RESET

HOW TO CHANGE WHAT'S NOT WORKING

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New York Times bestselling coauthor of *Made to Stick* and *Switch*

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To Amanda, Josephine, and Julia, my three loves

Introduction

1.

There was a red phone in the receiving area at Northwestern Memorial Hospital. It rang constantly. Usually, it was a nurse or staffer calling to inquire about a package: *Where is it? I ordered it days ago!*

In response, the person fielding the call would go hunting for the person's package, which could be challenging, since the receiving area looked like a hoarder's attic. A photo from the era captures the vibe:

In 2016, it took an average of three days for packages to get from the receiving area to their destination in the hospital. Three days.

Just to linger on the absurdity: A nurse might order some vials of medicine, and FedEx might fly that medicine across the country in one day, and then getting that medicine from the receiving dock to, say, the third floor of the same building would take another three days.

It was actually worse than that. Because there was a considerable amount of *variation* in the delays. If the delivery time had been predictable—three days to wait, every time—then the hospital staffers could have adapted. Built in a buffer time. But the wait was sometimes one day, sometimes five. It was plan-proof. It was maddening.

The consequences of the delays were severe. Sometimes medicines requiring refrigeration would spoil, right in the box. Sometimes clinicians and staff, fearing packages were lost, would reorder the same items—often using expedited shipping—which spiked expenses. Sometimes people would try to bypass the receiving area by having packages delivered directly to department floors, making it impossible to maintain an accurate inventory system.

No one liked the way the system worked. But it had been dysfunctional for so long, the dysfunction had come to seem like the natural state of affairs. *Of course it takes three days to get a package delivered. It has always taken three days.*

The receiving area team was stuck.

This is a book about getting unstuck. You'll learn how to reset your work and start making meaningful progress again.

Feeling stuck is dispiriting. The failure to improve and thrive can seep into your self-image. "I didn't make progress" can easily slip into "I'm not *capable* of making progress."

That defeatist mentality prevailed in the Northwestern Memorial Hospital receiving area. "We were just the pariahs of the hospital," said Paul Suett, who joined in 2016 to serve as the hospital's supply chain performance manager. He'd been hired to restore sanity to the receiving area.

"My role was to show them that there's another way.... There is a way to succeed," he said.

To unlock progress, Suett knew he needed to get his team to rethink the way they worked. As Paul Batalden, a health care expert, once said: "Every system is perfectly designed to get the results it gets." Meaning that once you change your aspiration—when you set your sights on *different results*—the system you have is wrong, by definition. Because the system is designed, intentionally or not, to yield the results you got yesterday.

Suett had inherited a system designed to deliver packages in three days. And to him—given his background in performance improvement—some of the refinements needed were immediately obvious.

But for change to happen, it wasn't enough for the improvements to be obvious to him. They had to be obvious to his team members, and they had to *want* to make the changes.

He asked them, "If I can show you how to simplify your work—and make it easier on you—then will you come along on the journey with me?" They agreed to listen.

He started by asking them about their own complaints: What was getting in the way of their ability to do good, quick work? Several of them brought up the carts that they used to deliver packages—the carts' wheels frequently jammed up. It was annoying and slowed them down.

Suett agreed, instantly, to buy new carts. The costs were trivial relative to the cost of the department. And it was a signal to them: I really am listening.

He challenged the department to reach a new goal: delivering packages within one day of arrival. That's what their "customers"—the people they served in the hospital—would want from them, he argued, and that's what they needed to provide.

He invited his team to help him diagnose the "waste" in the system. Waste (a topic we'll explore in chapter 7) is defined as any activity that doesn't add value for the customer. Suett's team came to realize that every time they picked up the red phone, it was waste. Every time. Because their internal customers *didn't want to have to call to check on a package*! So even if the call was handled promptly and politely, it was still waste. The curse of a bad set of habits is that all the unnecessary things you're doing actually come to seem necessary.

If the team could stop those calls from coming in, they could reclaim those wasted hours for proactive work. So for 12 business days in a row, they spent one hour "walking the process" from end to end. Noting the way things worked. Spotting problems. Asking questions.

The staff agreed to let Suett shoot video of their operations, and afterward, Suett showed them some clips, like a coach reviewing game film. In one case, a worker had picked up a box five different times before he actually processed it. "Every one of those

five steps had a cost," said Suett. "Why don't we just eliminate it? You pick it up once and you process it." The guy had no idea he'd been doing that.

When the team analyzed its own work, they found that only 38% of the time they spent processing packages was "adding value" for the customers they served in the hospital. The rest of it was waste. Spurred on by this recognition, the team started rebuilding the process from top to bottom.

Perhaps the most fundamental change they made was to move away from "batching" packages. Batching involves performing a single operation on (in this case) a pile of packages before moving on. So maybe one person would put a label on 10 packages, then put them on a cart and roll them to the next area, where somebody else would log them into the computer, and so on. Batching seemed intuitive. Surely it would be inefficient to deal with one package at a time?

But batching caused needless delays. To help his team see this, Suett led an exercise. He asked 10 staffers to sit at a long table, 5 on each side, and challenged the two sides to compete. The goal? To get every person to sign their name on five sticky notes as quickly as possible.

There was a twist: On one side of the table, each person would write their name on all five notes, then pass the stack to the next person. (That's a batch process.) On the other side of the table, the first person would write their name on one note, immediately pass it on, then write their name on the second note, and so on.

The staffers quickly caught on: With the second process, everyone ended up writing simultaneously. Nobody was idle. The notes flowed down the line, steadily, from person to person. It was far faster than the batch process. "It was an eye opener for everybody," said Charles Shipley, one of the workers. "He won a lot of people over with that experiment. It was very convincing."[I]

Afterward, they began to overhaul the batch processes, eliminating unnecessary steps and moving toward a more continuous operation. Suett's mantra was: *Keep the river flowing*.

And it flowed. Within six weeks, the unthinkable had happened: 90% of the hospital locations were receiving daily deliveries. Again the picture told the story (see above).

An astonished hospital executive brought a group of colleagues to the receiving bay to witness the transformation. And the effects rippled throughout the hospital. As people gained trust in the receiving team, they stopped ordering shipments directly to their departments. They stopped overordering, knowing they'd be able to replenish supplies in a timely manner.

The total estimated cost savings from unclogging the system was over $20 million, according to a case study written by John Nicholas, Hussam Bachour, and Suett.

The red phone stopped ringing.

Many years later, the receiving area continues to hum along efficiently.

Every system is perfectly designed to get the results it gets.

2.

In the fall of 2021, I went to Chick-fil-A to fetch dinner for my family, and unexpectedly, I came home with a book idea. (Also, more expectedly, some fries and nuggets.) I was so awestruck by the efficiency of the drive-thru—you'll hear all about it in chapter 4—that I started researching the question: How do you make things run better?

Eventually, though, I realized that the idea of "better" didn't really capture what I was after. "Better" could be any performance improvement: say, an Olympic swimmer shaving a hundredth of a second off their already stellar race time. Rather, I found myself gravitating toward situations where people were bogged down. These were not "crisis"

situations. They were more like bad equilibria: situations that were unsatisfactory and self-sustaining. Kind of like the hospital receiving area.

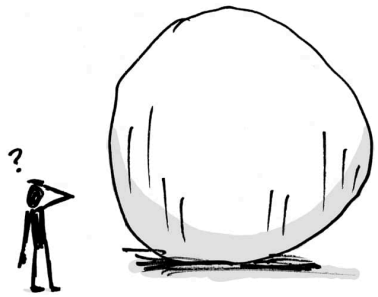
Surely we're all familiar with situations like this. All of us get stuck sometimes, and it's easy to see why. We're stifled by the gravity of the way we've always done things (*inertia*). We consider so many potential possibilities for change that it freezes us (*decision paralysis*). We spend so much time fighting with colleagues about what we *should* do that we never actually accomplish anything (*politics*). And we exhaust ourselves chasing today's problems, which always seem to crowd out tomorrow's opportunities (*firefighting*).

The question is: How do we reset things? How do we change what's not working?

For about two and a half years, I chased answers to those questions. The principles ahead are drawn from: 240 interviews from people in countless different industries. An exploration of relevant findings from psychology and other disciplines. And a deep dive on certain methodologies that shine at helping people overcome inertia and make progress within short timeframes: agile and scrum, solutions-focused therapy, the incident command system, kaizen events, design sprints, business turnarounds, rapid results projects, and more.

Let's start at the beginning.

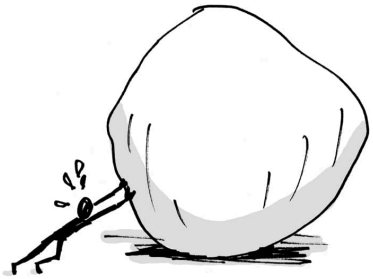
When you're stuck, it's like your path is blocked by a boulder. It needs moving, but how could you possibly move it? It's too big. "We need to deliver all the packages we receive within a day." *Well, sure, that would be lovely, but we have NEVER DONE THAT, so what makes you think that is possible?* It feels overwhelming.



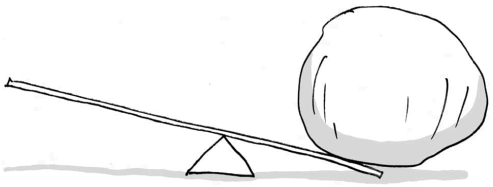
Often, we make the mistake of thinking that we're mired down because of a lack of effort. Notice that a lack of effort wasn't the problem in the receiving area—it probably

took *more* effort to sustain the bad system, because of all those calls to the red phone.

In other words, you can't just hurl yourself at the boulder. "Shoving harder" is not a viable plan (unless your plan is to slip a disc).



To move the boulder, you need to be smart and strategic. Because of the complexity you face, you can't change everything. You can't change *most* things. You can't even change a respectable fraction of things! But, with a bit of prodding and catalyzing, you can change *something*. A well-chosen something. We'll call that "well-chosen something" a Leverage Point (a term popularized by the systems theorist Donella Meadows).

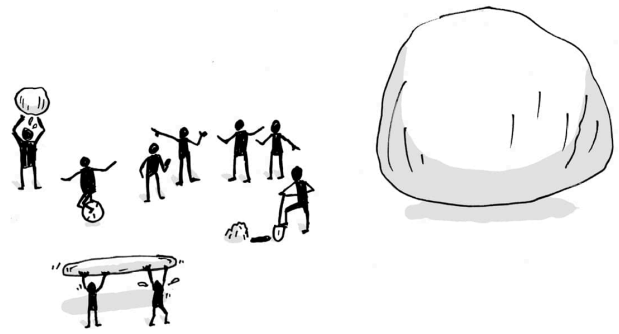


Leverage Points are interventions where a little bit of effort yields disproportionate returns. Of the universe of things you *could* do to improve a situation, the Leverage Points are the things you *should* do. In the hospital receiving area, for instance, one of the key Leverage Points was moving away from batch processes.

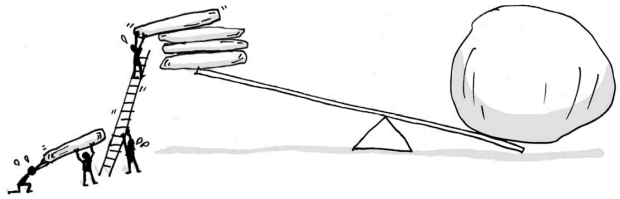
Without a Leverage Point, you'll never transform how you work. In the picture above, the Leverage Point is the fulcrum that supports the lever.[II] But it's not *sufficient* to move the boulder. The boulder hasn't moved yet. To actually move it, you need to apply some resources to the other end of that lever.

Where do you get those resources? Well, right now, you and your team have a wealth of resources—time, money, enthusiasm, processes, etc.—that are being used in various

ways.



The trick is to align all of those assets so that they push in the same direction. You need to Restack Resources on the Leverage Point.



And that's the core framework we'll unpack in this book: To make things happen, you should Find Leverage Points and Restack Resources to push on those points.

Simple, eh? Just do those two things and—POOF—change will flourish!

Well, yes, it can be that simple—but first comes some legwork. To start, you'll be searching for points of intervention where small investments yield big returns. How do you spot those magical Leverage Points, exactly? If they were easy to find, you likely would have found them already. (For years, it didn't occur to the hospital receiving area to move away from batch processing.)

We'll spend the first section of the book on the essential detective work of Finding Leverage Points, covering five methods for locating them:

- Go and see the work (*in chapter 1*): Observe up close the reality of your work.
- Consider the goal of the goal (*in chapter 2*): Identify alternate pathways to your ultimate destination.

- Study the bright spots (*in chapter 3*): Analyze and replicate your own best work.
- Target the constraint (*in chapter 4*): Assess the #1 force that is holding you back.
- Map the system (*in chapter 5*): Rise above the silos to spot promising targets for action.

Then, in the second section, we'll turn our attention to Restacking Resources, a quest that comes with its own challenges. The chief obstacle is that you almost certainly don't have a bunch of unused assets that you can mobilize to support your change. You have what you have. And that means if you want to press harder on a Leverage Point, then you need to draw resources from *something else you're doing.*

To spark change, we shouldn't think AND, we should think INSTEAD OF. Less of this, more of that.

And those trade-offs are painful. Probably no one on your team, today, believes that what they're doing is pointless and therefore their energies can be repurposed in a new direction. So where do you find resources to pile up on Leverage Points when all of those resources are presently committed to something else?

We'll explore six strategies for marshalling resources while minimizing the sting of the trade-offs involved. Here's how you can Restack Resources:

- Start with a burst (*in chapter 6*): Begin with an intense and focused period of work.
- Recycle waste (*in chapter 7*): Discontinue efforts that don't serve the mission.
- Do less AND more (*in chapter 8*): Shift resources from lower-value work to higher-value.
- Tap motivation (*in chapter 9*): Prioritize the work that's required *and* desired.
- Let people drive (*in chapter 10*): Give your team the autonomy to lead the change efforts.
- Accelerate learning (*in chapter 11*): Get better, faster feedback to guide your work.

As you apply this framework, you'll likely encounter powerful obstacles: tradition and resistance and bureaucracy and indifference. But if you can manage to move the boulder —even by just a few inches—you'll find there's a powerful force in your favor. And it's one you might not expect.

Consider a study conducted by Teresa Amabile and Steven Kramer. They were interested in employees' "inner work life," meaning their "thoughts, feelings, and drives triggered by the events of the workday." To trace these everyday emotions, Amabile and Kramer asked employees to keep daily diaries reflecting on their work. Eventually, 238 employees across 7 companies submitted over 12,000 diary reports.

What emerged from these diaries was a crystal-clear finding that the researchers called the *progress principle*: "Of all the things that can boost emotions, motivation, and perceptions during a workday, the single most important is making progress in meaningful work." According to the employee diaries, 76% of people's best days involved progress; only 13% of their best days involved setbacks.

Progress energized people and made them happy. Setbacks did the opposite. No other work dynamics had as dramatic an effect on employees' inner life.

What's particularly striking about the research, as Amabile and Kramer chronicle in their book *The Progress Principle*, is that most bosses were oblivious to the value of progress as a motivator. "When we surveyed managers around the world and asked them to rank employee motivators in terms of importance, only 5% chose progress as #1," said Amabile in a speech. "Progress came in dead last."

It's a stunning oversight: The biggest motivator of employees is nowhere on the radar of the average boss.

But you can overcome that mistake. Progress will be your secret weapon, the way it was for Paul Suett at Northwestern Memorial Hospital. He showed his team how to make things better: *You don't have to pick up the box five times. You don't have to batch the packages. Let the river flow.*

And they responded! It was their work and their enthusiasm that ultimately transformed the department, not his. Frank Marasso was a leader in the group. He spent most of his career—42 years and counting—in the receiving area. He said, "The minute we actually got our FedEx and UPS packages—all 600 pieces—worked up and delivered, and that room's empty at the end of the day? I was like, 'Yeah, this is cool.'" He admitted

he was skeptical of Suett's ideas at first. But the results made him a believer: "An empty room is a beautiful thing, man."

This transformation did not require a huge infusion of new people or new assets. It was the same staff in the same space with the same goal they'd always had: to process and deliver packages for a hospital. But after carefully reimagining their work, they went from "pariahs" to superstars.

In the chapters ahead, we'll explore how other groups faced down their own daunting obstacles: A library on the cusp of collapse. A public company losing a dangerous number of clients. A marriage fraying at the seams. A hospital with burned-out and disengaged staffers.

All of them, as you'll see, moved the boulder.

We'll encounter cases involving military planes, music apps, radiology clinics, church services, car dealerships, and archery competitions. We'll investigate mysteries: Why the middle is the roughest part of a change effort. Why *inefficiency* can sometimes accelerate progress. Why "getting buy-in" is the wrong way to think about change. Why people may think they understand the systems they depend on better than they actually do. (Spoiler on that last one: Realizing this can be shocking to the people involved—see the next chapter for more.)

You'll also learn how five million cats' lives were saved, and perhaps most dramatically of all, how one father got his kids to clean their room. With enthusiasm.

Ultimately, the payoffs for our exploration ahead are simple but powerful: The relief of shaking off bad habits. The pleasure of experiencing movement where stasis had prevailed. The sudden snap of agency that comes from reminding yourself: *I'm capable of changing this situation*.

Yesterday, we were spinning our wheels. Today, we reset and start rolling forward.[III]

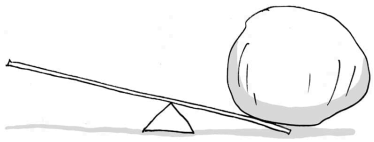
I. Just want to be clear that batching isn't always a bad thing. Like most things, it depends. In the receiving area, it was problematic, but please don't conclude you should wash your clothes one item at a time for the sake of "flow."

II. Probably the less literal we make this analogy, the better. I'm no physicist. Just roll with me here.

III. A huge thank-you to my friend and fellow business author Jake Knapp, who came up with the idea for the boulder/lever/fulcrum artwork and contributed the drawings. I love what they add to the book and I'm grateful!

SECTION 1

FIND LEVERAGE POINTS



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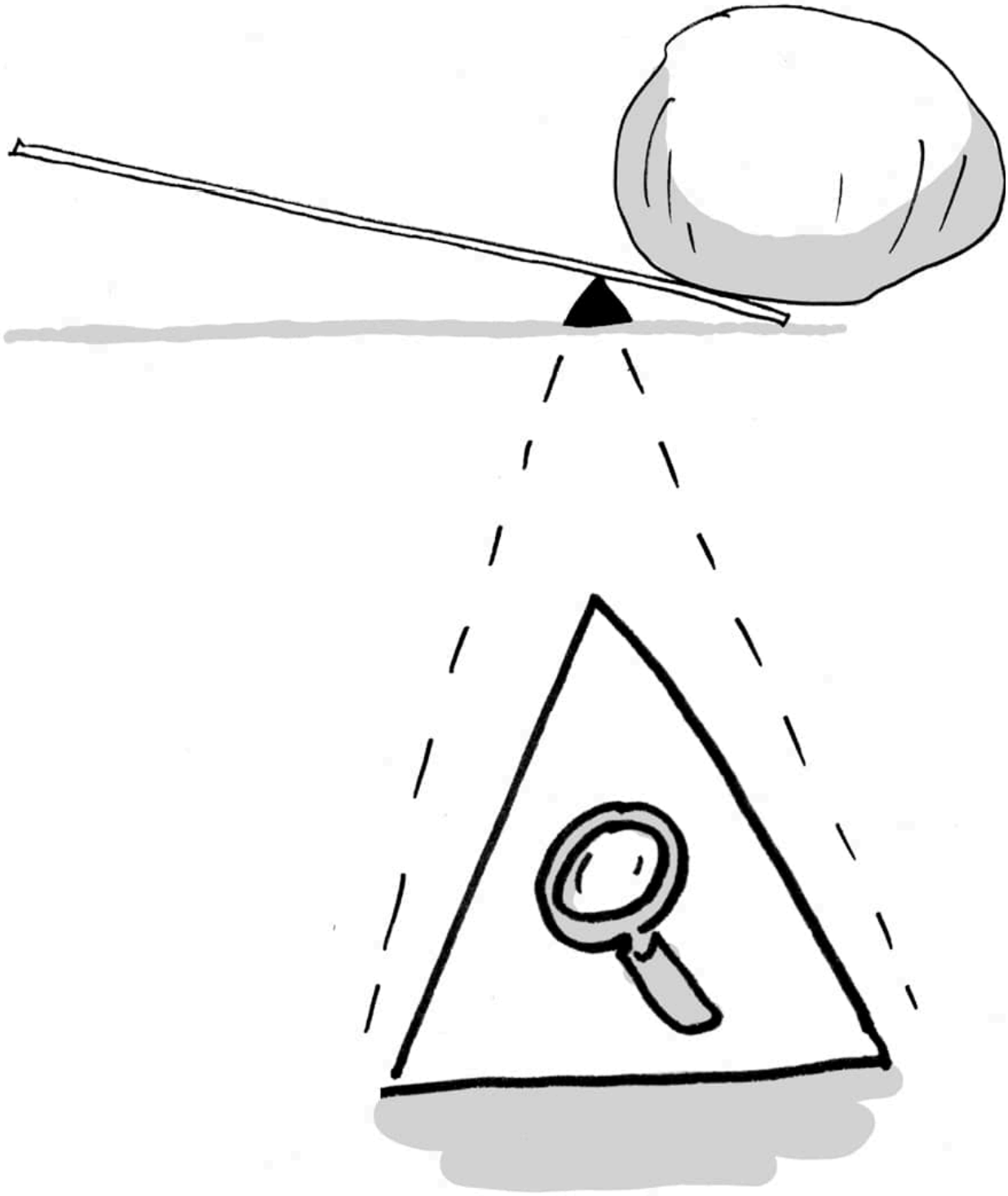
GO AND SEE THE WORK



>> You can Find Leverage Points by observing up close the reality of your work.