Think Simple

How Smart Leaders
Defeat Complexity
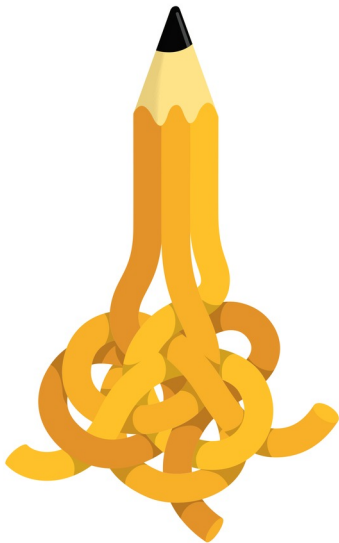
Ken Segall

Introduction
Simplicity Isn't Simple

Simplicity is one of the most deceptive concepts on earth.

It's arguably the most potent weapon in business—attracting customers, motivating employees, outthinking competitors, and creating new efficiencies. Yet rarely is it as simple as it looks.

Simplicity takes work.

But, as more and more companies around the world are discovering, the ROI on simplicity can be astonishingly high. Simplicity can power a company to amazing growth or revive a company that's become mired in complexity.

While clients and customers see simplicity as an end result, the reality is that it's so much more. It's a philosophy and a methodology, and it can be implemented at every level of an organization. It can transform a company internally and change the way it's perceived by others.

I often feel like I have the easiest job on earth. It's not like I have to convince the world that simplicity is a good thing. We all know that. Obviously, customers are attracted to companies that offer simpler solutions. Employees are more motivated when the work environment is less complex,

and prospects respond best to communications that register quickly and clearly.

These things are a given. The challenge is this: How exactly does a company make the journey "from here to simplicity"? That's what this book is all about.

Becoming an Agent of Simplicity

It's no wonder complexity has become so entrenched in this world. It's had a few thousand years to dig in. One could say that complexity is actually a side effect of civilization.

The more we discover, the more we invent, the more we advance, the more complicated life becomes. Which is ironic, given that so many innovations are meant to simplify.

It would be convenient to blame the current state of the world's complexity on technology, but we have to face the facts. The real culprit is us. We're human. It's in our DNA to prefer simpler things, yet we so often open the door to complexity.

That's because being complicated is easy. Making things simpler is the more challenging task, and one that is often neglected. Nowhere is this more true than in the world of business.

As our companies grow, we dream up new ways to manage, organize, communicate, and compete. We do it all with the best of intentions, but things get complicated along the way. Internal structures grow more complex. Product lines expand. Processes proliferate. Levels of hierarchy multiply. People start defending their turf. Meetings begin to consume our days.

We do it all in the name of achieving consistent, repeatable success, but we pay the price by sacrificing simplicity. Business just isn't as frictionless as it once was. That beautiful focus present at a company's inception becomes nothing more than a plaque on the wall or a dedication in a fifty-page employee manual.

If the signs of complexity are present in your business, you're not alone. In fact, you're among the vast majority of companies in this world. The good news is, where there is complexity, there is also opportunity.

You can become an agent of simplicity. You can put your company on a course to undo the complexity that has taken root over time. Or, if your company is currently enjoying the fruits of simplicity, you can help lay the groundwork to ensure that it can resist the forces of complexity that will inevitably appear.

My previous book, *Insanely Simple*, was based on observations gained from twelve years working as Steve Jobs's advertising agency creative director, first with NeXT and then with Apple. I saw firsthand that Steve looked at everything through the lens of simplicity. His obsession with simplicity was not only visible in Apple's products, but you could see it in the way the company organized, innovated, advertised, sold at retail, and provided customer service.

In practice, simplicity was Steve's most powerful business weapon. It helped Apple distinguish its products and create entirely new product categories, and it put distance between Apple and its competitors. But, while Apple is a terrific example of a company that has been propelled by the power of simplicity, it is hardly alone.

Heroes of Simplicity

Inspired by the ways Apple has benefited from the power of simplicity, I set out to find other companies that were traveling this path. I wanted to learn more about the thinking of their leaders. I felt that if I could chronicle the experiences of those who have successfully simplified, it would be an invaluable guide for those who would like to do the same.

This book is the result of my journey into simplicity in companies around the world.

Over the course of three years, I searched for the smartest, most inventive spokespeople for simplicity that I could find. I landed some of my

interviews the old-fashioned way: I begged. I also picked the brains of former colleagues and clients and latched onto a terrific researcher who provided a treasure chest of possibilities.

I will not hide the fact that I had a blast doing the research. I felt privileged to meet a number of leaders I have long admired and to have my eyes opened in unexpected ways by the leaders of some truly fascinating companies.

Many of the "heroes of simplicity" profiled in this book wouldn't be found on your list of usual suspects. By the time I'd finished my research, I'd had conversations with over forty men and women from a wide range of industries in many countries. I'd talked to leaders from companies big and small, established and up-and-coming, famous and under the radar. I'd looked at businesses local, national, and international.

Each leader has a fascinating point of view about how simplicity has helped improve his or her company and set it apart from competitors. Each is unique, yet, as you'll find, many display interesting similarities.

From Jerry Greenfield you'll hear how Ben & Jerry's grew from local to global without losing its focus and simple values. From the CEO of one of Australia's biggest banks you'll hear how simplicity is attracting new customers. From former Apple senior VP Ron Johnson you'll hear how a simple idea aligned the team creating the worldwide network of Apple Stores.

You'll discover how simplicity influences the CEOs of The Container Store and Whole Foods. You'll get insights on simplification from the worlds of fashion, automobiles, entertainment, and technology. You'll even get inside the blue heads of the Blue Man Group, who developed a business strategy to defeat complexity before it could take root.

My goal is to use the experience and success of these leaders to give you an advantage before you even start to simplify—whatever business you're in. The thinking of these people will inspire you to look at your company in a different light. Hopefully, a simpler light.

The Universal Advantage

Obviously, start-ups and small companies have an easier time leveraging the power of simplicity. It's the nature of small groups to have greater focus, as they haven't yet had to deal with the creeping effects of complexity that show up over time.

The challenge for these types of companies is to understand the importance of their simpler ways and hold on to them as they get bigger.

For big companies, simplification presents a world of challenges. Many believe that simplifying a global company with thousands of employees is a lost cause. Not true. It isn't easy, but it is hardly impossible. Again, Apple serves as a good example.

In 1997, when Steve Jobs returned to the company after eleven years in exile, he found a global organization in miserable shape. The innovative, spritely Apple he had known had become bloated and mediocre. The company was only ninety days from bankruptcy.

We all know what happened next. Steve performed a major overhaul and turned Apple into the most valuable company on earth in a span of only fourteen years. Steve was many things: visionary, dreamer, innovator, and natural leader. However, he was not a magician. He changed Apple by taking a commonsense, one-step-at-a-time approach.

He turned an unfocused organization into a place where everyone understood the journey ahead and the part they were to play. He simplified the corporate structure, he simplified the product line, and he simplified the marketing. As Steve himself would explain after the company became a global powerhouse, Apple was "the world's biggest start-up."

Not every business leader is a Steve Jobs. But every business leader can be inspired by Apple's transformation and realize that spectacular gains can be realized by leveraging the power of simplicity.

The truth is, every company stands to benefit from simplification. In companies where simplicity can't be built into the products, it can certainly be built into the organization—in the processes that form its backbone, the way it communicates internally, and the way it connects with customers.

Perception Versus Reality

The irony of simplicity is that it often appears to be something it is not.

For example, a product, service, or website might appear to be simple, but creating it likely involved passionate debate and hard work by a devoted group over a long period of time. Customers don't see that. What they see is the simplicity that results.

So the truth is, there is really no such thing as simplicity. What we're talking about is the *perception* of simplicity. It's what the customer takes away from the experience.

Few can explain the technology beneath the display of their trusty tablet, yet what they see is the simplest PC in history. Automobiles incorporate complex systems few can comprehend, but driving is simple. The workings of the power grid are beyond the comprehension of most, yet anyone can flip a light switch.

Even something as wonderfully simple as ice cream conceals its inner complexity. When I sat down with Jerry Greenfield, cofounder of Ben & Jerry's, "perception versus reality" was one of the first topics that came up.

> *What strikes me when talking about simplicity is that in some ways Ben & Jerry's is a little bit the opposite. We've chosen to do certain things that are more complex than others are willing to do—or even try to do. Our hallmark is a selection of interesting flavors with big chunks of cookies, candy, and swirls.*
>
> *Your classic ice cream machinery is only designed to handle small bits of things. We were kind of the first to figure out how to add in those big chunks. It's very complicated to do this on a large scale, but to our customers it looks simple.*

That's the wonder of simplicity. It may be nothing more than perception, but it has the power to drive a business.

Faster, Better, Cheaper—Pick Three

One of the first computer ads I ever wrote was for IBM Personal Computers. Back then I had precious little experience to draw upon and a serious lack of confidence, so I was eager to absorb everything I could.

Lesson number one came from a manic commercial director in Los Angeles. At the start of preproduction he stood at the head of the table and delivered a speech to the agency creative team, producers, account managers, and IBM marketing people.

Calm at first, his speech soon escalated into a full-scale rant that was scary enough for me to vividly remember decades later. His point was that he, as the director, had to juggle three things: quality, cost, and speed. The bad news was that we could choose only two.

"Take your choice!" he screamed. "If you want me to shoot this commercial fast and cheap, fine, but it isn't going to be great. If you want a great spot fast, you're going to have to spend more." And so on.

To be honest, I don't remember which two we chose. Since that's one commercial I haven't shared with a soul since, I'm thinking it was quality that got short shrift.

For some time I believed this was a basic rule of business in general, and not just advertising production. However, several years and several clients later, I began an association with someone who proved that it's only a rule if you allow it to be a rule: Steve Jobs. Time and time again, Steve demonstrated that quality, speed, and cost can coexist quite nicely. The secret is to not let complexity get in the way.

Steve preferred to work with a small group of smart people, and he was a tireless protector of the creative thinking that came out of that group. With fewer people involved and a lack of overanalysis, we spent less money. Without endless rounds of approvals and revisions, we created faster. And the work that resulted was of award-winning quality.

We had unrestricted access to the ultimate decision maker (Steve), and we never even dreamed of subjecting our advertising to focus-group testing.

And guess what—despite the fact that we had none of the elaborate

checks and balances in our system that were mandatory in the worlds of Dell, Intel, and Microsoft, we created better advertising. Apple consistently captured people's attention with interesting, entertaining ads that memorably communicated what it had to offer.

It's no coincidence that this level of work resulted from a system that was infinitely less complicated.

Don't let anyone tell you that "faster, better, and cheaper" is unattainable. But do bear in mind that it can never be achieved within an organization that clings to complicated processes.

The Science of Simple

Simplicity plays a role in every business. The problem is, it's not always given the attention it deserves. I believe that's because many people take simplicity for granted and don't feel a compelling need to understand how and why it impacts their business.

I spoke to a digital design firm in London called Foolproof, which has dived deeply into the nature of simplicity, with a goal of creating websites that better connect with customers.

Foolproof's partners and cofounders, Tom Wood and Peter Ballard, came from the world of Virgin Money, a progressive consumer champion brand that was wrestling with a problem. Its marketing team had succeeded in getting people to the company's website, but visitors weren't buying much when they got there.

As part of the Virgin team, Tom and Peter ran some cheap and easy tests to see if small changes to their site might have an effect on the conversion rate. What they found was that even small changes in page layout, typography, color, content, and design could have a *huge* effect. In this they sensed a business opportunity and created Foolproof, which bills itself as an "experience design agency."

A small company at first, Foolproof has now expanded beyond the UK's borders. Its client list includes major technology companies, banks, airlines, and media companies. These are the types of organizations that

often find themselves with a "complication in the system." That is, they tend to overcomplicate the experience customers have on their website.

Foolproof's job is to simplify that experience. It does so by promoting the concept of "flow," a theory put forward by Hungarian psychologist Mihaly Csikszentmihalyi. His thesis is that when you're in a process that creates flow, you don't know you're in a process because it's so intuitive.

Driving a car is a good example, says Tom. When you don't know how to drive a car, it seems complicated. There are many things to be aware of, and the consequences of screwing something up range from frustrating to life-threatening. But once you know how to drive a car, it's quite simple. You can even talk while you're doing it. You're in a state of flow.

Applying the idea of flow to interaction design, Foolproof tries to create a journey that is so beautifully clear that visitors aren't conscious of the design or the process. They're simply having a good experience.

Psychologically the state of flow is a form of happiness. You know what you've done, you know what to do next, and you know where this is going. As Tom explains it, you're content to live in this moment and you don't seek distractions.

> *In creating a state of flow, one must not only create the positive experience— one must avoid the negative and distracting experiences. Generally speaking, you need to avoid such states as anxiety, worry, and boredom. Looking at design this way, anything you do that increases the sense of flow adds to the positive experience. But when you give someone the tiniest split second where you break that bubble, you put the flow at risk.*

I'm quite enamored with the concept of flow. It's the closest I've seen to a scientific explanation of why simplicity works. Flow is an excellent goal for any business trying to engage customers, and it's useful in creating a more productive work environment for employees as well. But like all good things, it takes dedication to achieve.

The Road to Simple

The path to a simpler business is marked fairly well, but since every business is unique, there is no standard formula. You'll need to do a bit of improvising.

That said, as I interviewed my subjects, a number of themes arose that are applicable to just about every business. Each chapter in this book is devoted to one of those themes—nine in all. By the book's end you'll find it easier to put together your own road map to simplicity.

Be prepared, because you may well encounter resistance as you put the theories into practice. Try not to let the naysayers depress you, and certainly don't let them sway you. There will always be people uncomfortable with change and those who will work to thwart you, consciously or subconsciously.

This is where you may need to channel a bit of Steve Jobs. There were principles on which Steve would never compromise. Simplicity was one of them, and his belief in simplicity helped turn Apple into such a spectacular success. That kind of tenacity will serve you well.

This is the start of your road to simple. Safe travels.