

A 3D chessboard is superimposed on a glowing blue globe of the Earth. The chessboard's grid lines are a bright cyan color. Various chess pieces, including pawns, knights, and kings, are scattered across the board in both black and white. The lighting is dramatic, with a bright light source from the right creating a strong glow and casting long shadows.

**Are you good  
at playing  
3-Dimensional  
chess?**

All thoughts must be distilled into action and action that brings results.

# Industry leaders say that managing the complexity of a global business is their toughest challenge.



So what's the best way to position all your pieces on the board? Tim Durston, Client Partner at Celerant Consulting UK, explains how to avoid obstacles and seize opportunities.



**F**or 21st Century business leaders 3-Dimensional chess is a deadly serious game. Consider just a few of the pieces on the global board that need careful handling. On the lowest level you own multiple business units, a multicultural workforce and supply chain networks. Moving up a level there are shifting customer demands, sustainability issues, regulatory systems and geopolitics. While on the top level there's financial performance, the 24-hour demands of the internet and the menacing figures of your competition. There's also one further complexity - do you know if you're playing black or white?

### Less haste, more speed

Complexity affects every aspect of a global business, from day-to-day operations at the lowest level right up to senior management strategic planning. So much so, that economies of scale, scope and skills can often appear in danger of being checkmated by the 'economies of complexity.'

Very few organisations have really come to grips with the strategic challenge of improving market share and driving innovation and profitability, while managing complexity in the process. The good news is that excessive complexity can be reversed and prevented and if you can identify the unique nature of the complexity in your company, a third of the task is already behind you.

The skill is knowing how to untangle the two broad categories of complexity - the natural complexity associated with any major organisation, its processes and working methods and the sector specific complexity, which can include anything from scarcity of resources to currency trading to global geopolitics and regulation.

The current global economic downturn has also exacerbated both categories. The uncertainty of future markets has forced businesses to concentrate on what's important for them to be able to remain robust players, whether it's cash generation, the hunt for market share, sweating the invested capital asset base, or reducing operating costs. So an increased demand for speed has come into play. Chains of command have been reduced, decision-making made more fluid, and the frequency of specific actions increased - with the risk of mistaking haste for speed.

The key to managing complexity is to help people install systems that are designed to listen to the market even more intently than usual and to develop processes that can adapt to what it's saying.

### Turning market complexity into a competitive advantage

Celerant Consulting has run more than 1,500 projects across the globe involving varying degrees of complexity. Our approach focuses

on three dimensions for the achievement of business performance: Understanding customer standards, eliminating structural divergence and minimising process complexity. We know there's no silver-bullet solution that can be universally applied, but whatever the industrial sector, company size or its level of globalisation, our experience has shown that the fundamental areas that need to be considered to effectively manage complexity are:

- **Asset Management - Talking effectively to work efficiently:** Streamlining both your communication and processes will have a positive effect on managing your resources.
- **Process Excellence - Fitting the process to the purpose:** Improving and aligning all your processes will drive better results and ensure they can adapt to rapidly changing market conditions.
- **Business Performance Management - Minimising internal clutter:** Identifying ways to reduce the complexity of your operational systems will improve your whole response to it.
- **Organisational Effectiveness - Releasing workforce potential:** Capitalising on effective teamwork and individual accountability will power your whole organisation to new levels of success.

### Turn an obstacle into an opportunity

The involvement of people at every level of your organisation is key to finding the equilibrium between global performance and local efficiency. Management must pay particular attention to

the human factor and its impact within the company, particularly during times of economic stress. This is often both the problem of, and the solution to, complexity.

As soon as businesses try to change internal behaviours and working methods, the human factor kicks in. The political, and even the emotional, dimension is therefore strongly felt by all concerned. This is particularly true for organisations with multiple operational sites where multiculturalism is an additional source of complexity.

To transform diversity into a powerful asset, standardisation must be reconciled with an adaptation to specific local conditions. Simplification projects must therefore envisage a differentiated implementation. It's also important to remember that behaviours differ depending on hierarchy levels. The perception of the problems facing an organisation is simply not the same for a manager as it is for someone in the field, because they both anticipate quite different risks to their jobs and remuneration.

### Keeping global brands rolling off the line

For many companies though, the current economic crisis - a vector of complexity from many perspectives - has been seen as a unifying factor, because it immediately created a shared sense of urgency at all levels of the business and in all divisions. It became simpler to motivate the

entire workforce around projects that would help to secure their future. A prime example of this is the work Celerant has done with Sidel Group.

As a world leader in liquid foods packaging solutions, Sidel has installed 20,000 machines in over 150 countries, but recent installation cost and lead time overruns meant it wasn't meeting client expectations. The customer is king, so Celerant was appointed to drive a global Change Programme to enhance customer satisfaction and reduce installation costs by 23 percent by decreasing installation lead time, improving installation quality before leaving manufacturing facilities, sharing best practices and developing management and technical skills at all levels to create a culture of Continuous Improvement.

The project was deployed over 15 months in Europe, Africa, Latin America, North America, Great China and South East Asia Pacific and jointly managed by an international Celerant - Sidel team.

### Behavioural change at every level

Celerant developed and implemented common working practices that would avoid any extra costs linked to quality issues and provide more reliable solutions for Sidel's clients. The big challenge was to implement these solutions globally in six different commercial zones, each managing its activity in an autonomous way

and involving 500 people from Field Technicians to Vice Presidents. Behavioural Change Management was therefore a critical aspect of the project, so that everyone became involved in the new ways of working and the creation of a culture of Continuous Improvement.

Celerant drove this by providing more than 400 Closework coaching sessions at every level, gaining people's trust and a high level of commitment. In the space of just a couple of months, shared reporting tools, effective process measurements and efficient decision making that linked every level from bottom to top were designed and installed across the globe. Today, all the engineering processes are more efficient, shared and understood within the six commercial zones.

That's a clear demonstration that managing complexity is like playing 3-Dimensional chess and if you understand customer standards, eliminate structural divergence and minimise process complexity, you will win. If you also have a genuine ability to adapt, an unwavering implementation of your principles and a real belief in the players around you, you will win big.

For a presentation on 'The Celerant Approach to Managing Complexity' email: [tim.durston@celerantconsulting.com](mailto:tim.durston@celerantconsulting.com) or call + 44 20 8338 5000.

*For over 20 years, Celerant Consulting has delivered successful, sustainable change for world leading companies. Our expertise covers the entire spectrum of the Operations Management ecosystem, with a core focus on Performance Improvement and Behavioural Change Management. Every project is a strategic partnership where we get down on the ground to identify and analyse a Client's most significant business challenges, then work with them to drive up results. We implement customised solutions that capitalise on existing systems, processes and people - and deliver substantial benefits. We change business for good and over 90% of our Clients say they would work with us again.*

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