

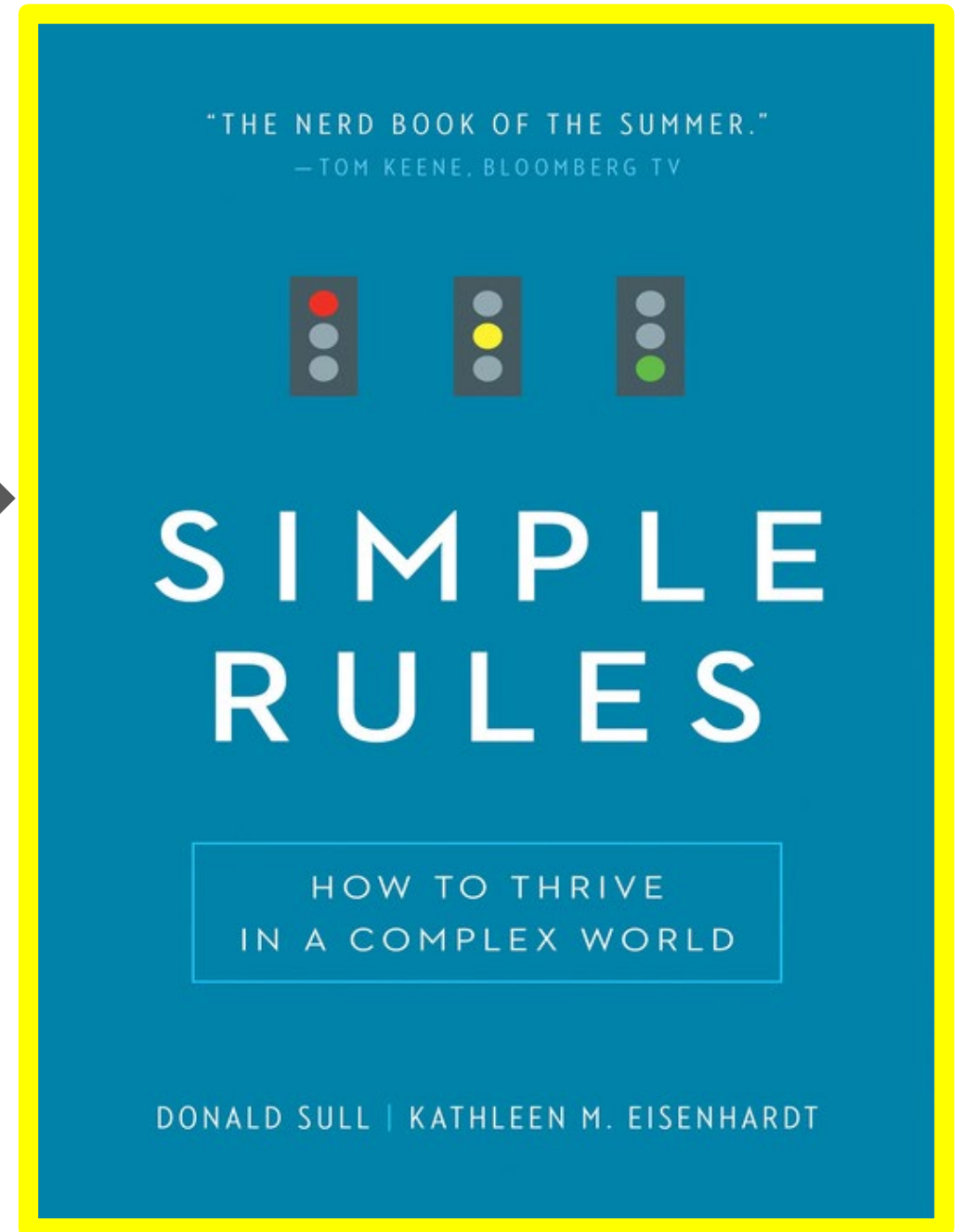
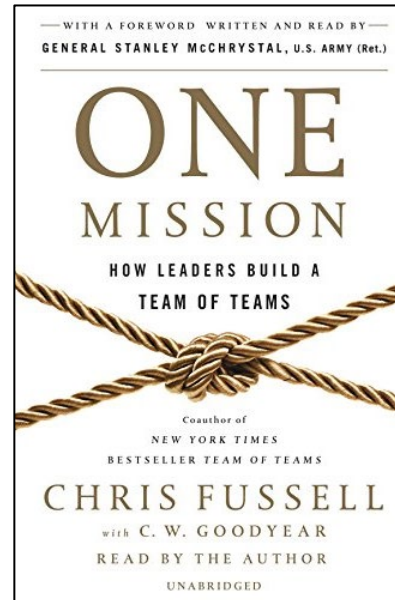
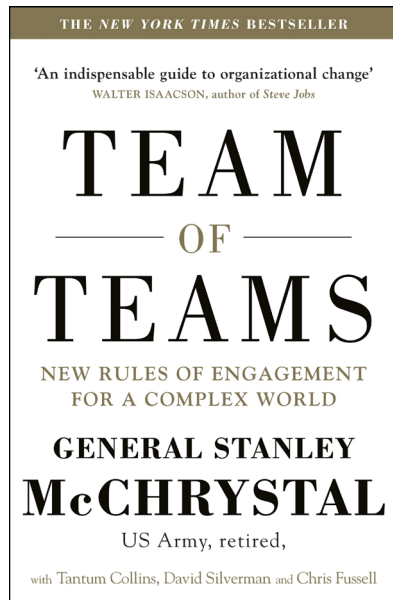


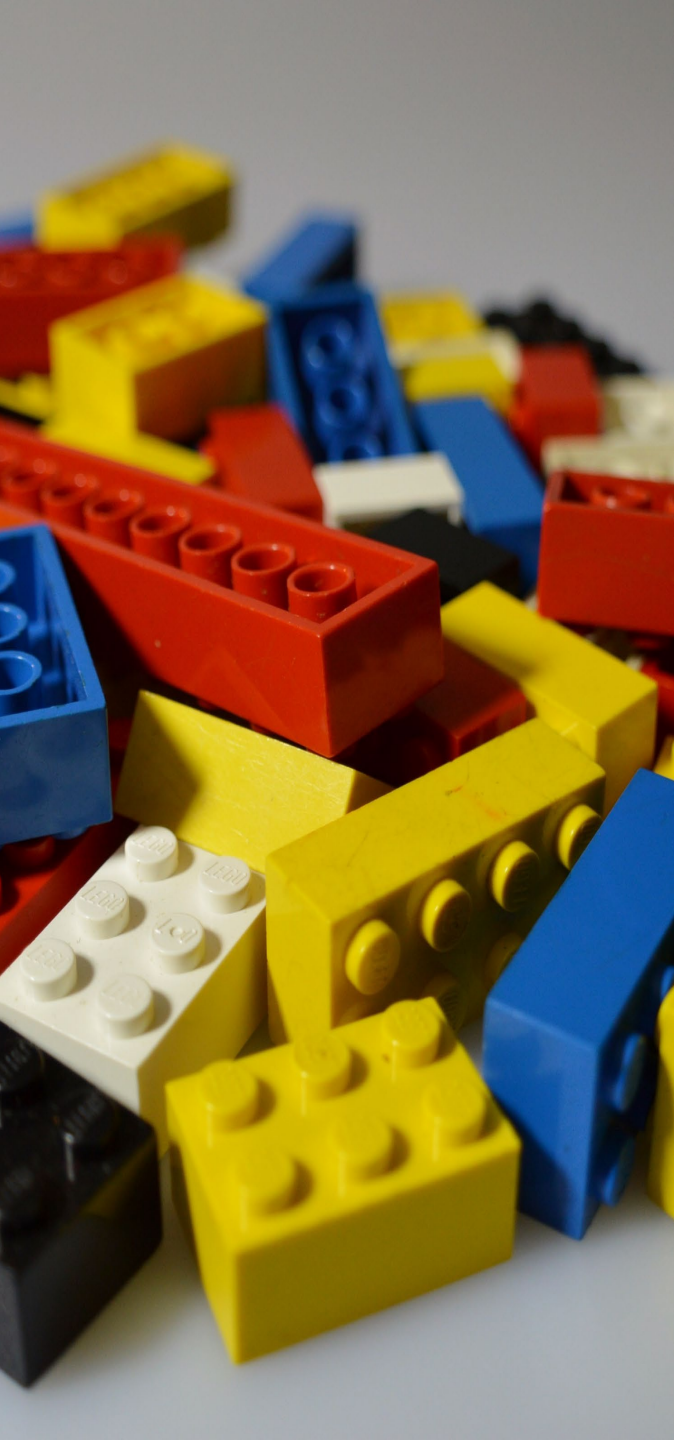
# “Simple Rules”

*‘How to Thrive in a Complex World’*

Board Meeting H&OP Minute – Kassie Bertilson

March 3, 2025





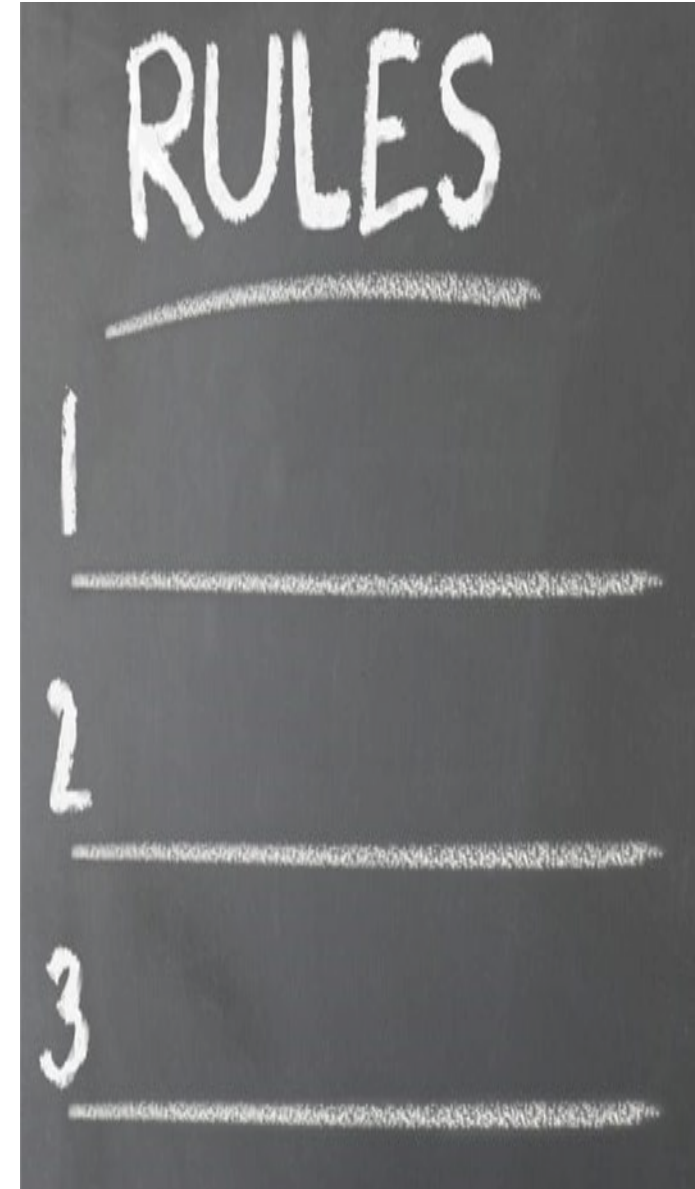
# Rapid-Changing, Complex World

- Detailed rules have a place in preventing catastrophic error.
- Meeting complexity with complexity causes more confusion.
- Both consistency & flexibility have their advantages, but increasing one reduces the other.
- Often, complex rules and regulations arise out of a distrust of human nature.
- Need to move from 'command & control' to providing guided adaptability through simple rules.

# What are Simple Rules?

= *“rules of thumb” to make decisions and act quickly & effectively.*

- Shortcut strategies that save time & effort by focusing attention and simplifying the way information is processed.
- Tailored to the user & task at hand, which balance concrete guidance with freedom to exercise judgement.
- Allow people to act without having to stop and rethink every decision.
- Provide a powerful weapon against the complexity that threatens to overwhelm individuals and organizations.



# Types of Simple Rules

What to do / What NOT to do...

1. **BOUNDARY** – (yes / no)
  - *“What is acceptable to do”*
2. **PRIORITIZING** – (ranking)
  - *“What is more important to do”*
3. **STOPPING**
  - *“What to stop doing”*

vs. How to do things better...

4. **HOW-TO**
  - *“How to guide task execution”*
5. **COORDINATION**
  - *“What to do in relation to others”*
6. **TIMING**
  - *“When to take action”*



# Benefits of Adopting Simple Rules

- Closes the gap between strategic intent and day-to-day action.
- Applies a handful of guidelines to critical activities or decisions.
- Provides flexibility to seize opportunities.
- Produces good decisions when data and time are scarce.
- Helps coordinate activities to achieve common objectives.



## **FIRST PRINCIPLES of H & OP**

- People have dignity
- Error is normal
- Blame fixes nothing
- Context drives behavior
- Learning is deliberate & vital
- Our response matters

*Questions?*

*Thank you!*

