ACME
ANVIL CORPORATION

WHITESPACE
AT**WORK**

COST OF TALENT-WASTE REPORT

The subject company of this report is fictitious, but the data and employee comments are from real companies.

Dear Acme Friends,

Thanks for allowing us to learn more about your team and the ways they experience overload. Following is a light analysis of what we saw, and some ways to quantify the results.

Our survey was answered by 50% the National Accounts team of 800 employees.

The rest were too busy.

Warmly,

All of us at WhiteSpace at Work

"In factories that produce things we are scrupulous about waste, but in companies that produce thoughts, waste is everywhere."

JULIET FUNT

Executive Summary

The following report will give you the background on your data,
but your results are summarized below. They do not include costs for:

- Unnecessary time spent on decks
- Unnecessary time spent on reports
- Unnecessary time spent on red tape
- Unnecessary time spent on paperwork
- Unnecessary time spent on forms
- Time lost on over-collaboration
- Time lost on "regular" email
- And more...

FOR ALL OF NATIONAL ACCOUNTS

Estimated annual cost of unnecessary meeting time	**$7,280,000**
Estimated annual cost of unnecessary CC & FYI email	**$5,200,000**
Estimated annual cost of unnecessary interruptions	**$4,492,800**
Estimated annual cost of overload-related turnover	**$1,402,875**
Total Estimated Annual Cost of Overload	**$18,375,675**
Talent Hours Wasted	**319,600**

LOW HANGING FRUIT

FINANCIAL OUTCOME:
A 10% reduction of this wasteful time would equate to a return of

$1,837,567
(in the first year alone)

TALENT CAPACITY OUTCOME:
A 10% reduction of this wasteful time would equate to a return of

31,960 Hours
(in the first year alone)

The following snapshot shows areas of talent waste that can be costly and hijack time and resources. The calculations herein were made by extrapolating data received from 50% of the National Accounts team of 800 employees.

The average salary used was $90,000 and the amount of hours worked on average was 45/week.

These figures came from your HR team.

IN THIS REPORT YOU WILL FIND:

HERE ARE THE QUESTIONS WE ASKED YOUR POPULATION:

1. Please estimate the number of hours in a typical work day that you spend in the following categories. Don't worry about being precise or adding up to any specific total. Your top-of-mind "guesstimate" is what we are looking for.

    - Meetings
    - Email

2. Of the time you spend in meetings, please estimate the percentage that is unnecessary (when you are neither contributing or benefiting significantly). You may also choose to include wasted time from starting late or going off track.

    0% ⟶ 100%

3. Please estimate the percentage of your time using email that is spent on CCs and FYIs.

    0% ⟶ 100%

4. In a typical 5-day work week, how many nights do you check email after 8pm?

5. When you are not in meetings, how many times per hour would you guess you are interrupted, either in person or through IM, texts, etc.?

6. If you were to consider leaving your current job, what would be your primary reason for doing so?

    - Workload
    - Compensation
    - Not Challenged
    - Stress/Burn Out
    - Career Advancement
    - Work/Life Balance
    - Geography
    - Other (please specify)

7. What else should we know about how overload, distractions or any other factors compromise your effectiveness/productivity? (Remember it's anonymous)

HERE ARE THE SUMMARIZED RESPONSES:

1. Please estimate the number of hours in a typical work day that you spend in the following categories. Don't worry about being precise or adding up to any specific total. Your top-of-mind "guesstimate" is what we are looking for.

    *   Meetings   **3.56 hours**
    *   Email   **3.54 hours**

2. Of the time you spend in meetings, please estimate the percentage that is unnecessary (when you are neither contributing or benefiting significantly). You may also choose to include wasted time from starting late or going off track.

    37.5%

3. Please estimate the percentage of your time using email that is spent on CCs or FYIs.

    28.63%

4. In a typical 5-day work week, how many nights do you check email after 8pm?

    4.1 nights

5. When you are not in meetings, how many times per hour would you guess you are interrupted, either in person or through IM, texts, etc.?

    2.9 per hour

6. If you were to consider leaving your current job, what would be your primary reason for doing so?

    *   Workload   **3.62%**
    *   Work/Life Balance   **21.56%**
    *   Stress/Burn Out   **11.41%**

    Total responses with an overload correlation   36.59%

7. What else should we know about how overload, distractions or any other factors compromise your effectiveness/productivity? (Remember it's anonymous).

    See page 11 for employee comments

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TALENT CAPACITY WASTE DUE TO MEETINGS

Follow us through this simple calculation:

1: Hours in meetings per day	3.56
2: Percentage reported as unnecessary	37.50% (1 ⅓ hr/day)
3: Estimating is hard. Let's cut that in half to be really conservative.	18.75% (⅔ hr/day)
4: Time lost per week per person	3 ⅓ hours
5: Average cost of your employees = hourly cost x 1.3 (Including benefits and G&A)	$52/hr
6: Cost of meeting waste per person annually	$9,100
7: Cost of meeting waste annually for all 800 of National Accounts team	$7,280,000

Email

TALENT CAPACITY WASTE DUE TO EMAIL CCS & FYIS

Follow us through this simple calculation:

1:	Hours spent on email per day	3.54
2:	The percentage reported as spent on CCs and FYIs.	28.63% (1 hr/day)
3:	Email is fun to complain about and not all of those emails are wasteful. Let's cut that by 50%.	14.32% (1/2 hr/day)
4:	Time lost per week per person	2 1/2 hours
5:	Average cost of your employees = hourly cost x 1.3 (Including benefits and G&A)	$52/hr
6:	Cost of email waste per person annually	$6,500
7:	Cost of email waste annually for all 800 of National Accounts team	$5,200,000

Talent Capacity Analysis

TALENT CAPACITY WASTE DUE TO INTERRUPTIONS

Follow us through this simple calculation:

1:	Average number of interruptions per hour	2.9
2:	Number of hours in day not in meetings	4.44
3:	Time to return to focus after each interruption (See appendix for source)	2 minutes
4:	Total time of interruption recovery per day	26 minutes
5:	Time lost per week per person	2.16 hours
6:	Average cost of your employees = hourly cost x 1.3 (See appendix for formula)	$52/hr
7:	Cost of interruptions per person annually	$5,616.00
8:	Cost of interruption waste annually for all 800 of National Accounts team	$4,492,800

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EXIT

TURNOVER COST POTENTIALLY RELATED TO OVERLOAD

Follow us through this simple calculation:

1:	Percentage of employees listing overload-correlated turnover	36.59%

Reasons for potentially leaving their job included:
- Workload
- Work-Life Balance
- Burnout
- Stress

2:	Number of folks who left National Accounts last year	79
3:	Number of folks who may have left for overload-correlated reasons	29
4:	Cost of turnover for a single employee (53.75% of salary) (See appendix for formula)	$48,375
5:	Cost of turnover potentially related to overload for all of National Accounts last year	$1,402,875

THIS IS WHAT YOUR TEAM TOLD US ABOUT THEIR WORKFLOW:

"**Back to back meetings** keep you feeling like you are always in a race (and losing!) Too many meetings and emails mean that there isn't enough time to just talk to people."

"I feel like my talents aren't fully applied and I don't think I'm alone. I'd like to work **more strategically**."

"Email, email, email! It takes over my day and leaves me with only **scraps of time** to try to accomplish something of value."

"I leave so many days feeling like **nothing substantial really got done** even though I have put in 10-12 hours. I feel I'm not contributing what I could because everyone always has their hair on fire with some new urgent issue."

"**A ton of time is consumed** by internal paperwork and reports/decks. Any strategic thinking or project work has to occur outside of business hours, typically on weekends or late on weeknights. This creates the feeling that work is 24/7 and leads to **discontent**."

"I know that our team would feel more creative and engaged if we had more **perspective on our work** but we never have a second to step back."

"We are asked to complete way **too many forms** and attend too many meetings."

"I already work every evening and many weekends. My team is constantly told to be innovative but I'm not sure when we might actually spend **time on new ideas**."

"**It's cultural**. Colleagues become very upset when we do not join their calls/meetings for which they perceive we are a necessary player. I regularly attend meetings where I say literally not one word. We should be sent the outcome of these meetings to make sure it is **time well spent**. This would free up HOURS UPON HOURS of time for us each week."

"There seems to be quite a bit of **redundant work**; some units are working on similar projects to others without any collaboration. I have found myself answering the same questions to two different teams on more than one occasion."

"**Constant interruptions** and questions make concentrating on more complex things for any length of time, extremely difficult."

"In our world, it is hard to plan your day. We often times have to deal with the person that is screaming the loudest. It's not conducive to building a **high achieving team.**"

TOTAL ANNUAL CAPACITY WASTE

The numbers below only reflect the elements listed.
They do not include costs for:

Cost of Turnover:

The cost of employee turnover was calculated according to the following method: Cost estimates on this topic vary greatly. A usable figure was reached by throwing out the high and low estimates from a number gathered, and averaging, which showed 107.5% of annual salary as the cost of a single employee leaving. We then cut that in half again for the most conservative possible estimate and used 53.75%.

Time to Return after Interruptions:

The established thought, based on widely accepted research by Dr. Gloria Mark is that it takes an average of 23 minutes to fully return to a task after being interrupted. But we felt that to the reader that would seem intuitively very long, so for this report we conservatively used 2 minutes as the duration of lost time per interruption.