

Finding the Hidden Productivity Gap

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A five-step executive diagnostic for identifying where work is slowing your organisation and what it's costing you.

Most organisations know they have a productivity problem. Very few know where it lives.

The average employee spends around 60% of their working time on activities around the work they were hired to do. That looks like status updates or chasing approvals.

Manually moving data between systems or sitting in meetings to coordinate work that better processes

would eliminate. Their real role, the work that produces value, gets what time is leftover.

This productivity gap accumulates quietly in the space between how work is supposed to flow and how it does in reality. In most organisations, nobody is systematically looking for it. This ebook gives you a five-step diagnostic to find it.

How the diagnostic works

The diagnostic maps out operational friction across three dimensions:

Process friction

The steps in your core workflows that exist for historical rather than functional reasons.

System fragmentation

The gaps between your technology platforms where information must be manually transferred, reconciled, or re-entered.

Communication overload

The proportion of your leadership and management time consumed by coordination rather than decision-making.

Most organisations who run this diagnostic find that the majority of their productivity loss is concentrated in a small number of specific bottlenecks. That's good news. It means interventions don't need to be organisation-wide to produce meaningful results.

What you'll have at the end

A prioritised list of targeted areas with a reliable estimate of the productivity recovery each one represents. Designed to be completed by a leadership team in a half-day session, and concrete enough to act on.

Tools included in this ebook

- Workflow identification template (Step 1)
- Friction scoring grid (Step 2)
- Cost estimation worksheet (Step 3)
- Root pattern identifier (Step 4)
- Prioritisation matrix (Step 5)

Identify your critical workflows

Pick the five to eight workflows that directly produce revenue or deliver your core service. Not every process in the business, only the ones where friction has a dollar cost.

TIP
Don't try to map every process in your business. This is where productivity mapping can fall down. Focus only on the workflows that impact your ability to make money.

Industry examples

- | Professional Services | Manufacturing | Aged Care / Council |
|--|---|---|
| <ul style="list-style-type: none">• Client onboarding• Project scoping• Resource allocation• Delivery• Invoicing & reporting | <ul style="list-style-type: none">• Order intake• Production scheduling• Procurement• Quality assurance• Dispatch & invoicing | <ul style="list-style-type: none">• Resident/client intake• Care/service planning• Rostering• Compliance reporting• Incident management |

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A list of five to eight workflows. Write one sentence that names the trigger, the outcome, and the owner. The first one is an example.

Template 1: Workflow Identification

Workflow Name	One-sentence description (Trigger + Outcome)	Owner
1. Client Onboarding	Hardcopy new client form received and manually inputted into CRM.	Client Services Manager
2.		
3.		
4.		
5.		
6.		
7.		
8.		

STEP 02

Score friction across three dimensions

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For each workflow from Step 1, score it 1–5 on each of the three friction dimensions. The scoring is subjective. The value is in the relative comparison between workflows, not the absolute number.

Scoring anchors (1-5)



Process friction

- 1 The process is lean. Every step adds value. No unnecessary approvals or handoffs.
- 2 There are steps that probably exist because “that’s how we’ve always done it.” Some approval gates feel like habit rather than risk management.
- 3 Multiple approval stages, legacy handoffs and reporting requirements nobody has questioned in years. People work around the process as often as they follow it.



System fragmentation

- 1 Data flows automatically from end to end. No manual transfers or reconciliation.
- 2 Some manual data movement between systems. A spreadsheet or two bridging gaps. Manageable but noticeable.
- 3 Staff regularly copy data between platforms, maintain shadow spreadsheets and manually reconcile outputs. The systems work individually, the joins between them don’t.



Communication overload

- 1 People execute with minimal coordination overhead. The process signals its own status.
- 2 Regular check-ins and update meetings exist for this workflow. Some feel necessary, some feel like insurance.
- 3 The workflow generates constant status meetings, email chains and escalations. Remove the coordination and work stops. The process depends on people to function as its routing engine.

STEP 02

Scoring questions to ask your team



Process friction

How many approval stages does this workflow pass through? Could any be replaced by a rule?

Where does work queue waiting for someone to act? Is the wait a genuine decision or just routing?

What reporting comes out of this workflow? Who reads it? If it disappeared for a month, who would notice?



System fragmentation

How many distinct systems does this workflow touch?

At each system boundary, does data move automatically or does a person carry it across?

Are there spreadsheets that exist primarily to bridge two systems?



Communication overload

How many recurring meetings exist partly or wholly because of this workflow?

If you cancelled every status meeting related to this workflow, would work still progress?

How much of the responsible manager's week goes to chasing, checking or relaying information for this workflow?

Template 1: Workflow Identification

Workflow	Process Friction (1-5)	System Fragmentation (1-5)	Communication Overload (1-5)	Total (max 15)
1. Client Onboarding	3	3	1	7
2.				
3.				
4.				
5.				
6.				
7.				
8.				

STEP 03

Estimate the cost

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This step converts the subjective scores from Step 2 into estimated hours and costs. The numbers won't be exact and that is okay. They need to be credible enough to justify further investigation.

Context before you estimate

Research consistently finds that knowledge workers spend 50–60% of their time on coordination rather than value-adding work. Asana's Anatomy of Work Index puts it at 58%. McKinsey's research on meeting overload shows similar figures.

That is the baseline reality across most mid-sized organisations. The friction scores from Step 2 help you estimate where your specific workflows sit within that range.

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The four questions

For each workflow that scored 3 or above on any dimension, answer:

- 1 How many people touch this workflow per week?
- 2 What is the average hours per person per week spent on it?
- 3 Of those hours, how many would disappear if every unnecessary step, manual data transfer and coordination meeting were removed? Be honest. Most people underestimate friction because they have normalised it.
- 4 What is the blended hourly cost of the people involved? (Salary plus on-costs divided by working hours. For most mid-market Australian organisations this sits between \$55 and \$85 per hour.)

STEP 03

The calculation

Friction hours per week × 48 working weeks × blended hourly cost = estimated annual cost of friction for that workflow

Worked example

Client Onboarding Workflow

6 people × 4 hrs/week = 24 total hours

Estimated friction hours: 9 hrs/week (8 hrs data entry, 1 hr per client across 8 weekly onboards, plus 1 hr weekly reconciliation meeting)

Blended hourly cost: \$65

$9 \times 48 \times \$65 = \$28,080$ per year. In one workflow.

When you add up six to eight workflows, the total typically falls between \$150,000 and \$400,000 per year. These are estimates, not audited figures, but the order of magnitude is what matters.

Template 3: Cost Estimation Worksheet

Workflow	People involved	Hrs/week total	Friction hrs/week (estimate)	Blended \$/hr	Est. annual cost
1. Client Onboarding	6	24	9	\$65	\$28,080
2.					
3.					
4.					
5.					
6.					
7.					
8.					
TOTAL					

Formula: $\text{Friction hrs/week} \times 48 \text{ working weeks} \times \text{blended } \$/\text{hr} = \text{estimated annual cost}$

STEP 04

Find the root patterns

We've shared the most common root patterns, and this step helps you identify the dominant one and where to focus first.

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Look across the scored grid from Steps 2 and 3. Which pattern appears most often?

A: Approval bottlenecks

Multiple workflows score high on process friction. The same one or two people appear as approval gates across several of them. The organisation has grown, but its decision architecture hasn't.

Typical symptoms

- Leaders in back-to-back meetings because they are required sign-off points across too many workflows
- Delays that cluster around the same people, regardless of the workflow
- Staff who describe waiting for approval as one of their biggest frustrations

B: Integration gaps

Multiple workflows score high on system fragmentation. The same system boundaries keep appearing. The business has invested in good platforms but never invested in connecting them.

Typical symptoms

- Shadow spreadsheets maintained by operations staff
- "Data entry" appearing in job descriptions for roles that shouldn't require it
- Regular reconciliation tasks that exist only because two systems don't share information

C: Excessive coordination

Multiple workflows score high on communication overload regardless of their process or system scores. The organisation has a structural clarity problem. People meet to align because roles, responsibilities or priorities aren't clear enough to allow independent execution.

Typical symptoms

- A calendar dominated by status meetings
- Managers who describe their job as "keeping everyone on the same page"
- New staff who say the hardest part of onboarding is understanding who does what

Template 4: Root Pattern Identifier

PATTERN 1

The Approval Bottleneck

- ☐ Same people are approval gates across multiple workflows
- ☐ Delays cluster around specific leaders
- ☐ Staff frequently wait for sign-off before proceeding

Matching workflows:

PATTERN 2

The Integration Gap

- ☐ Shadow spreadsheets maintained by multiple teams
- ☐ Manual data re-entry between systems is routine
- ☐ Reconciliation tasks that exist to bridge system gaps

Matching workflows:

PATTERN 3

Excessive Coordination

- ☐ Calendars dominated by recurring status meetings
- ☐ Managers describe their role as "keeping people aligned"
- ☐ New staff struggle to understand who owns what

Matching workflows:

Prioritise and sequence

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Take the costed friction points from Step 3 and the root patterns from Step 4.
Plot each high-friction workflow on the matrix below.

Your 2x2 prioritisation matrix



Template 5: Your sequenced action list

Quadrant	Workflow(s)	Action / Notes
Quick Wins: begin here		
Strategic priorities: add to planning		
Housekeeping: fix when convenient		
Deprioritise		