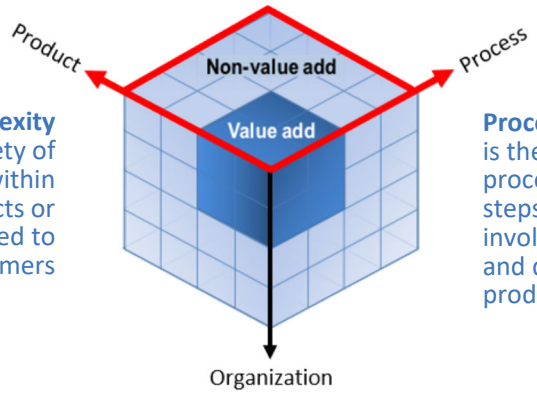
WP&C COMPLEXITY QUIZ RESULTS

PRODUCT/PROCESS COMPLEXITY



Product complexity is the variety of and variety within the products or services offered to your customers

Process complexity is the number of processes, process steps, handoffs, etc. involved in executing and delivering its products or services

Organizational complexity is the number of facilities, assets, functional entities, organizational units, systems, etc., involved in executing the processes of your organization

What is Complexity?

Complexity arises at the points of intersection and manifests as an organizational drag on profits and growth. It increases with the number of different things you have in your business. This includes the number of products and services offered, steps in a process, regions operated in, different store formats, production facilities in your footprint, suppliers used, different systems maintained, etc. As people, processes, products, and steps are added, the impacts or costs of complexity increase geometrically in an organization.

Common Symptoms of Product/Process Complexity

- A large portion of products are unprofitable, weighing down the profits of the company
- Excessively high inventory levels consume working capital and add costs
- Product shortages result in lost sales
- Product surpluses lead to markdowns, waste, and additional inventory costs
- Long lead times frustrate customers
- Frequent changeovers erode production capacity
- Service delivery, customer service, and quality levels are below par and getting worse
- Every action seems to have a negative reaction in another part of operations

Why look at complexity across multiple dimensions?

If you really want to attack the impacts of complexity in terms of cost, risk, and performance, attack the issue across at least two—and often three—dimensions of the complexity cube, such as product/process, or process/organization. As complexity arises at the intersections, only a holistic view (across multiple dimensions) will allow you to successfully extract value. Narrowing it down to one dimension will put the problem out of reach.

LET'S DISCUSS YOUR RESULTS