# The Variance Tax

Intentional Variation Is Helpful. Inherited Variation Is Not.

Total variation across the organization

| Strategic variation | Drift |
| --- | --- |
| *Intentional, serves the customer* | *Accumulated, serves inertia* |
| Format differences by market | Exceptions nobody remembers |
| Regional assortment localization | Inherited processes never revisited |
| Channel specific experiences | One-off decisions that became permanent |
| **This Is Your Strategy. Keep It** | **Generates Cost** |

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