

Learning to Live with Complexity

September 01, 2011

In just a short time, most businesses have gone from complicated to complex: They contain numerous diverse, interdependent parts. This makes managers' jobs much more difficult.

- They can't predict what will happen when various parts of the business interact; the same starting conditions may yield different results.
- Seemingly simple actions produce unintended consequences.
- Human beings' cognitive limits mean that no manager can understand all aspects of the business—but many refuse to acknowledge those limits.
- Rare events can be more significant than average ones—and may occur more often than we think.

Managers can navigate these difficulties by making fundamental changes to how they approach key tasks:

- Forecasting
- Mitigating risks
- Making tradeoffs
- Ensuring diversity of thought

Read the full article online: <http://hbr.org/2011/09/learning-to-live-with-complexity/ar/1>

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