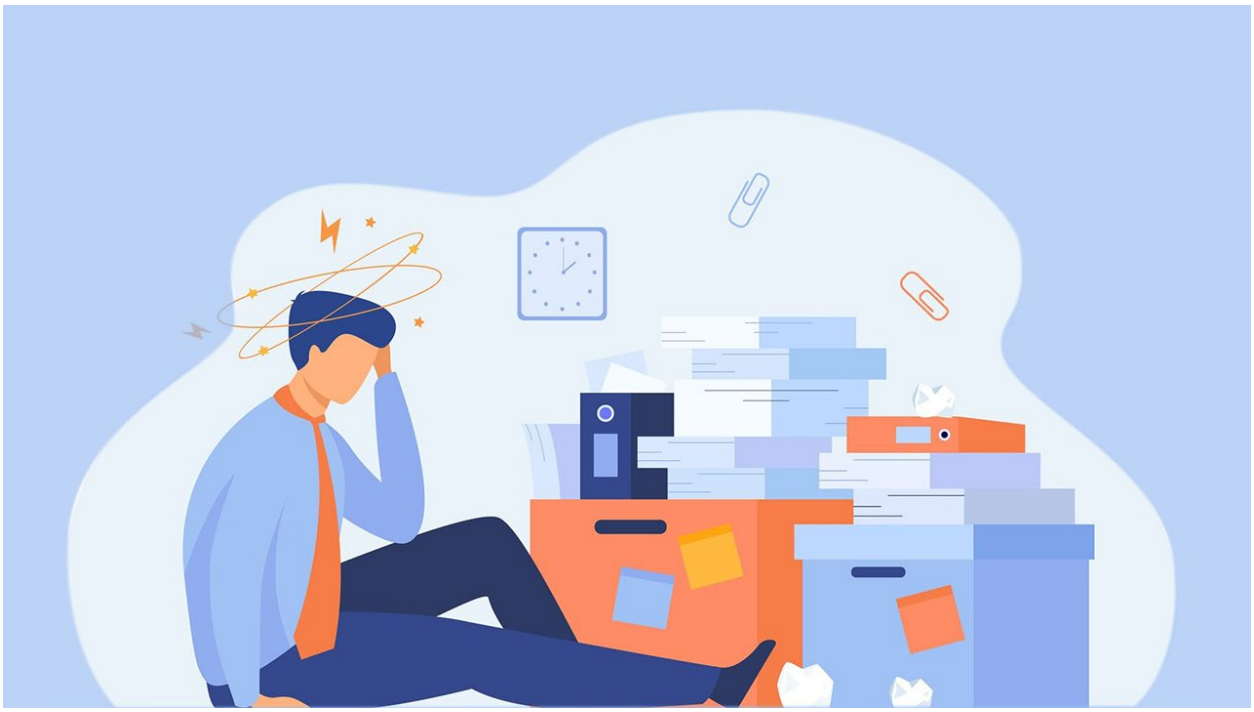
Career Compass No. 110: Accelerate Through Subtraction

Redundant regulations and processes hinder our ability to address immediate needs. Here are some strategies for 'subtraction.'

by Dr. Frank Benest | Sep 23, 2024 | Article



I'm a newly hired department head in a mid-sized urban city. In my new role, I'm amazed at how slow we are as an organization to do stuff. It takes ages to hire anyone, approve a contract, purchase equipment, issue a permit, or propose or implement a new program.

To do anything, we have to go through a lot of hoops. Process (with many steps along the way) rules the day. Budget analysts are assigned to the departments and control how we move budgeted monies around regardless of the demands on the department. To make matters worse, we talk and study things to death and we go to the city council for approval for everything.

This is a struggle in my department and across the organization.

Residents and business people complain how slow we are to respond. Top management and mid- to lower-level staff also complain about the slog but we seem to do nothing about it. Can you help suggest how we move things along?

Yes, outside stakeholders and constituents are demanding that local government agencies become more agile and move quicker in addressing the big challenges of the day (such as climate protection, affordable housing, homelessness, police and justice reform, 21st century infrastructure).

In stable times, local governments could be more deliberative and process- and rule-oriented, all in the name of order, control, and accountability. No longer can we afford to study and re-study

issues and then take little action. To make matters worse, as we have gotten more scrutinized and criticized for the lack of responsiveness, we have become even more procedure-oriented, with less and less room for discretion and initiative.

Why So Many Rules?

In your organization, there may have been any number of historic reasons for an overwhelming use of rules to control all activity:

- A lot of disorder with different departments operating in different ways.
- Lawsuits, unethical behavior, or scandals.
- Federal and state regulations.
- An overly cautious city council, city manager, city attorney, and/or administrative services director.
- Hyper-critical business or neighborhood groups, other stakeholders or activists.

Many Rules Make Sense

Many procedures and rules create a standard and often more equitable way of doing things across departments. They also help establish a measure of accountability. Some processes and protocols also minimize reckless behavior by staff and other city officials or promote sufficient thinking and reflection before an organization makes an irreversible decision amid uncertainty.

However, there are times when we over-emphasize control and as a result, stifle initiative and go-get-it-done attitude and behavior.

Rules Are Costly

Across all sectors (not just local government), bureaucratic rules carried out by administrators and analysts are costly in many ways.

According to Gary Hamel and Michele Zanini, the growth in bureaucracy resulted in a $3 trillion loss in American economic output in 2016. That is 17% of GDP. In the U.S. economy (including government), we now have one administrator for every 4.7 employees. (See David Brooks, "Death by a Thousand Paper Cuts," New York Times, Jan 18, 2024.)

For example, in higher education, the number of managers and senior professional staff at the University of California grew by 60% between 2004 and 2014. The number of tenured-tract faculty grew by 8%.

In U.S. health care, 30% of all health care costs are related to administration, including health insurance costs. (See Ani Turner et al, "High U.S. Health Care Spending: Where Is It All Going?" commonwealthfund.org, Oct 4, 2023.)

Most importantly, if well-thought-out action is stymied by too much process, your talent will tend to leave. Talented employees are "free-exiters"—they have the skills and confidence to freely exit and usually can get a better job elsewhere.

In one of my city manager jobs where there was a lot of process and rules for everything, a younger and talented engineer/project manager told me she was thinking of leaving since she could only complete one major infrastructure project every 24 months, whereas in a typical local government agency she could complete three projects in the same time period. She told me that her resume of accomplishments was being damaged by staying with the organization. She was correct.

How Does an Organization Eliminate "Friction"?

In the Jan-Feb 2024 Harvard Business Review article "Rid Your Organization of Obstacles That Infuriate Everyone," Sutton and Rao define organizational "friction" as the unnecessary rules, procedures, communications, tools, and roles that stifle productivity and creative problem-solving.

However, as Sutton and Rao point out, not everything should be quick, easy, and "frictionless." Certain organizational activities require much effort and are complicated, such as developing deep and trusting relationships among internal and external stakeholders with often different interests. Another example is doing creative work that is messy, inefficient, and failure-ridden, yet in the end leads to great organizational or community outcomes. Compromise regarding critical policy decisions may also be messy and take a lot of time and energy.

To focus on those matters in organizational life that are slow, hard, and complicated, skilled leaders are devoted to removing unnecessary barriers that stymie the accomplishment of routine work. To remove unnecessary friction, Sutton and Rao suggest a two-prong approach:

1. Conduct a "good riddance review."
2. Use subtraction tools.

Good Riddance Reviews

It is desirable to conduct an organization-wide assessment of procedures and rules. However, an audit can also be completed at a department level.

In either case, here are some ways to audit unnecessary or "bad" bureaucracy, rules, and procedures.

1. **Ask colleagues and customers to identify obstacles.**

When I become city manager of Palo Alto, California, in 2000, I asked all employees how I could become a great city manager for them. The #1 response was "free us from all this red tape that gets in our way of achieving good things." Consequently, we established an "Office of Bureaucracy Busting" in the CMO staffed by volunteer employees. We first asked employees throughout the organization to identify unnecessary red tape by completing a "This Seems Stupid to Me" form. For instance, five or six written signatures (including the city manager's) were often required to authorize a relatively simple and not overly costly purchase.

Some organizations also interview clients or customers to identify subtraction targets or "pain points," especially in their hiring, contracting, or social welfare assistance or development application processes. Many times, there are delays and fumbling around when an application is handed off from one department or division silo to another.

While customers (such as developers) can identify unnecessary or cumbersome obstacles, an agency might also want to conduct a "fresh-eyes" audit of a targeted process. For example, non-development staff could examine hand-offs of building permit applications between the Planning and Building Department and the Utilities Department in order to assess how to streamline the process.

2. **Calculate the burdens of employee evaluations.**

Conducting annual performance evaluations for each employee in the agency adds up to thousands of wasted hours in completing forms, attending meetings, creating the ratings, and then higher-ups reviewing the evaluations. Not only is this annual ritual costly, but these performance evaluations rarely provide any significant boost in productivity. Moreover, managers and employees typically hate the experience.

San Mateo County, California, studied the costs and lack of value of employee evaluations and piloted a performance and development program (PDP) that substituted the annual evaluation for a continuous coaching model (without all the paperwork and angst). The PDP model is built around four key areas: regular 1-on1 conversations, ongoing goal and development discussions, increased recognition, and clear program and job expectations. Over the past seven years, the program has expanded from 400 employees to over 1,000 employees. If an average evaluation process takes 10 hours, then the county has saved over 40,000 hours through the program. Those hours are now used to improve working relationships through real-time coaching and have allowed managers and supervisors to become more supportive of their direct reports.

3. **Assess the burdens of too many inconsequential meetings.**

We tend to have too many regular standing meetings. Simply calculating the number of hours employees in any department spend in meetings will be an eye-opener.

Instead of using meetings to make critical decisions, we rely on meetings to provide information or updates, thus wasting everyone's productive time. Using meetings to make a critical decision, providing information and updates via email or in other ways, shortening meetings (for example, institute 15 or 30 minutes as a default on Outlook or Zoom meeting invitations), or even cancelling meetings will free up productive time. Some organizations have instituted a meeting-free day of the week so employees can actually get something done.

To ameliorate the stress of back-to-back-to-back meetings without any breaks, you can cut a 60-minute to 50 minutes or a 30-minute meeting to 20 minutes, which allows time to reflect on the discussion before the next meeting, regroup, prepare for the next meeting, and actually move to the next meeting.

4. **Evaluate email overload.**

Drafting and reading non-essential emails do not add much value. To assess email misuse, you can review the number, length, recipients, and timing of emails that people send and receive.

A 2019 Adobe survey of email use by U.S. adults indicated that they spent an average of five hours per day reading and responding to work emails and another two hours per day responding to

personal emails. (See Giselle Abramovich, "If You Thin Email Is Dead, Think Again", Adobe Experience Cloud Blog, Sep 8 2019).

5. **Audit internal processes.**

How long does it take to hire a new employee, or to develop and issue a request for proposal (RFP), purchase a significant piece of equipment, or issue a contract for services?

In Palo Alto's Office of Bureaucracy Busting, we found that it took six months to get any significant contract through all our internal review processes and then on a city council agenda for approval. As a result of an employee's suggestion, we organized a multi-department team to re-engineer and simplify the process, cutting the review and approval time by 50%.

In Long Beach, California, both the Civil Service Commission and the Human Resources Department are involved in recruiting and hiring city staff. It takes an average of seven months to fill any position. Twenty-two percent of all positions are now vacant. The mayor and city manager are now seeking a charter amendment to simplify the process and just have the HR Department recruit and hire employees. (See Jason Ruiz, "Civil Service Commission Votes Unanimously to Oppose Changes to City Hiring Practices," Long Beach Post News, March 7, 2024).

Likewise, in the City and County of San Francisco, California, it takes an average of 255 days to recruit and hire a staff person. (See Mallory Moench, "Reforms Intended to Accelerate City's Hiring Tied Up in Red Tape," San Francisco Chronicle, June 25, 2023) This kind of organizational friction undercuts the agency's competitiveness in attracting talent and frustrates departments trying to fill positions and get things done. The City and County of San Francisco is now reengineering its hiring process.

Subtraction Tools

Of course, once you conduct some kind of assessment of bureaucratic obstacles to action, you have to do something. (See Career Compass #87 "Do Something") Some subtraction fixes require organization-wide action. Other solutions can be implemented at a department level without any permission required from the chief executive or legal counsel.

Here are a few tools to help you subtract unnecessary procedures and thus minimize organizational friction.

1. **Generate employee ideas on how to subtract.**

The easiest way to subtract steps in processes or reform meetings or old ways of doing things is to ask employees to suggest subtraction ideas.

When we initiated our time-limited Office of Bureaucracy Busting in Palo Alto, we asked for employee suggestions and committed in advance to evaluate every suggestion regardless of any initial negative reaction to the idea. We received hundreds of ideas over the three months of operation. Some ideas were simple (i.e., using electronic signatures or online applications for service). Other ideas were not so simple (i.e., suggestions on streamlining the contracting and purchasing processes).

Various volunteer staff teams evaluated each idea. The teams consisted of a department head, a subject matter expert, one or several emerging leaders, and a representative from the city attorney's office. No one person on the team could veto an idea. Recommendations from the team to initiate an idea would then go to the city manager for action. We implemented more than half of all the subtraction ideas in one fashion or another.

To brand this bureaucracy-busting (BB) effort, we developed a BB logo, provided a BB coffee mug to any employee offering a subtraction idea, and celebrated the conclusion of the three-month initiative with food and beverage for anyone involved.

2. **Use the "rule of halves."**

Sutton and Rao encourage organizations to reduce work burdens by at least 50%, such as the number of standing meetings, the length of emails or city council reports, or the total time to recruit and hire or approve a contract. Cutting by half requires reimagining the total process, instead of trying to improve things at the margins. (See Robert Sutton and Huggy Rao, "Rid Your Organization of Obstacles That Infuriate Everyone," Harvard Business Review, Jan-Feb 2024.)

3. **Have department directors complete application forms**

According to Sutton and Rao, many top managers have "friction blindness." They simply do not see how difficult it is for employees to carry out work or customers to apply for assistance or approvals. Therefore, to address friction blindness, city managers or county administrators as well as department directors could require themselves to go through the process of applying for social welfare assistance, filling out a job application, or submitting a development or permit application. Top management officials will typically be astounded by the time required to complete the forms and the complexity of the information required. This forced empathy on the part of top managers for users of the government forms can lead to their support of subtraction and simplification.

A Mini-Case Study from San Jose, California

San Jose is the twelve largest city in the United States.

Facing a homelessness crisis, the city had to make a tough choice in 2023 of either spending $38 M in one-time voter-approved bond monies to construct new permanent affordable housing, or using the funds to build or secure interim units or other solutions (i.e., tiny homes, hotel rooms, or safe parking sites) in order to get some homeless people immediately off the streets.

While a number of councilmembers and some homeless activists supported the permanent affordable housing solution, the mayor led the effort with the support of other activists and many business and neighborhood representatives to build or otherwise secure the transitional units.

After a vigorous and contentious debate over several months, the mayor and city councilmembers found a reasonable compromise, and a majority of the council voted to approve the transfer of a significant portion of the bond funds from constructing permanent affordable units to interim units.

With internal leadership from the manager and other executive staff, the city bureaucracy got aligned with the goal of actually producing the transitional housing. City staff identified and delivered the sites; secured additional funding; selected providers to operate the housing programs; fast-tracked permits and other approvals; and helped begin construction. It has been a messy process but most of the typical obstacles (especially when issues are handed off from one department silo to another) have generally been overcome.

During the debate of this critical decision, there was plenty of good or healthy friction. Once the lengthy debate (including much community engagement) was concluded and a controversial decision was made, the organization got aligned to execute the decision. Even though differences of opinion remain, political and appointed leadership consciously worked to minimize organizational friction so that the organization was able to respond.

Once the decision was made, the organization could accelerate through subtraction.

Tips to Promote Subtraction

To subtract and reduce unwanted organizational friction, I am providing these leadership tips:

1. **Lead the way.**

Most of the rules, protocols, and other obstacles slowing down organizational responsiveness and action developed slowly over time and have become ingrained. To get the agency focused on subtraction and simplification, the chief executive must take a visible role in advocating for eliminating bad friction, providing direction and needed resources, and otherwise leading the way.

2. **Make it a time-limited initiative.**

Since organizational improvement efforts often run out of steam, the subtraction initiative should be time-limited, running four to nine months. The collection and evaluation of ideas should occur during this initial four to nine months of heavy promotion and activity. The actual implementation of the suggested solutions may often take place after the four to nine months.

3. **Engage subtraction champs.**

The subtraction effort must engage a cadre of champions throughout the organization. The role of the champs is to promote the initiative, encourage employees to submit subtraction and simplification ideas, evaluate the ideas, and implement the best solutions. Several teams are charged with evaluating each and every idea and work teams are assigned to implement the more complicated or demanding ideas. Champs must be high-energy and committed to bureaucracy-busting and learning along the way. They may be from all levels of the organization, including managers, emerging leaders, and various subject matter experts.

4. **Brand it.**

To focus attention and energy on this critical organizational improvement effort, it is wise to brand it. As mentioned above, Palo Alto branded its subtraction initiative “The Office of Bureaucracy Busting.” The marketing staff devised a BB logo (fashioned after the Superman logo). The logo was used with all the marketing materials and communications as well as the merchandise that we offered participating employees.

5. **Look for small as well as big wins.**

You want to generate all kinds of ideas, some simple and some not so simple. The simple ideas that prove effective (i.e., allow no more than three interview panels for any recruitment, or substitute an annual administrative report instead of quarterly reports) should be implemented as soon as possible.

The more complicated suggestions (i.e., reengineering the contracting and procurement process) will involve many players from different departments, require more debate, result in controversy, and thus take much longer to implement.

6. **Show progress.**

To demonstrate to the organization that you are serious about subtraction and simplification, you need to promote some quick wins.

Since some of the important efforts to reduce bad friction require much time, energy, and commitment, you need to constantly communicate progress along the way. Since reengineering the development approval process takes a lot of time, you must identify and achieve certain milestones along the way, thus maintaining momentum and energy. Teresa Amabile and Steven Kramer call this the "progress principle." (See The Progress Principle: Using Small Wins to Ignite Joy, Engagement, and Creativity at Work, 2011.)

7. **Reward managers.**

For top and mid-level managers to embrace subtraction and simplification or at least allow it to happen, you need to provide a strong rationale for less bad friction. You also need to reward managers who make it happen by providing annual performance rewards and/or non-cash recognition.

8. **Celebrate!**

We in local government do not sufficiently celebrate our successes. To maintain momentum as well as reward contributions, you should celebrate along the way as well as at the conclusion of the initiative. In Palo Alto, anyone providing an idea or evaluating a suggestion or involved in implementing a solution received a BB coffee mug and a thank you note from the city manager. At several celebration events, engaged employees also got a photo with a bigger-than-life-sized Superman figure with a BB logo on his chest.

9. **Maintain vigilance.**

Since leaders often become subject to "friction blindness," they are not aware that they are constantly adding new policies, procedures, rules, and barriers and in the process creating bad friction.

Consequently, once the time-limited initiative is concluded, top management must continue subtraction efforts. For instance, you can incorporate subtraction and simplification as a guiding principle for the organization; continue to encourage use of "This Seems Stupid to Me" forms; or question any attempts to devise yet another across-the-board organizational policy in response to

any individual mistake. One transgression may not warrant limiting individual or department discretion across the organization.

For example, you may require that any new policy or rule must be scrutinized at an executive meeting by asking "Do we really need this new rule or policy? Is its value worth more friction to slow our responsiveness or action?"

Of course, to identify new creeping regulations and policies, you may need to conduct another "good riddance audit" after several years of the initial audit.

Accelerate Through Subtraction

Community members, organized stakeholder groups, and elected officials are all demanding that our local government agencies respond to the big adaptive challenges of the day, whether they be climate action, traffic congestion, or police and justice reform. Since there are no right or wrong answers to these adaptive challenges, and every group has its own preferred solution, local governments must take action, try out some initial efforts, pivot, fix things up, and learn along the way. People desperately want us in local government to do something and make things better.

In part, the problem is that we have so many rules, procedures, and operational silos that it is difficult to respond with urgency. People perceive that we are not responsive; we don't care; and/or we can't be trusted. We lose all credibility and legitimacy.

There are many ways that local government must become more responsive. However, one way to more readily respond to all the demands for action and become more adaptive is to simplify, streamline, and/or remove stultifying procedures and barriers. To accelerate, we must subtract.

Endless procedures and other hoop-jumping drain organizational energy and initiative. Rather than prescribing, limiting choices and controlling everything, leaders can

- Choose goals.
- Set boundaries.
- Promote learning from missteps and improvement.
- Enable growth and development.
- Get out of the way.

Do you as a leader prefer control, or action, learning and ongoing improvement and progress?

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