

The Social Importance of Inefficiency

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A friend of mine, who manages a portfolio of residential rental properties, was recently complaining to me about his frustrating day trying to get payment from the local housing authority. "I was transferred five times, before I got to someone who would even attempt to answer my query, and they only promised to call me back, which they then didn't do." He then went on to tell me that the third person he spoke to had asked in a very aggressive way who had transferred the call to her, and almost refused to speak any further to him before, of course, transferring him to number four.

What do you say to this? I now have an answer: embrace inefficiency – it's key to social cohesion.

It's simple, really. If everything happened as we wish it would, we would have a need for far fewer people, we'd have much higher unemployment and there'd be anarchy. The housing authority – by its very inefficiency – seems to employ six people where one should do. What would the other five do if they weren't busy transferring calls? It's all around us. We all know about road workers – one digs a hole while four look on – but what about the Inland Revenue (three months to stamp and return a form to me), education (increasingly bureaucratic and less focussed on actual teaching), public transport (no bus then lots of buses), and so on? Some would argue that the very business of government is itself grossly inefficient.

And it's not only in the public sector that inefficiency plays such a vital role. It's all over the private sector too. My own industry – customer management – accepts 80% first call resolution rates as standard, which means at least 20% of our employees are there to resolve the previously unresolved. We all know it's not always the agents' fault – the systems and processes they have to work with are often a hindrance to first time resolution. In an industry that employs over a million people, that's at least 200,000 people kept off the streets.

So I comfort myself with the view that inefficiency plays a vital part in our society, and of course, I can't complain about this. If all contact centres were brilliantly run, if all customers had great experiences, if all outsourced contracts were perfect, then I wouldn't have a job. So - and I say this with a little tongue-in-cheek - roll on inefficiency. It keeps us all ticking over!