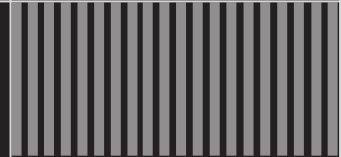
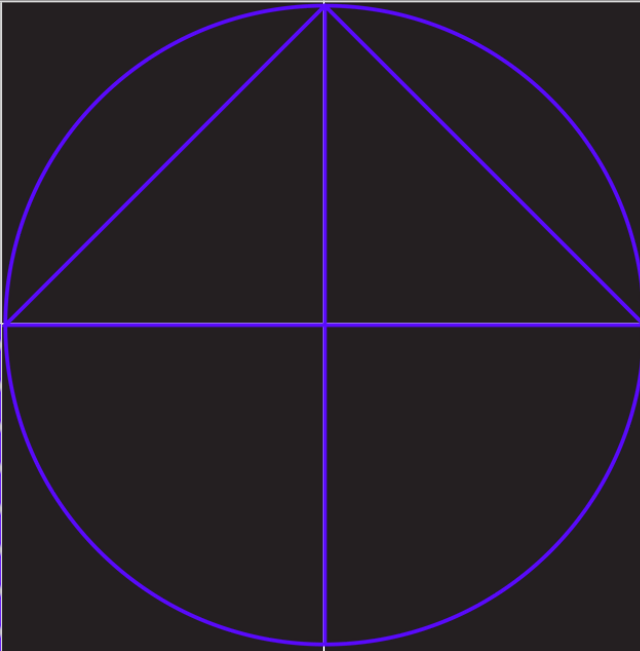
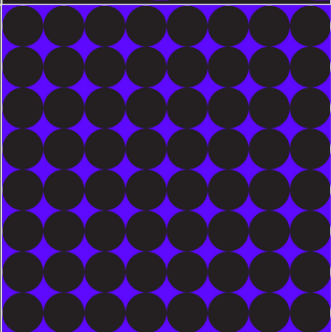
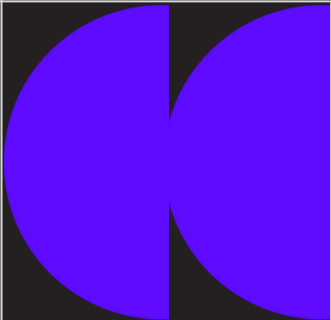


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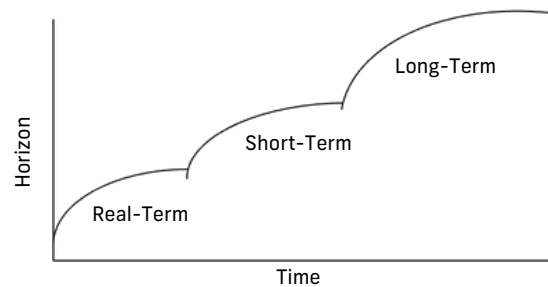
Session 17 Key INsights:

SIMPLE RULES FOR A COMPLEX WORLD



INsights On Simple Rules

Using simple rules for strategy keeps strategies adaptable, manageable, and applicable in complex and evolving environments. Time is central to strategy. Utilize defined time frames and prioritize rhythm over speed. The organization is responsible for driving strategy forward.



Real-Term Growth Strategy

Best Practices

- Simple rules are best applied to repeated processes.
- Focus on a few simple rules for each key strategic process.
- Limit # of simple rules for each process to 3-6.
- Rules are not universal and remain organizationally and situationally specific.
- Rules are intended to provide both efficiency and flexibility.

Exercise: Defining Simple Rules for the Real-Term

- Pick a key strategic process that occurs repeatedly.
- Define simple rules for managing the process that address the following:
 - selection criteria for entering the process;
 - how priority is determined within the process;
 - the process/steps of the process;
 - the timing of the process; and
 - exit criteria for leaving the process.
- Periodically reassess whether the defined rules are the right rules for the process.
Do you have too many rules? Or too few?

Short-Term Growth Strategy

Best Practices

- Short-term growth strategy parallels genetic evolution:
 - traditional businesses and people are combined or integrated with new ones;
 - new businesses refresh traditional ones;
 - multiple growth drivers influence changes over time;
 - there are multiple scales of change over time; and
 - existing businesses are culled.

- Inverse power law for scale of change.
- Emphasis is on integration and adaption of the of old with the new.

Exercise: Gene Sequence

- Define the gene sequence of your core business.
- Duplicate the gene sequence, then change 1 gene and explore the barriers and opportunities that this opens up for leveraging existing experience in new ways.
- Repeat the process, this time changing 2 genes. 1 or 2 genes at a time.

Technology	>	
Product	>	
Manufacturing	>	
Customer	>	
Channel	>	
Geography	>	
Brand	>	

Long-Term Growth Strategy

Best Practices

- Probe the future. There are a wide variety of low-cost probes; for each probe, define hypotheses of what you predict to find before conducting your experiment
- Manage the number of probes, not just the type. More probes, more variety, with more uncertainty.

Exercise: Gene Sequence

- At different points of the clock around the outer circle fill in different types of probes/experiments (e.g., product prototype, futurists, small acquisition, R&D project, focus group, brainstorm offsite, etc.)
- For each probe you defined in step 1, draw an arrow from the centre to the relevant time horizon it is most applicable for.
- Evaluate your probe screen and determine an approach based on your matching of probes to respective timeframes

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