GST 104 — How an Organisational Efficiency Drive Can Reduce Flexibility and Viability

Formal Description

An efficiency drive can preserve routine output while reducing the range of responses an organisation can use. Skills, working relationships and spare capacity may contribute little to the current output but become important when demands change. Viability here means the continued ability to sustain the relevant functions under the conditions the organisation must face.

This module applies the preceding modules to a hypothetical service department. By the end, learners should be able to trace a loss of latent capability, compare immediate and staged reductions, and identify evidence that would support a decision about when to reduce capacity.

Plain English Explanation

Imagine a department that receives service requests, assesses them and sends out completed responses. Managers monitor the number completed, turnaround time and quality. A new procedure is expected to reduce routine handling time once staff are familiar with it.

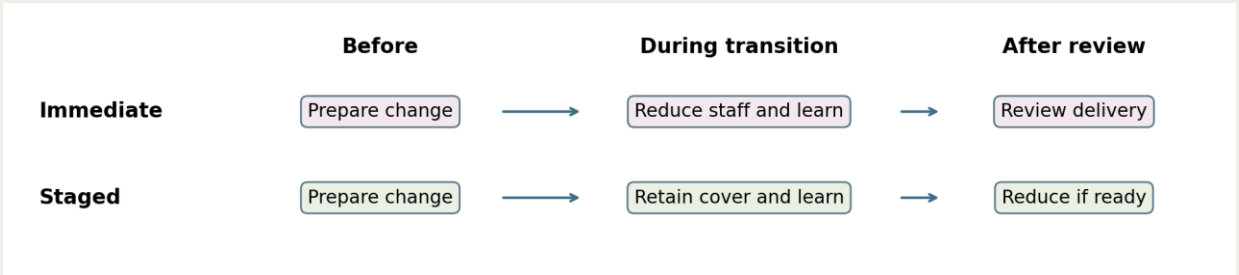
Suppose staffing is reduced as soon as the new procedure is introduced. The remaining staff must handle requests while learning the procedure, testing it and correcting mistakes. An hour spent training is an hour unavailable for routine work. The expected saving may be achievable once the procedure is established, while the department can still struggle during the transition.

Even if routine performance recovers, the department may have lost options. A departing colleague might have known how to handle an unusual request or whom to contact for a quick decision. That loss may first become visible when a difficult case arrives. A written guide may preserve some knowledge, but staff still need time to use it, access to the right people and authority to act.

One solution is to retain enough cover to handle current requests while staff practise the new procedure and learn to handle exceptions. A pilot can reveal which tasks take longer than expected and which dependencies need attention. Before reducing capacity, check turnaround and quality, the backlog, and whether more than one person can handle important exceptions.

Keeping capacity for longer has a cost and may delay savings. Earlier reductions may be reasonable if training time is protected and reliable cover is available. The decision depends on how much time and coordination the change needs, how quickly alternatives can be accessed, and what happens if the department cannot meet demand.

Two Ways to Sequence the Change



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Both plans aim to improve routine delivery. The staged plan keeps cover during learning and makes any reduction conditional on what the department can demonstrate.

Provenance and Links

The case applies Causal Assembly Theory's distinction between current activity and retained potential. It draws on a departmental change illustration: staffing reductions can be staged because learning temporarily reduces the time available for routine work. The department described here is hypothetical.

Challoner, J. A. (2026). Causal assembly theory: Assembly and disassembly as causal processes. Rational Understanding. https://rational-understanding.com/efgst

Practical Exercise

Draw a before, during and after plan for the department. At each stage, mark the capacity needed for routine requests, learning and unusual cases. Identify a skill or relationship that could be lost without affecting the routine figures.

Compare an immediate reduction with a staged one. Introduce an unusual request during the transition and trace who receives it, what knowledge or authority they need, and whether they can respond in time. Identify one sign of vulnerability that a routine output count would miss.

Set a condition for reducing staffing, such as clearing the backlog while trained staff demonstrate that they can handle exceptions within the required time. Explain what it would cost to delay the reduction and what evidence would justify proceeding.

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