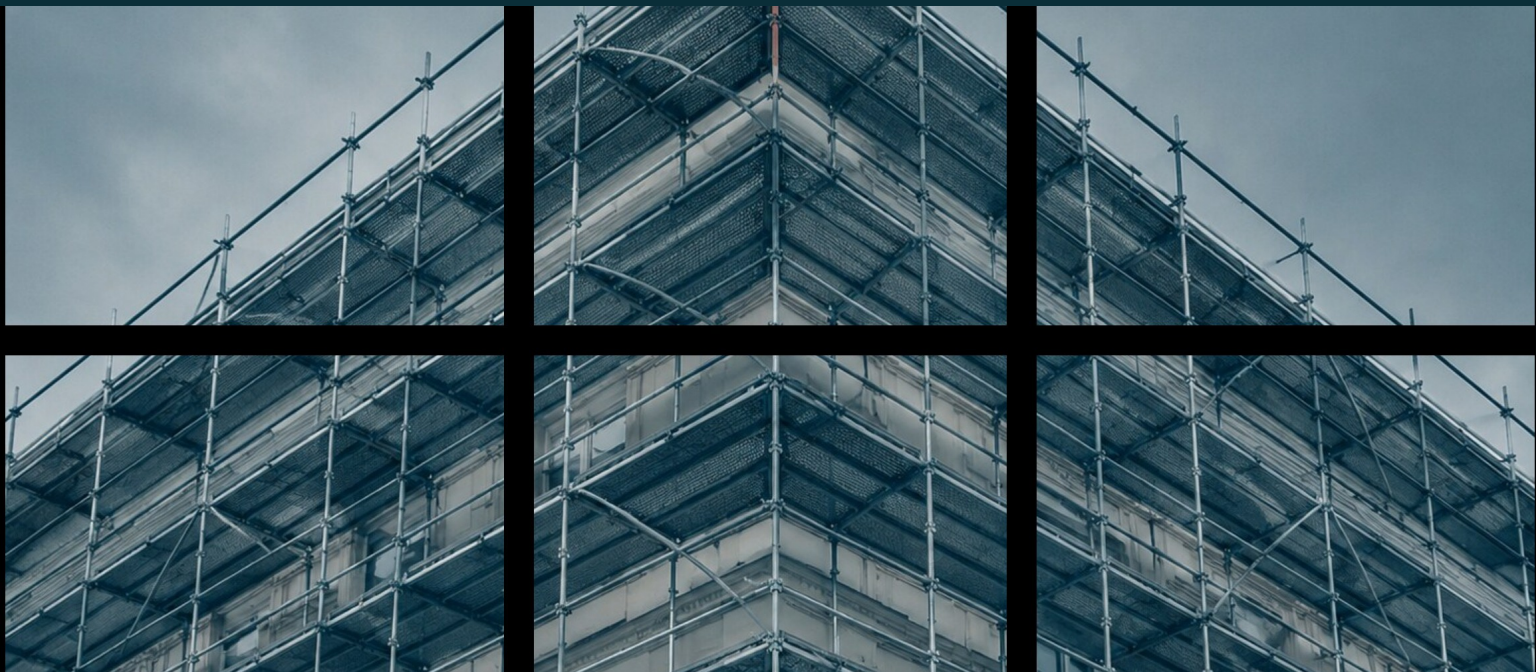


BEYOND THE SLOGAN

Doing More With Less: Reality Versus Rhetoric

A Practitioner's Perspective on the Difference Between Cost Transformation and Cost Cutting



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Doing More With Less: Reality Versus Rhetoric

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transformation changes what you are so that you can afford to be
it.”*

1. Executive Summary

There is a phrase being repeated in boardrooms this spring with the confidence of a plan: we will do more with less. It is meant to sound like transformation. Most of the time it describes something far more ordinary and far more dangerous — cost cutting, carried out inside an unchanged organisation, dressed in the language of ambition. This essay is about the distance between the rhetoric and the reality, and why that distance matters more now, in the depths of the sharpest downturn most of us have worked through, than it ever did in easier years.

The central claim is simple. Cost cutting reduces what an organisation spends without changing what the organisation is; cost transformation changes what the organisation is so that a lower level of spending becomes genuinely sustainable. The two look similar on a single quarter's numbers and could not be more different two years out. The essay examines why organisations reach so readily for the transformation label while doing the cutting thing underneath, what structural forces sustain that gap, and what genuine cost transformation actually demands — chiefly, the willingness to remove work rather than merely resources, and the courage to decide what the organisation will stop doing altogether. Along the way it argues that "doing more with less" is, in most cases, an arithmetic impossibility that survives only because the alternative — admitting you will do less, and choosing what — is politically harder to say.

2. The Phrase Everyone Reaches For

Every downturn produces its slogans, and this one has settled early on "doing more with less." It is easy to see the appeal. It promises that scarcity need not mean sacrifice, that the same outcomes can be had for a smaller outlay if only everyone is a little cleverer and works a little harder. It flatters the organisation — the shortfall is a challenge to its ingenuity rather than a limit on its ambition. And it spares leaders the most uncomfortable conversation there is, the one in which someone has to say aloud that the organisation will do less, and then choose what.

I have come to distrust the phrase, precisely because it is so comfortable. In the great majority of cases I see this spring, "doing more with less" is not a description of a method. It is a refusal to make a choice, expressed as an aspiration. The resources are removed — the headcount, the budget, the supplier spend — and the expectation of output is left untouched, and the gap between the two is quietly transferred to the people who remain, in the hope that effort will close it. Sometimes, for a while, it does. But effort is not a cost structure, and a gap closed by effort reopens the moment the effort runs out, which it

always does.

"Doing more with less" is usually not a strategy. It is the sound an organisation makes when it has decided to cut but not yet found the courage to say what it will stop doing.

3. What Actually Happens

Strip away the language and the mechanics are familiar. Faced with a demand to reduce cost quickly — and in the conditions of the last six months, quickly is the only tempo anyone is offered — the organisation reaches for the levers that move fastest. It freezes recruitment and lets attrition thin the ranks. It applies a percentage reduction across departments. It defers investment, trims discretionary spend, squeezes suppliers. Each of these lowers the cost line in-year, which is what the board asked for, and each of them leaves the fundamental shape of the organisation exactly as it was.

This is the crucial point. The work has not gone anywhere. The same processes run, the same approvals are sought, the same reports are produced, the same activities are performed — only now with fewer people and less money to perform them. The organisation has not learned to do more with less. It has simply been asked to do the same with less, which for a while looks like productivity and is actually just intensification. And intensification has a cost that does not appear in the quarter it is booked: the quiet erosion of quality, the loss of the slack that absorbed shocks, the departure of the people with the most options, and the slow accumulation of a fatigue that no cost report measures.

The honest description of what most "doing more with less" programmes achieve is not more with less. It is less with less — a smaller organisation doing a reduced amount of work — with the reduction unmanaged, unchosen, and therefore falling in the wrong places. Because no one decided what to stop, the things that stop are not the things the organisation would have chosen to lose. They are simply the things that happened to depend on whatever was cut.

4. The Distinction That Matters

Underneath the rhetoric lies a real and useful distinction, and holding onto it is the whole of the discipline. Cost cutting and cost transformation are not two points on the same scale. They are different in kind.

Dimension	Cost cutting	Cost transformation
What changes	The level of spend	The structure that generates the spend
The work	Unchanged — done by fewer, for less	Removed, redesigned, or stopped
Horizon	Delivers in-year, decays after	Slower to land, durable once it does
The hard question	How much can we take out?	What should we no longer be doing?

Dimension	Cost cutting	Cost transformation
What it needs	Authority and a percentage	Judgement about what the organisation is for

Cutting reduces what you spend without changing what you are. Transformation changes what you are so that you can afford to be it. A genuinely transformed cost base is lower not because the same activities are being starved but because some of the activities no longer exist — the work has been designed out, consolidated away, stopped by decision rather than thinned by neglect. That is why transformation is durable where cutting decays: you cannot regrow a process you have genuinely eliminated the need for, whereas a process merely starved of resource creeps back to its old cost the instant the pressure lifts.

“A cost taken out by cutting is a cost that is waiting to come back. A cost taken out by transformation is one the organisation has stopped needing to pay.”

5. Why the Rhetoric Persists

If the distinction is this clear, the interesting question is why organisations reach so consistently for the cutting thing while using the transformation word. The answer is not stupidity. It is a set of structural forces that make the substitution almost inevitable, particularly in conditions like these.

The first is tempo. Cost cutting is fast and cost transformation is slow. When demand collapsed in the final months of last year, the pressure that arrived in most boardrooms was for cost out this quarter, not a redesigned operating model in eighteen months. The levers that answer an urgent question are the crude ones, and the language of transformation gets draped over them because no one has time to do the real thing before the numbers are due.

The second is measurability. A cut is easy to count — the post is vacant, the budget line is smaller, the saving is bankable and auditable. Transformation's benefits are harder to attribute and slower to appear, and in a climate where every number is scrutinised, the visible saving beats the real one. We fund what we can measure, and cutting is nothing if not measurable.

The third is political. "Doing more with less" is a phrase that lets everyone avoid ownership of a loss. To transform genuinely is to decide, on the record, that the organisation will stop doing certain things — and every one of those things has a sponsor, a history, and a defender. The slogan is popular precisely because it promises the saving without the argument. It allows a leadership team to distribute the pain thinly and anonymously rather than concentrate it in a set of named, defensible decisions that someone must stand behind.

We reach for cutting over transformation for a reason that has nothing to do with which one works: cutting is fast, countable, and lets no one own the loss. Transformation is slow, diffuse in its benefits, and requires someone to say what we will stop.

The fourth force is the most human. Transformation requires admitting that the organisation was doing things it should not have been doing — that some of the cost was never justified, that some of the work created no value even in good times. That admission is uncomfortable, and the rhetoric of doing more with less lets an organisation avoid it. It reframes the problem as a challenge of efficiency rather than a confession of waste, and in doing so guarantees that the waste survives, merely starved rather than removed.

6. What Genuine Cost Transformation Requires

If the crude path is this well-defended, then choosing the real one takes deliberate effort against the grain of every incentive above. In my experience it turns on a small number of commitments, none of them comfortable.

1. Remove work, not just resource. The defining act of transformation is the elimination of activity, not the starving of it. Before taking a person or a pound out of a process, the transforming organisation asks whether the process should exist at all, whether it can be done once instead of many times, whether the report has a reader, whether the approval prevents anything. Only work that has genuinely been removed stays removed.
2. Question what, not only how. Cost cutting accepts the organisation's activities as given and attacks their cost. Transformation asks the prior question — whether the organisation should be doing this at all — and is willing to hear the answer no. This is the question the fair-weather years let everyone avoid, and it is the one a downturn makes both possible and necessary to ask.
3. Be willing to invest in order to save. This is the hardest commitment in a cash-starved moment, and the one most often abandoned first. Genuine transformation frequently costs money before it saves it — the consolidation, the redesign, the one-off to remove a recurring cost. An organisation that has forbidden all spending in the name of survival has also forbidden itself the only route to a durably lower cost base. There is a real tension here, and pretending it away helps no one: cash is scarce exactly when transformation needs feeding. But a portfolio that finds nothing to invest in transformation is a portfolio that has chosen cutting and called it strategy.
4. Concentrate the loss, and own it. Where the slogan spreads pain thinly to avoid argument, transformation concentrates it deliberately — stopping some things entirely so that others can be properly resourced. This is more painful in the moment and far less painful two years out, because a small number of chosen losses is survivable in a way that a general, unmanaged thinning of everything is not.

What unites these is a refusal of the central evasion. "Doing more with less" evades the choice. Transformation makes it. The transformed organisation does not do more with less; it does less, but the right less, and structures itself so that the less it does, it can genuinely afford.

7. The Test

There is a simple test I now apply to any programme that arrives wrapped in the language of doing more with less, and it cuts through the rhetoric quickly. I ask what the organisation has decided to stop doing. If the answer is a list of activities that will no longer happen, owned by named people who will defend the decision, then whatever the slogan on the cover, this is transformation. If the answer is a percentage and a promise that everyone will find a way, then whatever the slogan on the cover, this is cutting, and its savings will decay on a schedule as reliable as the seasons.

The downturn we are living through is deep enough, and the pressure sharp enough, that most organisations will not get the choice of avoiding cost reduction altogether. That is not the question in front of us. The question is whether the reduction will be the durable kind that leaves a genuinely different organisation, or the temporary kind that leaves the same organisation exhausted and waiting to spend again. Cutting reduces what you spend without changing what you are; transformation changes what you are so that you can afford to be it. The rhetoric of doing more with less will not tell you which one you are getting. Only the decision about what to stop ever does.