



RESUME OF INTERVIEW WITH RON NICOL, BOSTON CONSULTING GROUP

JOHN JOSEPH

In this interview, Ron Nicol, Senior Partner and Managing Director at BCG and John Joseph, Assistant Professor of Strategy at the University of California-Irvine, discuss BCG's approach to organizational design known as "delayering." Delayering is the process by which the layers and levels in the organization are reduced and aligned so as to provide better decision making and reduce costs. As Nicol discusses, delayering is a multi-step process based on two key concepts: the geometric nature of organizational structure and LeChatelier's Principle. Key success factors include CEO involvement, participation at multiple levels of the organization, and adherence to a carefully crafted set of design principles. Nicol also discusses the optimal structure for Fortune 500 companies and their international equivalents.