



**THE HUMAN FACTOR, Inc.**  
...enabling strategic agility

## Treating the Complexity Complex: One of Today's Greatest Leadership Challenges

Are you overwhelmed by how fast the world moves these days? Does it seem like everything is getting more complicated? Do you sometimes feel like you might be out of your league when it comes to leading an organization in today's chaotic markets?

Welcome to the #1 challenge for today's business leaders – managing complexity.

Most business leaders acknowledge the need to manage complexity. The problem is that many feel ill equipped to do so. In particular, they feel like their leadership training and skill sets are no longer sufficient for today's market realities.

Treating this "complexity complex" starts with identifying the symptoms. These include:

- Feeling overwhelmed with too much data
- Unable to pull the trigger on key decisions
- Same ways of thinking and doing things
- Constantly surprised by changes in your industry
- Lack of focus

If you experience one or more of these symptoms on a regular basis, complexity may be getting the better of you.

Managing complexity doesn't mean working harder or smarter because we're already doing both. And it doesn't mean getting better at managing change because most of us are already doing that as well. Rather, dealing with complexity involves making our organizations more fluid, flexible, and quick to respond. This requires moving away from static strategic planning and focusing on developing strategic *agility*.

To become more fluid and flexible:

**Get clear on winning.** Start by painting a very clear picture of what winning looks like for your organization. Your strategies for getting there may change in response to internal and external events. But when complexity comes at you like a bullet train out of control, your vision of what winning looks like will serve as the North Star that keeps everyone focused and moving in the right direction.

**Challenge your assumptions.** Often, our biggest enemies are the unspoken attitudes and beliefs we cling to (even in the face of contradictory evidence) about our customers, markets and businesses. Regularly challenge your own assumptions and learn how to recognize them in others. Deliberately seek out different perspectives, especially when they contradict what you know to be true.

**Embrace ambiguity.** Learn to get comfortable with not having all the answers. Accept that there may be more than one right answer, and have the courage to make tough decisions even when you don't have all the data.

**Make disruptive choices.** Seek new ways of delivering value that fundamentally change the customer's relationship to your products and services. Don't be afraid to shake up your market or industry. In a complex world, incremental change will not position you as a market leader.

**Reinvent customer relationships.** Learn to collaborate with customers in new and different ways. Invite them to participate in your new product and service development efforts. Use social media and other technologies to create communities around your products and services. Implement processes for staying up to date with your customers' constantly changing needs.

**Build operating dexterity.** Structure your organization so that it can realign quickly in response to unexpected events. Learn how to say "no" to opportunities that take you off focus, unless you have redefined winning and agreed to the new destination. Create laser-like focus and prioritization at every level, keeping your picture of winning visible at all times by communicating it and keeping it physically in front of people on a regular basis.

**Identify your "thought bubbles."** These are the unspoken limiting beliefs that often cause dysfunctional decisions and behaviors. They tell us we don't need to pause to get clear on winning. They cause us to overlook evidence that contradicts what we know to be true. And they get in the way of developing appropriate responses to changes in our markets. Never let a thought bubble lead you into making decisions based on invalid or outdated information.

**Make your thinking process visible.** Develop a checklist for reviewing all major decisions *before* implementing them. Evaluating the quality of information, group mindset and overall decision-making process will enable you to get things right the first time and avoid costly "do-overs."

**Practice scenario planning.** Look at demographics, trends, technologies and events external to your industry to see how they might impact your customers and markets. Gather information from a variety of sources and use the data to ask "what if?" questions. What if we are wrong on this issue? What if there is another way to look at the issue? What if there is something else we aren't seeing?

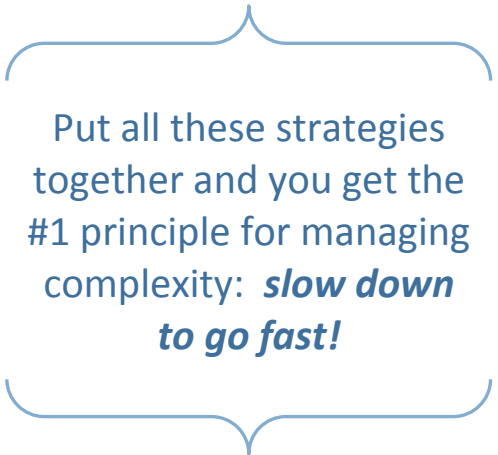
**Get everyone thinking strategically.** Teach people at all levels of the organization to anticipate opportunities and threats while managing their day-to-day tasks and responsibilities. Give them the training, coaching and mentoring to become more responsive to changing customer needs. Help them understand how their decisions and actions impact the business in the future as well as today.

**Unlearn to learn.** Learn to let go of the ideas, practices and behaviors that made you successful in the first place. Why change what worked well in the past? Because it may be based on ideas and assumptions that no longer fit today's market realities. You can't embrace new ways of delivering value to customers until you let go of the old.

**Have the courage to fail.** Accept that mistakes will happen. Instead of seeking to avoid mistakes, design plans that allow for the occasional setback. When you experience a failure, don't drag it out. Cut your losses quickly, learn from your mistake, and move on. If you're not making mistakes you're probably not keeping up with your market.

Pause to identify what has changed for your customers, your market, your industry and the world at large. Think about where you're going and what you need to do to get there. Use a framework for making and evaluating major decisions. Focus by keeping the things in front of you that contribute most to reaching your destination. And communicate constantly to keep others focused.

Once you get a clear bead on where you need to go and how to get there, implement quickly and run like the wind. Learn to manage complexity (rather than it managing you) and leave your competition behind!



Put all these strategies together and you get the #1 principle for managing complexity: *slow down to go fast!*