



THE GAZETTE

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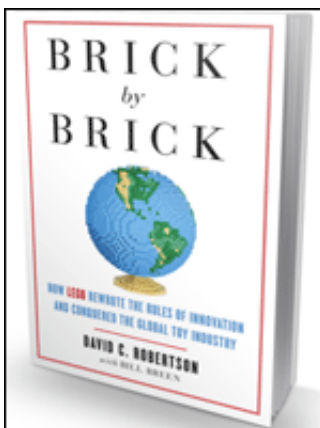
Rebounding from the brink of failure

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In the late 1990s LEGO undertook an ambitious growth strategy. By 2003 the company was in trouble. Traditional approaches to innovation; sailing for untapped "blue-ocean" markets; concocting "disruptive" innovations; and opening up its development process to the "wisdom of the crowd", led the company to the brink of financial collapse.

Soon to be released, **Brick by Brick** by David Robertson, captures the LEGO story, a family-owned company rebounding from the brink of failure, to become one of the most successful and innovative companies in the world. The LEGO story holds key take-aways for anyone interested in creating a culture of continuous innovation.

Back to basics for LEGO



[David Robertson](#) is a Professor of Practice at the Wharton School where he teaches Innovation and Product Development. He is a trained LEGO SERIOUS PLAY facilitator and uses the methodology with his students.

In early 2004 former president Kjeld Kirk Kristiansen, resumed day-to-day leadership of the company. By reducing duplication, shutting down unprofitable product lines and holding managers personally accountable for goals, Kristiansen and his leadership team slashed operating costs by \$600 million in two years.

By returning to LEGO's core values, Kristiansen and his leadership team rebuilt the company, brick-by-brick, evolving a system of sustainable leadership tools and practices that have gradually moved the organization back on course.

[Read the comic book version of the LEGO turn-around!](#)



Managing the innovation process



Seeking a way to harness the creativity of a diverse group of designers, without reigning them in, LEGO developed a new structure for strategically coordinating innovation activities, led by a cross-functional team: the Executive Innovation Governance Group. LEGO managers take a broad view of innovation that includes not only new products but pricing plans, community building, business processes, and channels to market, all of which can be powerful business drivers. The company distributes responsibilities for innovation in all areas across four groups and expects different degrees of innovativeness from each of them.

Download the full HBR article
about LEGO's Innovation
process

By reinventing the way it manages innovation the LEGO Group has become one of the most successful companies in the world. Over the past 5 years, it has grown sales by an average of 24% per year, and profits at 40% per year.

Calendar of Events

Schedule for upcoming LEGO SERIOUS PLAY facilitator train-the-trainer sessions:

Singapore July 9 - 12
Madrid September 25 - 28
Twente (Holland) October 2 - 5
Boston October 15 - 18

[View full training schedule for July - December 2013](#)

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Rasmussen Consulting I/S specializes in using LEGO SERIOUS PLAY to effectively harvest an organization's collective intelligence to enhance strategic behavior for better and faster decision-making. We are based in Denmark with offices in US, Japan and Singapore. www.rasmussenconsulting.dk.

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