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Training · Coaching · Planning

Case Study: The Real Cost of e-mail

She was a student in a public speaking class. In the middle of a discussion on well-formed content for efficient business communication, she shouted out, “PLEASE help me do something about my inbox. I’m DROWING in email!”

We chatted a bit about her problem. As a mid-level, supervisory manager in an engineering/manufacturing facility, she subscribed to multiple email groups and was “kept in the loop” on a myriad of projects, reports, initiatives, and decisions. As we dug a little deeper, we discovered that the vast majority of these emails did NOT require any action on her part, and even the knowledge and content of the emails was not necessary for her to digest. Their purpose was solely CYA (look it up ☺) or FYI. But most were really DOA. She had to weed through the steady stream of bits to find the few communications that actually required her input or decision. Every email had to be sorted for action – deleting them en masse might eliminate a critical and costly piece of communication or action.

The manager provided specifics, but inboxes around the world bear witness to the problem. While your specific numbers might differ, the concept remains the same – we should spend our time on the things that require human action and eliminate the waste of those things that do not require our attention.

Let’s do the math.

400	total emails PER DAY
360	emails that require nothing more than deleting
<u> x 10</u>	seconds per email average to DECIDE if it requires action
60	minutes/day reading email that requires no action

That’s 1.0 hours. Every day. Doing nothing but reading and deleting useless email.

Assuming a person at this level puts in ten hours a day and makes \$100,000 (makes the math easy, but certainly not overblown) this means that 10% of her time or \$10,000 is spent PER YEAR just for this ONE PERSON to delete emails. There were probably ten people just like her in the plant.

The story doesn’t stop with management. This particular company employed 750 people at this facility, and 40,000+ worldwide. What is the cost at the lower levels? They likely don’t subscribe to as many groups and might not get copied on as many status reports. But line

employees could easily receive 60 unwanted emails a day. At our ten seconds/email and an estimate of \$48,000 per year in compensation, that's ten minutes a day, or 1/48th of their workday. Doesn't sound like much, but that's \$1,000 per year per employee. And when we realize there are 500+ such people in the facility replicating this waste, it adds up quickly.

The cost to the company AT THIS ONE FACILITY is **\$600,000 PER YEAR** in lost productivity. If we extrapolate to the entire 40,000 employees at the company, they spend upwards of **30 million dollars a year** wading through inefficient email. Somewhere, shareholders would probably like an explanation.

Now imagine, just for a minute, that we would improve the email efficiency at this company. If we could train every employee to send only emails that required action, give the reader a quick opt-out, and utilize better subject lines and filters, we could easily reduce the number of emails by a third (in reality we could probably do a good deal more). The structure of the remaining emails that do require deletion would require only two seconds to process instead of ten. If we empower line employees to self-police themselves, the culture would change in just a few iterations of the "Send" key.

So the new math for our manager looks like:

280	total emails PER DAY
240	emails that require nothing more than deleting
<u> x 2</u>	seconds per email average to DECIDE if it requires action
8	minutes/day reading email that requires no action

For the line employee, it's 40 x 2 = 80 seconds or 1.3 minutes per day.

For either employee, that's an 87% reduction in waste. With our cost estimate of \$30M/year, that training and new methodology just saved the company \$26,000,000. That buys a lot of training. And health insurance. And copy machines. And iPhones. And travel. And employee bonuses. And new computers. And shareholder goodwill (not to mention dividends).

Now where should you spend your money?

What is email communication costing YOU?