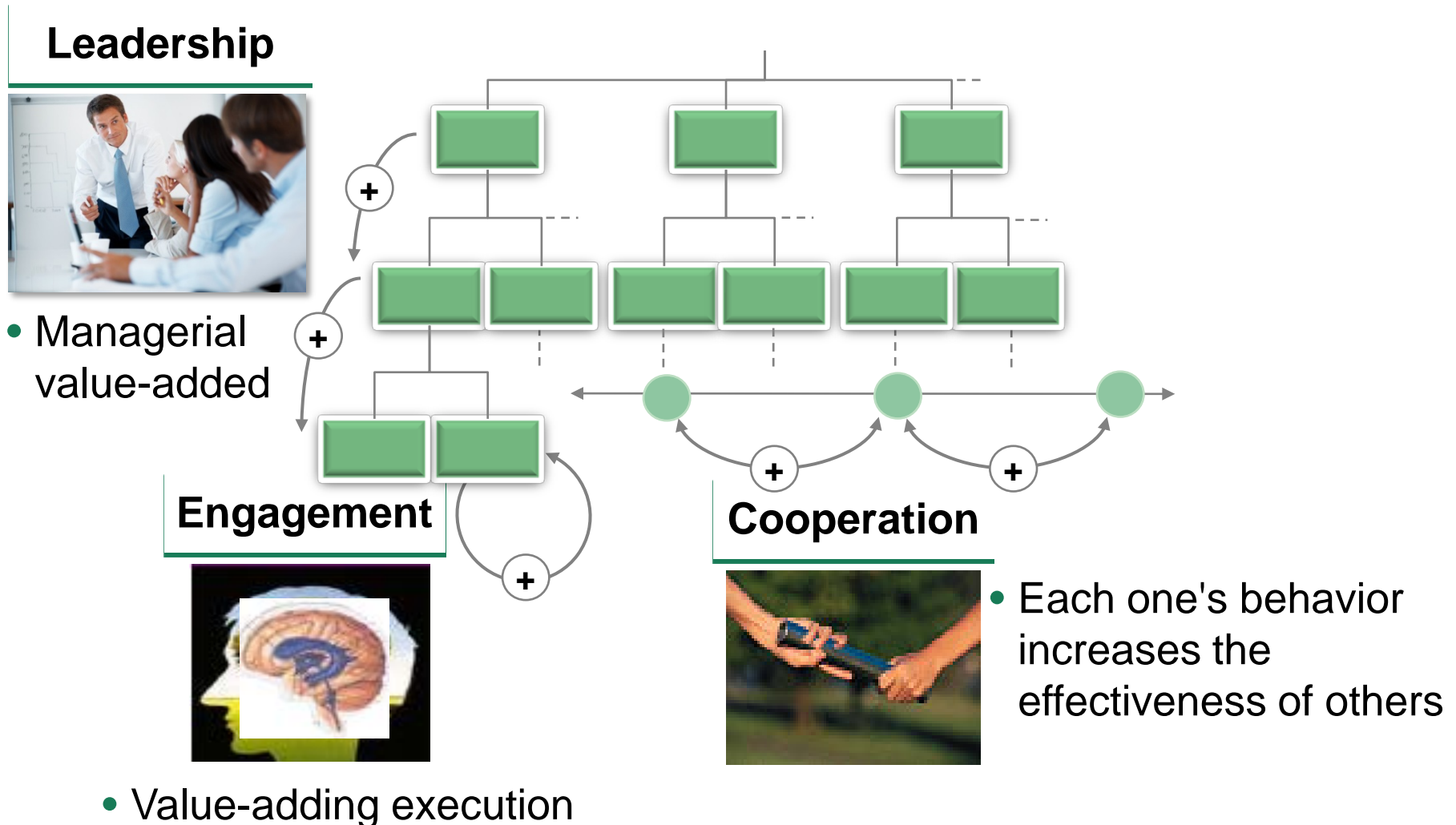
Organizational complicatedness



Source: Y. Morieux (2011), 'To Boost Productivity, Try Smart Simplicity', *BCG Perspectives*, July. Available at:

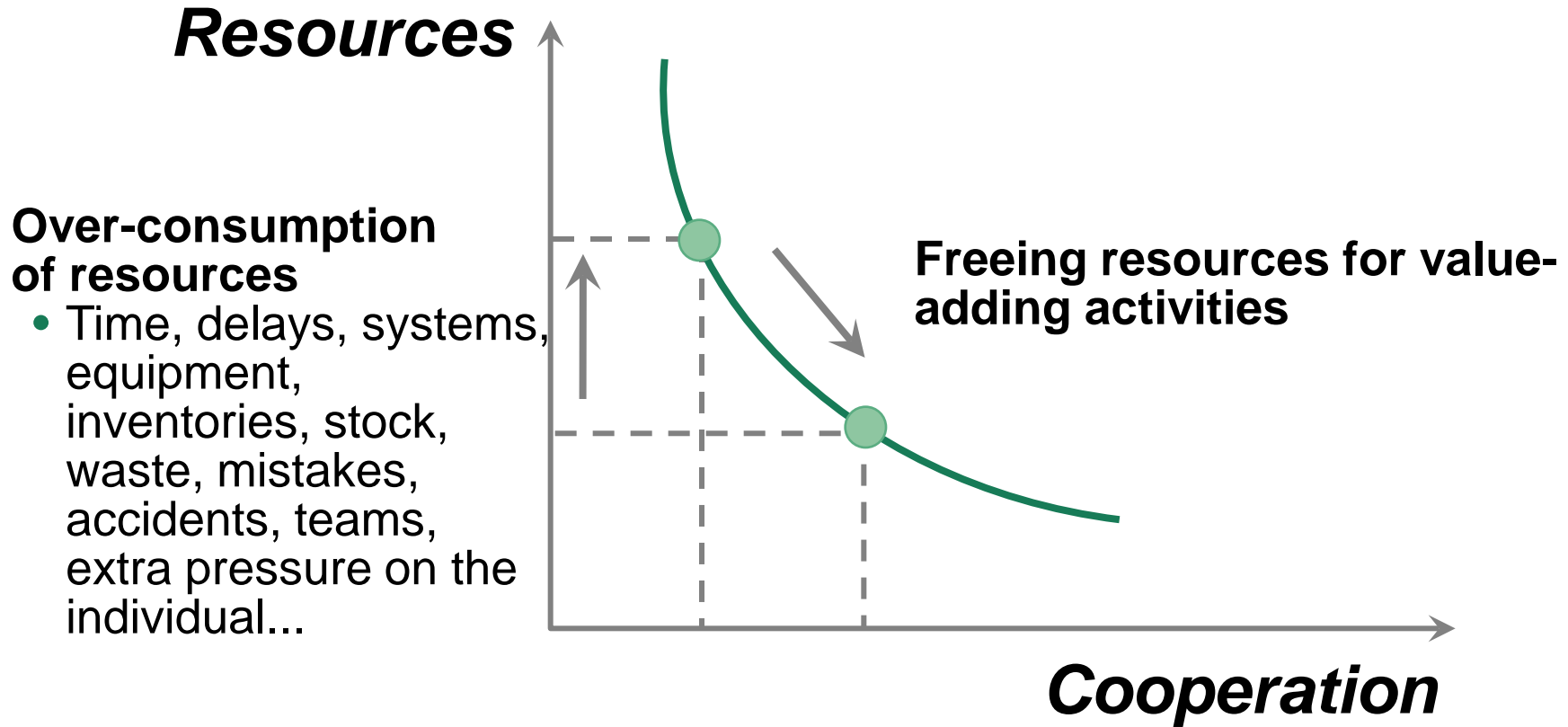
[https://www.bcgperspectives.com/content/podcasts/strategic\\_planning\\_people\\_management\\_human\\_resources\\_morieux\\_yves\\_key\\_to\\_boosting\\_productivity/](https://www.bcgperspectives.com/content/podcasts/strategic_planning_people_management_human_resources_morieux_yves_key_to_boosting_productivity/)

# Managing complexity without getting complicated: Beyond the skeleton, need the nervous system



Source: Y. Morieux (2011), 'Management: a Sociological Perspective'. In: *From Taylor to Today: The Multimedia Encyclopaedia of Organization Theory*, Erhard Friedberg (coord.), Research & Organization.

# Effect on performance



# Six Simple Rules



## Understand what your people *really* do

- Their work
- Re-cognize work



## Expand the *shadow of the future*

- Duration
- Frequency
- Inversion



## Reinforce *integrators*

- Removing rules
- Refusing escalation
- Delaying



## Increase *reciprocity*

- Rich objectives
- Cut resources
- No internal monopoly



## Increase total *quantity of power*

- To give all actors enough cards to play a more collective game

		PLAYER 1	
		Cooperate	Defect
PLAYER 2	Cooperate	5 5	0 10
	Defect	10 0	.5 .5

## Reward those who *cooperate*

- Make those who don't cooperate bear the cost

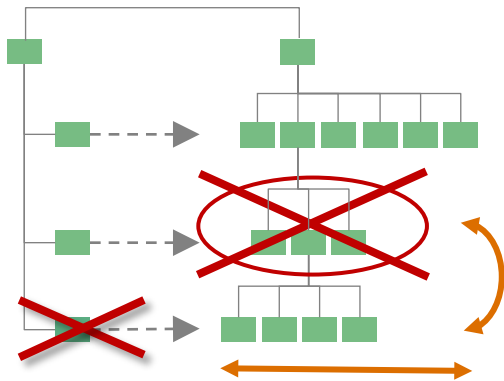
Explanations available at: <http://www.youtube.com/watch?v=irRQOWAaABk>

Source: Y. Morieux (2011), 'Smart Rules: Six Ways to Get People to Solve Problems Without You', *Harvard Business Review*, volume 89, n°9, September: pp78-86

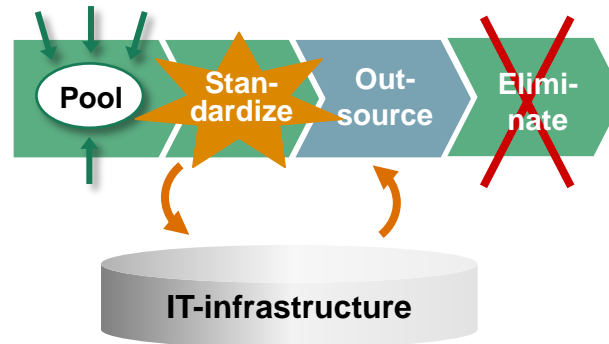
GMA-Smart Simplicity-Circ Vers-24Aug14-YM-bf-Was.pptx

# Smart Simplicity®: Advantage by simplifying the organization to better manage business complexity

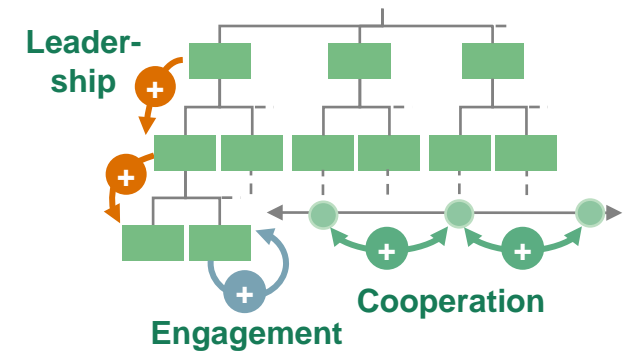
## Less structures



## No bureaucracy

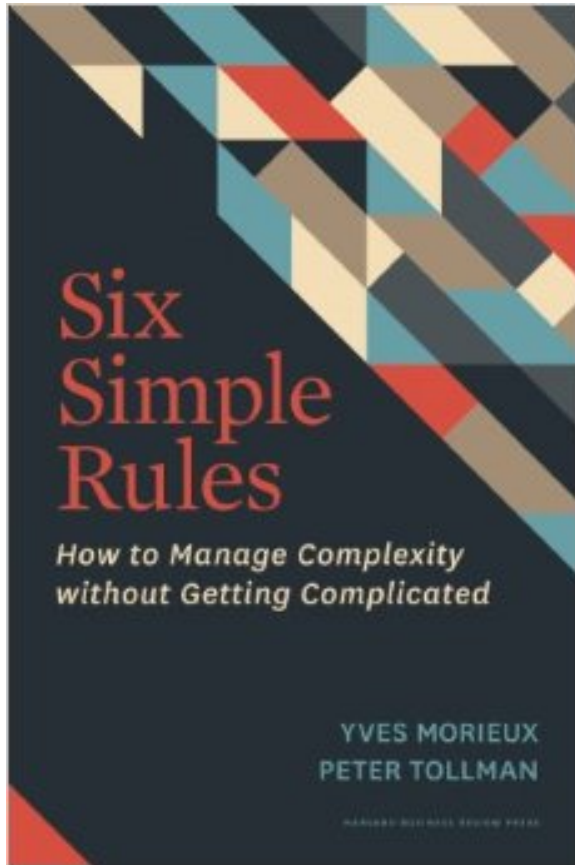


## More capabilities



Delivering more value at lower costs

# To learn more about Smart Simplicity



*"This will help those looking to increase cooperation while also removing complicatedness in their organizations"*

**Lamberto Andreotti,  
CEO, BMS**

*" For those prepared to cut through the management jungle, offer a path to a clearer future"*  
**Forbes**

*"Simplify without ignoring the new complexity of business. You can do it, thanks to the simple rules"*  
**Jørgen Vig Knudstorp, CEO, LEGO  
Group**