

ZULF'S INTUITIVE ESTIMATE OF COST OF BULLSHIT PROBLEMS

Let's say I hire 80 people for Global Life Satisfaction. Let's say I pay \$250,000 per annum for each.

What is the cost of bullshit here? Total wages are \$20 million per year. Suppose that I have choice of three sorts of chairs. Top of the line chairs cost \$1400. Lower end chairs cost \$250. The issue is ergonomics. The difference between the two might be 8 hour productivity versus 6. Why? Because discomfort of the body eats up time.

Let's compare. That's 25% productivity loss. That's loss of \$5 million per year. The savings from buying less expensive chairs is \$92,000 for 80 people. So I save \$92,000 and lose \$5 million in productivity. That is a horrible deal. It's better to pay up front and not lose that productivity for *ergonomics*.

Similar calculation applies to every issue of expenditure that will make life worse for the people who actually have to do the work.

Good lighting, great furniture and architecture, things that some people mistakenly think are frivolous are not because they affect daily discomforts that take a huge toll on the daily work over time. These things are much more costly and the savings that seem economic at first are just huge costs.