

THE BLOG

Waiting in Line is Bad Business

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Rana Florida 

CEO, The Creative Class Group & Best-Selling Author, Upgrade

Like many type A people with too many things to do and too many things I want to accomplish, I detest lines. Whether it's a line at the airport, a government agency, waiting for a clerk in a store, or being stuck on an endless telephone queue after pushing a long series of prompts, the service experience in the US is sure to raise anyone's blood pressure. If I see a line, I automatically get angry. And I'm not alone. Americans spend roughly 37 billion hours each year waiting in line, according to [The New York Times](#). Lines cause stress and boredom and suck up precious leisure time. They also cost us dearly. A recent [study](#) showed that service issues cost Americans as much as \$108 billion annually (more than \$750 per person). Businesses lose some \$130 billion in employee productivity every year (\$900 per employee) due to the time they waste dealing with service inefficiencies during the work day. 40% of employed adults reported spending at least one hour waiting in line or on a telephone queue trying to resolve a service issue that they could have been spent working.

Which businesses are the biggest offenders? The big bad behemoth of banking takes the number one spot followed by home repair services, insurance, automotive and healthcare.

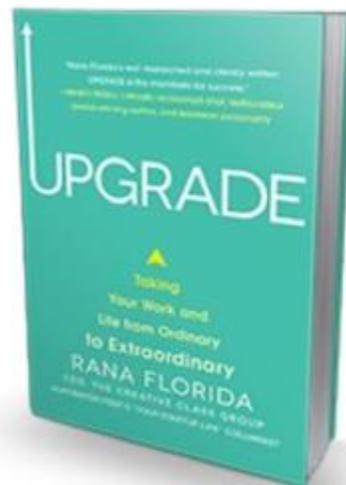
Don't companies see the fallout of such bad business practices? Many customers end up cancelling their service or switching companies due to a lengthy wait. Yet more customers say their frustrations have caused them to take action of some sort. More than half (51 percent) have demanded to talk to a supervisor; 14 percent reported yelling at the service representative. Some of us (13 percent) take to social media to broadcast our frustrations.

When will companies wake up? When they're out of business? Good service, shorter waits equals increased profitability. "Ultimately, satisfied customers help drive retention and profitability for service organizations," the Aberdeen Group's Ali Pinder reported. "Our research found those that reached a 90 percent plus customer satisfaction rate achieved an annual 6.1 percent growth in service revenue, 3.7 percent growth in overall revenue, and an 89 percent level of customer retention."

Long lines for service send customers a message that a company doesn't care. It should send the company clear messages too. Here are five of them:

1. **Your supply is not meeting demand.** The concept is quite simple. Your company exists to sell products or services. Long lines mean you are unable to keep your supply up with the demand. A call for service or technical help can end in an upgrade if it's handled correctly. A long line or hold time can mean lost sales and cancelled accounts.
2. **Too much bureaucracy and red tape.** Too much red tape causes clogs in systems. Bureaucracies reinforce old ways of doing things; they can get in the way of developing faster, better processes. It's time to cut the red tape, think innovatively, and get out of your own way.
3. **Unable to predict flow.** Long lines are what happens when you are unable to predict the peaks and lulls in your business and staff accordingly. They are a clear sign that your big picture outlook is lacking.
4. **Outdated tools or resources to do the job.** Japanese auto makers introduced the concept of "kaizen" to improve efficiency. "Toyota will scratch at tenths of a second to bring down 'takt time,' what it takes to complete a single step in a process," a [Bloomberg Businessweek](#) article recently explains. Perhaps your technology needs an upgrade or a process needs to be improved so you can move things along more efficiently.
5. **Inefficient talent cause bottlenecks.** It is imperative that you train and invest in employees so that they can process your customers in the timeliest way. If they're not, it's costing you lost revenue and wasting everyone's time.

[Rana Florida](#) is author of the business best-seller, [Upgrade, Taking Your Work and Life from Ordinary to Extraordinary](#)



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