Efficiency ineffieicneyc productivity inproducivitity
What is the method of finding the E IE? Data
Ab yeh data, how do we determine data mein kitni E IE cost reduction hai?
We tighten the KPI
Can the ceo say next year i want a 5% reduction in cost, yes he can
He wants a X reduction
How do we find this
We go back to the process and think konse process mein its achievable
Each department will develop an inventory
An inventory of their processes
Proc 1 2 n
How much cost reduction? X per each
But even though we can make a cost reduction does that mean we should do it
Har aik process ko augment karne kay liye there will be a complexity
Complexity se murad kitne bandon ko train karna hai?
Cost VS time
If cost is high but time is low we do it as the time is low
If time is long but cost is low then efficiency is low so we dont bother
If we do this we get a matrix
We make dost everywhere, work on bottom, complexity upwards
High cost low complexity dont touch it - good benefit
If cost is low and complexity is high then maybe
If both low then do it
If both high then maybe

Make it benefit instead of complexity
LOW COST LOW BENEIFT SAHI KARO
HIGH COST HIGH BENEIT MEANING ITS A HIGH SCALE PROJECT
HIGH COST LOW BENEFIT SAHI KARO
LOW COST HIGH BENEFIT BOHAT ACHA HAATH MAT LAGAO

If i bring a big idea but it brings zero money then thats a waste

SUMMARY:

The class focused on how organizations improve efficiency by identifying and reducing inefficiencies using data. We discussed the difference between efficiency, inefficiency, and productivity, and how companies collect data to measure these through KPIs. The CEO sets a cost-reduction target (for example, 5%), which is then broken down across departments. Each department creates an inventory of its processes and estimates where and how much cost can realistically be reduced. However, the key idea was that just because a process can be optimized doesn't mean it should be, because every improvement brings added complexity in terms of time, training, and implementation.

We also learned how companies use a cost–benefit or cost–complexity matrix to decide which improvements to pursue. Processes with low cost and high benefit are the most valuable, while high cost and low benefit ones should usually be avoided. Large projects with both high cost and high benefit require strategic decision-making, not emotional excitement over “big ideas.” The class used real-world innovation examples (like Apple) to show that true innovation is not just about creative ideas, but about improving value and efficiency while making smart, data-driven decisions.