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Thinking

From the Editor

Herb Caen was a Pulitzer Prize-winning columnist who worked from the late 30s to the late 90s for both the *San Francisco Chronicle* and the *San Francisco Examiner*. One of his claims to fame was he coined the term beatnik. Who knew?

One his observations that I really like is, “A person begins cutting their wisdom teeth the first time they bite off more than they can chew.” It is an invitation to take risks, to stretch ourselves. In those situations, we push ourselves to get smart, to find better solutions, and consider other possibilities than those we’ve already tried.

We are in our 37th year of business and the assignments that we have enjoyed the most are those in which ourselves and our clients have taken some reasonable risks and got wiser together.

Marilyn Baetz, editor

About the Author and the Article

There is a piece of wisdom that goes like this: Make it simple but no simpler than necessary. The inclination of many leaders is to heed the first part of the maxim — make it simple — but ignore the latter — but no simpler than necessary. The result is that the rallying cry in many organizations is to simplification. In many cases there is nothing wrong with that, *if the situation calls for it.*

In this issue, Stephen warns against the urge to make the complicated simple and the complex complicated. He urges us to match the solution with the nature of the problem.

Stephen is a founder of LIVE Consultants, the organization which sponsors this publication.



Stephen Baetz

Simple, Complicated, and Complex

I'm not sure what causes me to be fascinated by some things and not by others. Electronic devices are momentarily amusing as I watch the tricks (techies would prefer that I'd say functionality) but then I move on. The odd movie sustains my interest for a week and then I can only recall a fragment of a scene as I attempt to tell others about it; I'm hopeless at remembering titles or the names of the actors who were in it. Fashion? I haven't a clue; I trust that what was "in" will come back for another curtain call so I can feel, for a moment, that I'm a trend setter.

If I paid attention to personality and preference profiles that are the outputs of the now ubiquitous questionnaires and surveys that can be found in management and leadership books and journals, they would tell me that I like ideas, that I am fascinated by systems and the patterns they create, and that I look for relationships between a *this* and a *that* and *all the others*. I like a why-question more than a when or where questions; I enjoy imagining more than maintaining. In general, I understand some of my fascinations. In particular though, I can be delightfully surprised.

My most recent fascination is understanding the differences among that which is simple, that which is complicated, and that which is complex. And if I can figure that out (and I think I can), I am wondering what happens if the response to each doesn't match its nature i.e. for example, what happens if you use a complicated response to address a simple situation or a simple response to address a complex situation or a complex response to address a complicated situation, and so on.

Frances Westley, in her book *Getting to Maybe: How the World is Changed* which she wrote with Brenda Zimmerman, and Michael Quinn Patton provided examples that illustrate the difference among simple, complicated, and complex. Baking a cake is simple. Follow the recipe and success should result. Even if you make a few minor errors you should have a cake that is, if not great, edible. Sending a rocket to the moon is complicated. In this case, each and every step of each and every process

(of which there are many) must be followed with precision. Technical knowledge and exact execution are prized in these situations. And raising a child is complex. Multiple systems interact; an already complex biological system makes contact with other people and events in an unpredictable sequence. The individual processes and interprets what happens and makes some response which causes other actions and reactions. Genetics, chemistry, events, socialization, capacity to learn, and much more come together to create a distinctive individual. Parents never know when they interact with a child what else has happened during the day and how it was handled; nor do they know what is going on in the interior and if now is the right time to talk or do something else.

What parents know, is that there is no recipe to follow; nor are there processes with steps and sub-steps that can be translated to a critical path. At best, parents have values, beliefs, principles, insights, and intuition to guide their decision making and actions.

In order to manage complexity input from many disciplines is required. A singular way of looking at the world is going to miss the mark.

It's costly to treat complex situations as if they were merely simple or complicated. The most readily available example of what happens when complexity is treated as complicated is in the area of risk management. That area is littered with disasters that happened when seemingly rigorous processes, procedures, and best practices were implemented and we found out that that effort didn't guarantee success. Risk management is complex, not complicated, and huge problems occur when complicated solutions are used on complex problems. Equally odd problems arise when the reverse occurs: complex solutions are used on complicated issues or complicated solutions on simple issues.

Matching the type of solution to the type of issue is necessary if satisfactory resolution is going to be found. There are signs that a leader can read that indicate that the type of solution does not match the type of problem. When the solution is inadequate, the problem

never goes away or it reoccurs shortly after the glow of attention disappears. In such situations, the choice is often made to redouble efforts (e.g. do more simple solutions in complicated situations). I think the assumption is that quantity will overwhelm the strength of that which is complicated.

Examples abound but here's a typical one. An organization declares that building loyal relationships with customers is a "must" in order to stave off the potential ravages of commoditization. Human Resource departments are given the task of defining what competencies are required. To their credit, they declare that "building rapport, establishing credibility, creating trust, assessing needs, resolving differences, and sustaining long-term relationships" are the essential competencies that everyone must have. After agreement is built, the Learning and Development team is dispatched to develop training and they do what they do best: they create a process, with attendant skills, and even scripts that customer-facing employees can use. Some immediate improvement is noted and management is encouraged. They decide to roll the program out to everyone. Results flatten. Efforts are redoubled.

In this case, a complex issue (building trusting, loyal relationships) was addressed with a simple solution (skill building and scripting).

Likewise, when complicated or complex solutions are used on simple problems, those affected never adopt the new approach because it is far more weighty and burdensome than common sense would dictate is necessary. All the work ends up being for naught.

There has always been a caution offered to not make something more complicated than it really is or, for that matter, more complex than it is. In many organizations, that advice has been heeded. The more frequent phenomenon is the first one I described around creating loyalty: complex problems are made simpler than they really are.

The simplification instinct runs counter to what is known by most senior leaders; they

know the challenges they and the organization face these days are either complicated or complex. Yet the response of those who design and implement is to *make the solution simple*. I can only guess why this happens: a fear that employees can't deal with something that is complicated or complex, a lack of resources that are needed to make a more complex response, a desire to have a quick (and simple) fix, a fear that more complex responses will result in overwhelming changes, a preference to chunk, and the list goes on. Whatever the reason, underestimating complexity and making responses too simple are a waste of time.

A Way Forward

What do you do to avoid the problems associated with mismatching solutions and situations?

One. Develop an ability to distinguish the simple, from the complicated, from the complex. Simple situations stand alone and everything that affects the situation is visible and concrete. If the problem persists, the associated costs are low. Complicated situations have a series of if-then relationships, that are visible, and the cost of a persisting, complicated situation is high. Complex situations are webs of interacting systems with many of the variables hidden from view and the cost of not addressing them can only be seen years in the future.

Two. If the situation is simple, develop a step-by-step resolution and give it to people who have a strong bias for action. If the situation is complicated, gather well-trained project managers together and ask them to chunk, design, develop, and co-ordinate. If the situation is complex, talk with people from a variety of disciplines and, better yet, get them talking to each other. Get them to define the systems that are at work. Never ask them to come up with a long-term plan; instead ask them to define an approach with principles, values, and core beliefs that should guide action. And then take some action and learn from it. Think, act, reflect, adjust.

If you want to get everybody on the same page ...



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