

# Simplification Tool

## Simplification Metrics



### Simplification Process:

- 1 – Awareness
- 2 – Identification
- 3 – Prioritization
- 4 – Execution
- 5 – Habit Formation

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## WHY THIS TOOL?

Since we can monitor only what we measure, this tool is designed to track results of your Simplification Tactics across the business. Trackable metrics can be hard and quantifiable, or soft and qualitative, but each one should focus on a part of your business that needs to be simplified. From a reduction in reports or hiring layers to an increase in employee retention, the right metrics will support your business goals and encourage positive behavioral change. An essential exercise in this program, Simplification Metrics will serve as your guidepost (and ideally, proof of your simplification success).

## HOW IT WORKS

**SUGGESTED AUDIENCE:**

- Relevant for leaders, teams, and/or business units

**SET-UP:**

- Assign a scribe to capture discussion on whiteboard or flipchart in meeting

**RECOMMENDED TIMING:**

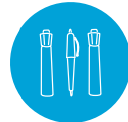
|   |                        |
|---|------------------------|
| Step 1. Identify + discuss simplification objectives: | 60 mins.               |
| Step 2. Select simplification metrics:                | 30 mins.               |
| Step 3. Discuss proposed metrics:                     | 30 mins.               |
| Step 4. Establish baseline,* goals, + timing:         | 20 – 60 mins.          |
|   | <b>110 – 150 mins.</b> |

*\*Research may be required*

## MATERIALS:



Worksheets  
(emailed or provided to each participant in meeting)



Colored whiteboard markers  
(separating ideas by color will help organize your thoughts)



Whiteboard or flipcharts



## Simplification Tool

### Simplification Metrics

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#### STEP 1: IDENTIFY + DISCUSS SIMPLIFICATION OBJECTIVES

As a group, use the following questions to discuss your objectives for simplification and the types of metrics that will enable you to track your simplification efforts.

- In which areas of our business will simplifying have the biggest impact?

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- Which key processes and systems should be simplified to create that impact?

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- What short-term changes will achieve the quick wins we need to gain momentum for simplification?

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- What long-term changes do we expect to accomplish through simplification?

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- Which behaviors inside our organization need to change? Which simplification behaviors should become habitual?

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- What types of results will indicate that we've reached our simplification goals?

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- How will we make our selection and monitoring of metrics visible to everyone in the organization?

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### STEP 2: SELECT SIMPLIFICATION METRICS

Refer to your completed Complexity Diagnostic for business areas and habits that are bottlenecking your business. From the metrics in this tool, choose 5-7—a manageable sweet spot—to track across your business, and feel free to create custom metrics in the blank spaces provided. Keep the following in mind:

- **Connect metrics to your organization's overall strategy.** Choose metrics that benefit both your business unit *and* the entire company.
- **Be mindful of unintended consequences.** If you want to track “amount of cost savings from eliminated meetings,” make sure that metric doesn't push people to blindly eliminate as many meetings as possible. For example, an existing daily huddle for a project team may be preventing redundancies and increasing workflow. Eliminating a valuable meeting like this could end up costing the organization money, so communicate objectives along with metrics. Consider customizing any metric (i.e. track cost savings by eliminating *long* meetings) with the potential for negative side effects.

| VISION/COMMUNICATION METRICS |   | ORG. STRUCTURE METRICS   |   | HR METRICS               |   | STRATEGY/PLANNING METRICS |  | OPERATIONAL METRICS      |   |                          |   |
|------------------------------|---|--------------------------|---|--------------------------|---|---------------------------|--|--------------------------|---|--------------------------|---|
| <input type="checkbox"/>     | Decrease in time spent communicating on irrelevant social media channels                  | <input type="checkbox"/> | Increase in staff decision-making due to simplified org. structure                  | <input type="checkbox"/> | Decrease in number of approval layers for hiring qualified candidates | <input type="checkbox"/>  | Decrease in number of approval committees                                | <input type="checkbox"/> | Number of contracts shortened   | <input type="checkbox"/> | Decrease in number of required sign-offs/signatures for approval              |
| <input type="checkbox"/>     | Decrease in number of jargon statements in communication from senior leaders to employees | <input type="checkbox"/> | Increased communication between teams or divisions due to simplified org. structure | <input type="checkbox"/> | Decrease in number of performance assessment criteria                 | <input type="checkbox"/>  | Amount of time saved from decreasing number of approval committees       | <input type="checkbox"/> | Amount of time saved through shortened contracts                        | <input type="checkbox"/> | Employees are actively cutting red tape out of their day-to-day activities    |
| <input type="checkbox"/>     | Increase in conversations about elimination and simplification among senior management    | <input type="checkbox"/> | Increased sense of empowerment among employees due to simplified org. structure     | <input type="checkbox"/> | Amount of time saved from reducing performance assessment criteria    | <input type="checkbox"/>  | Decrease in amount of time to finalize and approve annual strategic plan | <input type="checkbox"/> | Decrease in employee help-desk requests for basic troubleshooting       | <input type="checkbox"/> | Increase in consistency of processes within and across lines of business      |
| <input type="checkbox"/>     | Increase in staff comprehension of why simplification is valuable to the business         |                          |   | <input type="checkbox"/> | Increase in number of bonuses or rewards administered for simplifying | <input type="checkbox"/>  | Decrease in amount of time to finalize and approve annual fiscal budget  | <input type="checkbox"/> | Increase in time employees now spend interacting with clients/customers | <input type="checkbox"/> | Decrease in time to process requests or approvals from employees or customers |
|                              |   |                          |   | <input type="checkbox"/> | Decrease in full-time equivalents (FTEs) from simplification effort   |                           |  | <input type="checkbox"/> | Decrease in customer-service response time to customers/clients         | <input type="checkbox"/> | Number of policies, processes, or procedures simplified                       |
|                              |   |                          |   | <input type="checkbox"/> | Increase in number of employees trained in simplification             |                           |  | <input type="checkbox"/> | Decrease in number of active vendors                                    | <input type="checkbox"/> | Number of processes automated   |
|                              |   |                          |   | <input type="checkbox"/> | Number of duplicate functions eliminated                              |                           |  | <input type="checkbox"/> | Decrease in customer/client/ vendor questions about our contracts       | <input type="checkbox"/> | Amount of time saved from automating processes                                |
|                              |   |                          |   | <input type="checkbox"/> | Amount of cost savings from eliminating duplicate functions           |                           |  | <input type="checkbox"/> | Amount of time saved from eliminated forms                              |                          |   |
|                              |   |                          |   | <input type="checkbox"/> | Increase in number of people recognized for simplifying               |                           |  | <input type="checkbox"/> | Number of redundancies eliminated                                       |                          |   |
|                              |   |                          |   | <input type="checkbox"/> | Decrease in number of new or existing HR policies                     |                           |  | <input type="checkbox"/> | Amount of time saved from eliminating redundancies                      |                          |   |
|                              |   |                          |   | <input type="checkbox"/> | Increase in positive feedback about culture in employee surveys       |                           |  | <input type="checkbox"/> | Increase in number of projects completed on time                        |                          |   |
|                              |   |                          |   | <input type="checkbox"/> | Increase in employee-retention rate                                   |                           |  | <input type="checkbox"/> | Number of stupid rules killed   |                          |   |
|                              |   |                          |   | <input type="checkbox"/> | Decrease in regrettable turnover                                      |                           |  | <input type="checkbox"/> | Number of stupid tasks killed   |                          |   |
|                              |   |                          |   | <input type="checkbox"/> | Increase in employee satisfaction                                     |                           |  | <input type="checkbox"/> | Number of forms eliminated  |                          |   |

| PRODUCT/SERVICE METRICS  | MEETINGS METRICS  | EMAIL/CALLS/ VOICEMAIL METRICS   | REPORT METRICS  | PRESENTATION METRICS   | VALUE OF STAFF TIME METRICS   |
|--|---|--|---|--|---|
| <input type="checkbox"/> Number of steps or layers removed from our product-development process  | <input type="checkbox"/> Number of meetings eliminated  | <input type="checkbox"/> Decrease in total volume of internal emails   | <input type="checkbox"/> Number of reports killed   | <input type="checkbox"/> Amount of time saved by eliminating PPTs from internal meetings                       | <input type="checkbox"/> Number of activities eliminated to make room for new ones                                      |
| <input type="checkbox"/> Decrease in number of steps to access or interact with customers        | <input type="checkbox"/> Decrease in amount of time employees spend in meetings                   | <input type="checkbox"/> Amount of time saved from decreasing internal calls to 12 mins., 25 mins. or 50 mins. | <input type="checkbox"/> Amount of time saved from eliminating unnecessary reports          | <input type="checkbox"/> Amount of time saved from implementation of Google docs or other collaboration tools  | <input type="checkbox"/> Increase in productivity due to establishing black-out periods for uninterrupted ideation time |
| <input type="checkbox"/> Number of underperforming projects eliminated from development pipeline | <input type="checkbox"/> Amount of cost savings from eliminated meetings                          | <input type="checkbox"/> Amount of time saved from limiting cc's on internal emails                            | <input type="checkbox"/> Reduction in number of reports reviewed in decision-making process | <input type="checkbox"/> Amount of time saved from using simple formatting and fewer graphics in presentations | <input type="checkbox"/> Amount of time saved from channeling similar tasks to 1 source                                 |
| <input type="checkbox"/> Decrease in customer concerns about our products, services, or website  | <input type="checkbox"/> Amount of time saved from simplifying materials for internal meetings    | <input type="checkbox"/> Amount of money saved from eliminating voicemail                                      | <input type="checkbox"/> Reduction in duplicate information gathered for reports            |  | <input type="checkbox"/> Amount of money saved from channeling similar tasks to 1 source                                |
| <input type="checkbox"/> Decrease in time to market for new products/services                    | <input type="checkbox"/> Decrease in overall volume of internal meeting invitations               | <input type="checkbox"/> Amount of time saved by shifting weekly calls to bimonthly                            | <input type="checkbox"/> Amount of time saved from reducing duplicate work for reports      |  | <input type="checkbox"/> Number of tasks eliminated through simplifying sessions or bureaucracy busters                 |
| <input type="checkbox"/> Number of products, services, or SKUs phased out                        | <input type="checkbox"/> Increase in number of people declining meeting invitations               | <input type="checkbox"/> Increase in productivity due to establishing email-free time zones                    |   |  | <input type="checkbox"/> Amount of time saved on tasks eliminated in simplifying sessions or bureaucracy busters        |
| <input type="checkbox"/> Increase in positive feedback from customers or clients                 | <input type="checkbox"/> Increase in conversations and comfort levels around eliminating meetings |  |   |  | <input type="checkbox"/> Employees appear less overwhelmed by their workload  |

### STEP 3: DISCUSS PROPOSED METRICS

Discuss the following as a group:

- Which 5-7 metrics did each of us choose?
- Which of these metrics address our objectives for quick wins, long-term changes, or behavior shifts?
- Are we in consensus about our 5-7 metrics? (If not, take a team vote.)



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#### STEP 4: ESTABLISH BASELINE, GOALS, + TIMING

A current baseline is required to track the progress for each simplification metric. If “number of reports killed” is one of your metrics and your business unit currently generates 30 reports a year, then 30 is your baseline. (Additional research may be needed to complete this step.) As you establish goals and timing, be realistic. You want to motivate teams—not set people up for failure—so share goals and timelines across the organization, and be open to feedback.

| OUR METRICS  | CURRENT BASELINE<br>(Where does it stand today?) | GOAL<br>(Where do we want it to be?)                              | TIMING<br>(When should we achieve this?) |
|--|--|---|--|
| <i>Example: Decrease in amount of time spent in meetings.</i>                          | 40%  | 20%   | <i>One year from now.</i>                |
| <i>Example: Decrease in number of approval layers for hiring qualified candidates.</i> | 3  | <i>1 approval layer below director level; 2 for levels above.</i> | <i>Immediately.</i>                      |
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## TIPS FOR SUCCESS

**Test your metrics.** Do employees actually understand the metrics, the goals, and their individual role in tracking simplification? Pilot test your metrics with a small group before your formal rollout and make adjustments, if necessary.

**Designate trackers.** Avoid underreporting by channeling data for each metric back to 1 source, and communicating who's responsible for tracking what.

**Evolve your metrics.** Check in with your metrics. If your goals were easily achieved with time to spare, be more ambitious with the goal itself or its timing.

**Stay informed.** Package a 1-sheet of your current metrics for senior leaders at every quarterly meeting. By providing data that is succinctly organized, leadership can easily make decisions that guide simplification in real time.