



We don't need to be clever — just less stupid



Innovation is all the rage, but we would be better off going back to a simpler way of doing things.

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In a tired reprise of the “knowledge economy” and the “clever country”, Australia is seeking to reinvent itself through innovation and agility. It is not necessary to be clever — just less stupid.

Dealing with a deceased parent's affairs highlighted just how our quest for greater efficiency and lower costs has actually achieved the opposite.

The bank that can, couldn't find how to remove the name of the deceased from an account. Helpful staff in a local branch (probably slated for closure as a cost-cutting measure) eventually found the right person. It took five departments, a working week and messages flying around half the world. It was sorted only because my daily vigil on the bank's premises had assumed nuisance or threat status. The case was not isolated.

It was an object lesson in how unproductive and inefficient we are and the failures that hold us back. The sources of the problem are not novel. They exist in many organisations.

First, tasks have been fragmented, with key parts located in different areas, sometimes spanning different

time zones. The simplest activity is now complicated.

Second, there is no continuity. One person is rarely responsible for a complete activity. Most workers lack any idea of how what they are doing or not doing affects the process overall.

Lack of continuity is exacerbated by poor record keeping. Relevant records are scattered across different systems with access not always available to the person with whom you are dealing.

In my example of the bank, the organisation that was able to make the changes promptly and with the minimum of fuss still had paper records in a single central office staffed by real people. The area is scheduled for conversion to bring it into the brave new future.

Third, staff lack the requisite skills and knowledge. Training, other than in how to sell additional services (“Would you like fries with that?”), is poor. Despite gratuitous comments to the contrary, the preponderance of casual or part-time employees and staff turnover means training is cursory and inadequate.

Fourth, performance measurement has actually lowered rather than im-

proved performance. Management shibboleths, such as key performance indicators and outcomes, have created cultures where staff actions derogate from results rather than help achieve them.

At the bank, as the length of time needed to deal with my queries or the need to escalate a problem became obvious, individuals began complex limbo dance manoeuvres not to deal with the issue but avoid it affecting their KPIs negatively.

Problems were not solved but passed around like a hot potato. They increased in scale, needing more time, becoming expensive to rectify.

Fifth, underlying many of the issues is poor leadership, lacking in domain knowledge (that is, valid knowledge in a particular area).

In the much-derided past, senior managers had hands-on experience of the business gained over a lengthy period, usually in a variety of different roles. Today, many senior managers consider management a generic skill. They lack specific industry experience. Many are management consultants with limited involvement in the operational nuts and bolts but adept at acronyms and PowerPoint presentations.

The result is farce. Businesses discover “customer centricity”; an enterprise without clients is surely an oxymoron. The head of one retailer, since taken over by foreigners, proudly announced the firm would employ more experienced staff to assist cus-

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tomers with their buying choices and process sales. He had needed an expensive consultant to devise this new strategy.

Sixth, there is a tendency to see history as old and irrelevant. The temptation is to always embrace the latest application or technological wizardry as the best solution to any problem. Few want to recognise that many of today's technologies are actually repackaged old rope — cloud computing is little more than an updated centralised computing bureau with less security and greater privacy risk. Valuable lessons from the past are routinely ignored.

Ultimately, the identified factors lead to dysfunctional and unhappy workplaces where performance is poor.

Large-scale innovation, much loved by politicians, is risky and unpredictable. It is difficult to control the external environment and competitors. If Australia wants to improve productivity and efficiency, we need to simply address the stupidities that stare us in the face in delivering normal goods and services.

The late Steve Jobs understood the importance of simplicity: “Simple can be harder than complex: you have to work hard to get your thinking clean to make it simple.”

But simple lacks the glamour of the new and the innovative.

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