

Episode 29: The Incredible Opportunity of Leveraging Unused Capacity

The times they are a-changin'...in so many ways! And the business marketplace is often leading the way in change, as leaders and managers are scrambling to serve their organization's owners very well. One of those changes is in the way businesses—and individuals—find and then exploit *unused capacity*.

Take Uber and Lyft and ride sharing services. These businesses targeted the underutilized capacity of millions of cars in the United States. After all, how many hours a day does the average car owner use his or her personal car—perhaps one to two hours, or even less? Isn't that amazing? We buy an asset for, say, \$30,000 and then only use it less than 10% of its capacity each day? Well, that's pretty normal, and for years most everybody didn't give that a second thought!

Well, Uber and Lyft picked up on that and signed up massive numbers of car owners to pick up significant income by driving others to the movies, to the airport, to work. The car riders could save money on the car payment, gas, parking, and all the other costs of ownership. And the car owners typically already own the car, so their marginal cost (that's the economic term for the incremental, additional cost) of giving a ride is often reckoned to be pretty much just the gasoline and the driver's time. That all made a match! All three parties—the owner and the rider and Uber—leave the ride transaction happy!

This type of transaction especially makes sense in dense urban areas where parking is very expensive and often very unavailable and frustrating to the car owner. Of course, a big drawback for the owner is the cost of amortizing the all-in cost of owning and maintaining the car—did the owner factor in that portion of all-in costs of the car used in the ride? Here's an overstated but simple illustration to make that point: if your car is going to last 100,000 miles total and you give someone a 10,000 mile ride, then 10% of the all-in cost of owning the car: purchase price, license plates, maintenance, repairs, and so on needs to be factored into the costs of the 10,000 mile ride—not just gas and the driver's time for the ride.

And so it goes. Sometimes Uber and Lyft drivers find out the short-term cash they receive for rides is later absorbed by the sooner-than-planned repairs or a have-to new purchase. That can quickly tarnish the luster of the initial decision to be an Uber driver. But still, many drivers reckon they have made good money and are satisfied. In so doing, they have agreeably used the unused capacity of their asset.

A more satisfying real-world example for an asset owner might be Airbnb. Why? Well, instead of selling unused capacity of an automobile like Uber, Airbnb homeowners sell unused living capacity—a night or two, or even a week or two—to a traveler who historically would have stayed at a hotel like a Hilton.

The difference for the asset owners is this: when the asset owner sells a ride in a car, that car is losing value with the passing of time and with every usage, but when the asset owner sells a night in a condo, the condo is not necessarily losing any value at all...in fact, the general track record of U.S. real estate is that many properties increase in value, assuming normal caregiving by owners. Regardless, for both cars and condos, the asset owner is selling unused capacity for financial benefit, presumably a wise decision!

Likewise, all enterprises should continuously look for opportunities to deploy unused capacity. McDonalds decided long ago that its restaurant facilities, from buildings to grills, are best utilized when also open for breakfast. Of course, there is more wear and tear on some of the equipment, but McDonalds is convinced it's using its facilities better financially by absorbing some of that unused capacity. Historically, Wendy's has not done the same, with only a small fraction of its locations open in the early morning. But Wendy's is expected to open every location for breakfast hours in 2020...yes, leveraging its unused capacity!



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Many astute churches have caught the vision for best usage of capacity, opening up their facilities to other ministries when the church doesn't have scheduled services or events. Or conversely, start-up churches are simply using store-fronts or school spaces on the days those facility-owning enterprises are closed for business—that's a win-win for both parties.

But nowadays, the opportunity presented by unused capacity is deeper than that, much deeper. Enter the amazing digital era, especially notable the last couple of decades. Now, then, the issue of how individuals and enterprises handle unused capacity has become crucial to all sustainable success. Why? Because the costs of both amazing digital access to the web and powerful digital assets like software have become so inexpensive. Hear this: cheap internet availability, search engines connecting to countless mountains of information, and software like Microsoft Office have fostered amazing access to and the leveraging of abundant amounts of knowledge—and that for literally billions of people. But hear this further: much of that access is to worthless and even destructive knowledge. So, are you accessing the right knowledge?

And are you using the tools like Microsoft Excel to the fullest? I often ask this: what percentage of the capabilities of Microsoft Excel do you routinely use? An informed answer for most of us would be, maybe 3%. What if you *should* be using and leveraging use of just the *next* 3% of Excel's capability—to maximize your impact in all spheres in your life? Can you imagine the fruits of doubling your leveraging of that amazingly versatile spreadsheet tool...the capacity of Microsoft that you already paid for and is unused?

Likewise, amidst a bewildering array of massive amounts of information, are we accessing and leveraging the portions of the web that God intends? Are we accessing extremely fruitful information sources in just seconds, ones that, not long ago, it took researchers weeks to access? Do we have the necessary drive and discernment to change directions and access deeper knowledge that we can in turn use very fruitfully? And this is key: unlike Uber cars and Airbnb condos, this accessibility is free or at least nearly free!

In other words, are we primed and ready to go to the next level of the amazing digital access and tools that go unused yet are very accessible in our daily lives? Stop and consider—and then marvel—that this very generation is the very first in two millennia to be able to leverage such inexpensive, cool digital tools. Sadly, many people—perhaps even you—have left crucial, nearly-free opportunities lying on the table. That's right, crucial and nearly-free—left unused!

Likewise, and most important of all, how much Holy Spirit influence and direction have we left on the table, unused? Are we fully attuned to the Holy Spirit's direction every moment of every day, or do we compartmentalize God to just our prayer time and church attendance? As Paul says in Galatians 5:25 in the ESV, Christians have the profound opportunity to "keep in step with the Spirit!" And, of course, this astounding access, this amazing direction is, in every sense, free to the believer. Indeed, the capacity of God to impact our lives is beyond our ability to fathom!

Now, let's step back and *combine* those two key unused capacities that are free or nearly free: we can more fully utilize God's unlimited capacities to then maximize our penetration into unused digital capabilities! If and when this doubling up—the utilizing of both unused spiritual capacity and unused digital capability—if and when *that* is done by Christians, the impact can—and will—be incredible!

Hey, don't limit your handling of unused capacity to cars and condos! And don't wait for others. Do this in your own life, personal and professional. Inevitably, key, foundational aspects of your life will be transformed! That's our privilege and that's our opportunity!



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A&A: Application & Action

1.	Is the slice of God's capacity you are using big enough? What are you doing to increase that slice? Be specific and practical.
2.	Consider free and nearly free digital tools and digital access like the web. What are you doing to equip yourself personally to more fully and most wisely utilize unused capacity? Be specific.
3.	How can your workplace enterprise more fully utilize unused capacity? Be specific.