

**Jacob Morgan 00:00**

Economics podcast choice, ology, former president of the International Society for judgment and decision making an author of How to change the science of getting from where we are to where you want to be.

**Katherine Milkman 00:10**

Yeah, that's long. If you want to cut some of those things, I would say I'm most eager to sort of, say I'm professor at Wharton and author of a book, but you don't even have to give up full long title. Okay, just do how to change whatever you prefer. Yeah, but

**Jacob Morgan 00:25**

yeah, so let's, let's do that. And then I will mention the other things when I do the longer intro. Works. Sounds great. Okay. And author of How to change. Alright, cool. Well, unless you have any other questions, I'll push recordable jump right in. Have you ever used a riverside before? By the way?

**Katherine Milkman 00:42**

This is what I use for my podcast. Yeah. Oh, he's Riverside as well. Yeah. Although I should say every producer who really operates it, I'm just on it with him. But I know we need to wait for it to upload at the end, so I won't hang up when we're done.

**Jacob Morgan 00:55**

That's the most important thing. As long as you do that, we're good. Okay.

**Katherine Milkman 00:59**

I'm gonna push away. I also know that we can recover it. And for some reason I do something dumb. So yes, yes. Yes.

**Jacob Morgan 01:05**

So I'm gonna push record on my camera over here. Just because sometimes, I find that the video quality is better to record directly on the camera. If you see any, like pixelation or whatever, you know, it's done man issues. Yeah. Yeah. No. Or if I've disappeared on people before, if that happens, just know everything is still being recorded. Okay, great. I unless any other questions, I'll jump right in, if that works for you. Yeah, no, it sounds great.

**Katherine Milkman 01:32**

I'm ready whenever you are. Alright, cool.

**Jacob Morgan 01:35**

Hello, everyone. Welcome to another episode of the future of work. My guest today is Katie milkman, a professor at the Wharton School of the University of Pennsylvania. She's also the author of a very popular book called How to change the science of getting from where you are to where you want to be very timely topic. Katie, thank you for joining me.

**Katherine Milkman 01:56**

Thank you for having me. I'm excited to be here. Oh,

**Jacob Morgan 01:59**

yes, we have so much to talk about. Before we get into some of the things from your book and research. Why don't we start with just a little bit of background information about you and how you even got involved with all the stuff that you're doing now?

**Katherine Milkman 02:13**

Sure, ah, depends how far back you want to go. But let's just stay in the you know, relatively reasonable path. So I'm a behavioral scientist at the Wharton School. I've been at Wharton for over a decade, I study the science of behavior change and co-direct a center called the behavior change for good initiative with Angela Duckworth. It's been around, we're about to celebrate our five year anniversary of existence, which is kind of exciting. It's a center that unites Yeah, no, it's it's a big milestone. We have a team of about 150 scientists around the world who are interdisciplinary, neuroscientists, economists, psychologists, sociologists, doctors, think we've got a lawyer to running around in the mix. I'm all interested in how can we advance the science of behavior change. And we bring them together for everything from, you know, events and conferences, to collaborating on massive scientific trials designed to figure out what actually works to change behavior around financial decision making around health decision making and around educational outcomes.

**Jacob Morgan 03:22**

So what is it about decision making that you find so fascinating, because you were also the president? What was the name of the society that you were the president of as well,

**Katherine Milkman 03:31**

the Society for judgment and decision making,

**Jacob Morgan 03:34**

which I love, I love the name of that. I

**Katherine Milkman 03:36**

just don't think you'd be amazed by how many academics in that society would admit to having poor judgment. But that's a whole other topic.

**Jacob Morgan 03:44**

But it's like, it's such a fascinating field. Like I didn't even know that this kind of a society existed before I was reading your bio. So what is this field of study all about? judgment and decision making? What does that even mean?

**Katherine Milkman 03:59**

Well, first of all, you've probably heard of some of the people in the society and some of the work they've done, because it's been having a sort of growing impact on the world, which is really exciting. When I came to it. It was small, and now it's big. Danny Kahneman, who's a Nobel Laureate from 2002, bestselling author of thinking fast and thinking slow is one of the early members and early presidents of

the society and still involved he's still incredibly active as a an academic. Also, Richard Thaler, who's a Nobel Laureate from 2017, author of the best selling book nudge another active member of this community, I'd say it was really it's really a society that's focused on understanding what are the fundamentals of how people make decisions, and how can we improve them and Danny's work, exploring biases and judgments, systematic and predictable ways that people make mistakes deviate from making the choices that sort of an optimal, perfectly rational human would make? Who's just passionate. So think the fact that people care about fairness, the fact that we really hate losing more than we enjoy winning, in fact, losing feels much worse than we owe probability judgments. Yeah, if you relate, we all relate. That's why it's so fun to study this stuff. Because it's like, research, you're looking at yourself in the mirror in a sense, but you're actually really systematically understanding what goes wrong and when and trying to patch it. So that's, that's what I study and why I love it.

**Jacob Morgan 05:30**

Yeah, no, it's a fascinating area. How do you actually study this stuff? Is it surveys interviews with people? Is it looking at other research that's been out there? Like, how do you actually study decision making in judgment? It seems like such a question. Yeah, yeah. I don't know if it's an abstract concept for a lot of people to understand. But it seems, you know, it's not like a math, it's like two plus two equals four is seems more abstract for a lot of people.

**Katherine Milkman 05:57**

Yeah, that's a fantastic question. The answer is that the methods in the field vary widely. I in particular, have a taste for doing what I call field experiments. But that's actually not the norm. So I'll say what that is in a minute. But I would say most of the research, and then I do something pretty different has been small experiments run with like undergraduates and a, you know, 100, undergraduates come to a computer lab, or come fill out surveys about how they would make a choice, where they you know, choose which kind of popcorn they want, or what prize they want, at the end of a of taking a survey. That's sort of where the field started. Those kinds of sort of small experiments. And what I have a taste for and have enjoyed doing throughout my career is actually taking insights that maybe grew out of that original work, but then studying them in a really different way. So I tend to partner with large organizations like I've worked with companies like 24, hour fitness, and Google and Walmart. And we'll run an experiment, an A B test with, you know, 1000s, maybe hundreds of 1000s of people, where we explore whether or not say, the way we encourage them to exercise more regularly over the course of a four week digital program actually works to build that exercise habit, or the way we message them to encourage them to get a vaccine actually changes whether or not they receive a vaccine at the pharmacy, or whether or not a mailing we send to the employees of large organizations changes whether or not they choose to sign up for a retirement savings program and start putting money into a retirement savings account. So I run these kinds of field experiments, I go out into the wild partner with organizations study, if we can make a change in the way we present a choice to someone that will lead them to actually make a choice that's better for them in the long run. But the work of most of the scholars in the society for judgment and decision making is normally I would say more basic research sort of closer to lab and survey data collection.

**Jacob Morgan 08:04**

You're reminds me of just rewatching the the matrix with my wife. And that movie is all about choice and decision making. And that's a big concept that, you know, the villain Agent Smith keeps talking about why do you make these choices? You know, do you have choice? Do you have free will? So I mean, it's a fascinating area to study. I remember even when I was younger, in college, I was really interested in finance. And I was interested in this concept of behavioral finance. So I brought together some of my psychology professors and some of my finance professors to have a conversation on like, why do we make certain decisions in a house? So it's, I mean, I love this space, and I wish I knew more about it. Well, maybe the first question for you that I think a lot of people would probably be thinking about is do we make decisions based on emotion? Or based on logic? Or is there some combo of both?

**Katherine Milkman 08:55**

Both? That's an easy one. Both things influence our judgments. And you know, the original I will say economic model of decision making was a dispassionate one that said, emotion is normally not a part of the right it's, it's an optimization problem that we're solving in life. And then behavioral scientists have come along behavioral economics has developed and added in the emotion and pointed out, oh, actually, we care a lot about things like inequality and, and we're going to try to avoid outcomes that make other people suffer. Even if it you know, we'll never see them again, because that makes us unhappy. We care about other people, even if we don't have a relationship with them. That was sort of like a mind boggling revelation for economists in the 1980s. But now it's accepted. So I'm both is the answer unquestionably from the data,

**Jacob Morgan 09:50**

okay. In where might people come across? So when we think about decision making and judgment, you mentioned for example, you're doing work but a lot of organizations, a lot of people probably don't even realize that they have either purchased something or have done something. But a lot of research went into how you are consuming that or how you are receiving that information. Do you have any, like favorite examples that come to mind of what organizations have done to influence decision making and judgment and change that consumers probably are not aware of that has even happened?

**Katherine Milkman 10:26**

Well, that's interesting. Well, you know, one that I think people are probably are a little bit aware of, but maybe haven't thought deeply about is Facebook, which is constantly experimenting to see if their interface changes your decisions. There's a study that I find really interesting that they did a while ago with roughly a million of their users, just a B testing, whether they could get more people to vote. So it really was I, you know, we can talk about things that Facebook has done that aren't great, or things that we, you know, we let's just set that aside. And hopefully we can agree, it's good to increase political participation, wherever, you know, whichever direction you want to move the vote. If we're just saying we want more people to participate in the process, I think that's objectively good. So they were just exploring whether or not their platform could be used to increase that voter turnout metric. And they did an A B test where they randomly assigned some people to see information about their friends, and whether who had claimed to voted, you know, who said, told the site I voted. So either they show you a bunch of your friends, each one voted or they don't. And what they found is showing you a bunch of your friends and a message that these other folks have voted, increases your likelihood to vote,

because we are really influenced by social norms, we really matters to us that everyone else is doing it, I should do it too. And particularly if they showed you close friends, that's even more influential. So that's an example of a test that probably people don't realize as being run that the platforms that they're logging into constantly to share news and with friends are thinking about ways that they can, well, sometimes maximize profits, probably mostly maximize profits, but also ways they can do things like increase voter participation.

**Jacob Morgan** 12:19

It's amazing, because there's when we think about like getting people to change behavior, you can think about it from like, the technology perspective, as far as the platforms that you use, and how you're using it, and UI and colors and stuff like that. But then there's also this, like, deep psychology aspect of it, too. Which I also find interesting. What are some of the techniques that you have seen, which are more in effective at driving change? Maybe things that leaders inside of organizations are doing? Because they heard about it, you know, years ago, but it's actually really not that effective? Does anything like that come to mind for you?

**Katherine Milkman** 12:58

That's a great question. I should have a great answer, shouldn't I?

**Jacob Morgan** 13:03

Or just any any ineffective, ineffective techniques around change?

**Katherine Milkman** 13:09

I think one of the things that drives me nuts, and this is a little bit different, but is a desire to just sort of have a list of things that work. And to grab from that list and say, I just mentioned this Facebook experiment, we know that people are influenced by social norms, what other people around them are doing that if we just say, Hey, did you know that 90% of your neighbors are using less energy than you are? It turns out, you're gonna start consuming less energy, because you're like, Oh, my God, I can't believe I'm the guzzler, I've got to start switching an LED bulbs and turning off the lights when I leave. So we are that's an example of something that's sort of in the toolbox. And there's a lot of leaders who just see something that's not working in their organization, say, you know, not enough people are saving for retirement, nobody's exercising, no one's taking their medications, we've got an issue with, you know, nobody showing up on time for meetings, and they just go to the grab bag, we sort of have a list of successful studies, and they're like, let's try that. Let's grab social norms. Let's tell them everybody else is doing it. That drives me nuts. The reason it drives me nuts is most of the things that work to change behavior work, because they're solving a problem that exists, right? Maybe the reason you weren't using less energy was you didn't believe it was possible to cut but then you found out all your neighbors were using less than they're in similar homes, and now all of a sudden your beliefs have changed. Or maybe the reason you're not exercising is because you find it miserable. But then your friend invites you to go to Zumba classes with her and that's great. And so you start exercising, but it's what works is what actually solves a problem that matches a barrier rather than something just pulled from a bag of tricks. And so too often I see leaders not doing that. Step two diagnose Well, what is the barrier? And can we actually match a solution from sort of the behavioral science toolkit is it people don't believe that this is feasible, or that other people would do it? Evaluate, and that's why they're not

doing it. Okay, then let's tell them everybody else is doing it. This is totally feasible and totally valued. Or is it some other barrier? In which case, maybe they're forgetting when you just send them reminders, not communicate with them about what everyone else is up to. So that diagnosis phase, I think that's a mess. For a lot of leaders.

**Jacob Morgan** 15:20

It's interesting, because it sounds like that's, that's an important piece that a lot of people miss. People asked me this question all the time, I'm sure you get it as well, they say, you know, I'm trying to get my leader to change or my employees to change, how do I do it? And it's so broad, you know, I always respond, well, the will do you know, why they're not wanting to change? Like, what? It because you know, what, what answer could you possibly give? Like, how do you get people to change? It seems so broad and vague. How do you and yet

**Katherine Milkman** 15:51

there are so many books, I will just say that tried to give a single answer without the why or the diagnosis or, you know, like visualize success. It's just you're not visualizing, you can't see yourself, right. You know, look

**Jacob Morgan** 16:04

what ifs your dreams. Alright.

**Katherine Milkman** 16:07

And it's not that it's not that all the advice out there is garbage. Some of it has scientific merit. But it rarely does that diagnosis step first, which drives me crazy.

**Jacob Morgan** 16:21

Yeah, I would imagine as a scientist who's involved in this space, you probably read that stuff. And you're like, how did this get published? Why is this on the bookshelf? Tear it down immediately. But you said it, I didn't say it. I don't know what you're doing. We didn't mention any books. So it's all good. No books and no names. So we're in the clear. For leaders, then who, let's say do come to you, and they say, You know what, Katie? I'm trying to get change to happen in my company. I want my employees, my employees to be more innovative. I want them to be more engaged. And you say, well, first, you have to diagnose why that's not happening. How do you actually start that first phase of diagnosing? Is there a specific process that you go through?

**Katherine Milkman** 17:06

Yeah, it's a fantastic, fantastic question. And the answer is, honestly, it of course, depends on the context and the population where change isn't happening, right? Can you go like talk directly to them? That's great. If you can go start asking questions of the individuals, sometimes grab

**Jacob Morgan** 17:27

a copy and be like, hey, what's

**Katherine Milkman** 17:28

what's Yeah, what what, what are? What are the sticking points? Like, conversation often gets you pretty far that normally the why is not some deep buried into you don't need psycho analysis to get at it. It's, um, it's like, well,

**Jacob Morgan** 17:46

my parents love me. Yeah, right. Exactly. It's

**Katherine Milkman** 17:49

like, well, it's miserable. Or I always forget, I have too many things going on. Or, you know, well, I'm just not that motivated to I don't think it's possible, you know, there. There's sort of a list I will say, of speaking of grab bags, there's sort of like seven ish, roughly seven different reasons that I think are really common that change that are internal barriers. Of course, there's a whole other list, I mean, infinite of external barriers, like, oh, the government regulations prevent it. Or, you know, my incentives are misaligned, etc. There's lots of external barriers. But when it comes to internal barriers, which is what I focus on studying the internal barriers to change, and how we can remove them, it's, it's a pretty simple set of things. And it's not actually that hard once you understand that, to try to map on what the problem is. So in the book I wrote recently, that's actually how I've organized it is sort of these are the things that I think the most common barriers and the solutions that science has to offer. And they range from the challenge of just motivating people to get started impulsivity, like it's not instantly gratifying. Procrastination, which is the flip side forgetting which I think we under appreciate as a barrier. Laziness, although that sounds so negative, and I actually mean it in a loving way. Because laziness is an asset, right? In that you want to take the shortcut whenever you can. In life, that's how you get to the finish line as fast as you can, right? So it's a good thing to look for those shortcuts. It's just that that it can also trip us up believing that you can do it right, having confidence. And then finally, another issue is social. So do did the people around you are they showing you it's possible? It's related to related to believing but it's the social component of that. So this is sort of the biggest, most common things I have seen and diagnosing is just starts with being aware of what they are. And again, having conversations with people about what what seems to be the sticking point in trying to map that on to those. Do you find

**Jacob Morgan** 19:57

that sometimes leaders over thing things meaning like, it's having a coffee or like talking your people Sounds easy, right? I mean, it's like, Go Go talk to him, for goodness sake, like, let's, and you know, they sit there and they think of like, these I got to do like this huge survey, and it's gonna take weeks to plan it. And I got to come up with 40 questions to ask. And it's, it's kind of like what our employee engagement surveys companies have become, right? They're like these 200 Page surveys, that by the time or 200, questions, surveys, by the time people get the question 30 They don't even know what they're doing anymore. They just, you know, who cares? I just want to get this done. Should we just be thinking about this in a much simpler way when it comes to changing behavior and not like, complicate the heck out of it?

**Katherine Milkman** 20:45

It's an interesting question i. So I share your dismay at the epically long survey that has too many questions for anyone to pay attention by the time they get to the 30th page.

**Jacob Morgan** 20:57

Or maybe at least the first step of like diagnosing right. I mean, like talking to your people just sounds like such an easy thing for leaders to do. yet. So many of them don't do that. And it just I wonder why they don't do that.

**Katherine Milkman** 21:11

Yeah, I wonder whether you don't do it too. I think one of the reasons is that there are so many people ready to offer them or sell them. I should also say solutions that don't involve that, because they think they know they've seen something that looks familiar, or they've they've solved problems before. And so many people are ready to jump in with the solution before going through that step that maybe leaders are not even realizing it's important because they've been they've been offered so many solutions minus the diagnosis process. But I do not think it has to be tremendously complex to get at the barriers. And often it's obvious once you just recognize what they could be to say, oh, yeah, that maps onto my situation perfectly. And none of these other things apply. So yeah, conversations. I do think surveys can be useful. And it probably depends on sort of who is the stakeholder who you need to communicate with and get information from? And do you even maybe you don't even sometimes need a conversation because it's so blindingly obvious, but sometimes you might, or sometimes the survey,

**Jacob Morgan** 22:22

do you think things like goals and nudges are those techniques helpful? Because I there's a lot of very mixed opinions on this. You know, some people say set goals other people say don't set goals. Some people say nudges are great. Other people say nudges are useless. You see people say things, like instead of setting tasks set out, you know, create these other lists for yourself. Like everyone has a different opinion on how to get things done, and, and how to drive change. Do you have any thoughts on? Are all these techniques effective? And it just depends on the person and what works for you?

**Katherine Milkman** 22:57

I don't know if it depends on the person so much as the context and the problem. But I do think there is absolutely strong evidence that goal setting and judging can add huge value. But of course, not always. And I think that's one of the reasons we get into these debates is because everyone wants the one size fits all solution, and skips that diagnosis phase. And so you know, if you look around, you can find examples of times when goals are successful, and when they're not. Because sometimes they solve the problem. And sometimes they don't seem with nudges. So it's, to me, it's about the time and the place. But there's certainly lots of evidence that both have value to add goals. In particular, I think they focus us, they give us something to strive for, and push towards that that can be dangerous, actually, when the goal like if you set the wrong goal, or if it crowds out other things, but it can be really valuable when you set the right goal. They need to be broken down into bite sized pieces. So it's not distant and ambiguous. And it needs to be clear what the metrics are. And they need to push you, right? It can't be trivially easy goal, it's got to be a goal that's getting into stretch a little bit, but not impossible. So there's all these parameters you have to optimize. And goals are the most useful when you know you're in need of added motivation and clarity around. What's the end you're trying to achieve? So yeah, I think I think each thing has its place and, and sciences really clearly established that there is value in these things. It's just a question of when to use what.



**Jacob Morgan 24:37**

Okay, I wanted to go into a little bit more detail into some of these barriers that you mentioned earlier. Because I find that there's a lot at least leaders and I myself sometimes get very confused by this because like you said some things work. Some things don't depends on the context depends on the research. So, you know, as a leader, a lot of people are probably watching this and listening to this thinking okay, well If things work at different times, and some things work, and some things don't, how do I know? Like what I should be doing? And I suppose part of this comes from understanding what these barriers are first. So can we spend a couple minutes talking about each one of these barriers and just giving a little bit more context on them? That way, maybe leaders can identify them if they come up?

**Katherine Milkman 25:20**

Yeah, absolutely. That sounds great. But I'm going to add one more bonus suggestion, which may make some, some people's heads explode. But I just want to say, I'm such a huge, huge fan of actually a B testing, because even when you think you've understood the why, or you know, what's the barrier, sometimes you'll be surprised. And I do think there's sort of nothing better than testing a B testing, especially in this era, when it's so easy and cheap to collect data. We should be constantly testing to make sure that what we think is going to work really is.

**Jacob Morgan 25:59**

So can a leader A B test on their people, I guess, if you have one conversation or one approach with one employee, and then like set goals with one employee don't set goals with another and just see kind of how, how it works out?

**Katherine Milkman 26:13**

Yeah, it depends on you know, if you're a leader, and you have a small team, it's harder to do an A B test. If you're a leader, and you have a massive workforce, or if you're a leader, and you have a large customer base, and you have different ideas about how to change behaviors, then it's easier to do a B test. But yeah, absolutely. If you're if you've got a team of five, AV testing is probably not going to help you tremendously.

**Jacob Morgan 26:35**

Yeah, well, I love that approach of testing, because I feel like a lot of leaders, you know, they go through MBA programs, they read books, and they feel like that's the template that they use for every single employee in every single situation. And they forget that, you know, things change, and it's okay to experiment and test and see if something works. And if it doesn't, admit it and try something else. But I also feel like a lot of leaders believe that that means that they are somehow weak in a certain way, right? If they make a mistake, and they have to admit that they got something wrong, like there's the vulnerability issue in there. So it's kind of an interesting, like, balancing the experimentation with embracing the vulnerability piece.

**Katherine Milkman 27:15**

Yeah, no, absolutely. I think. I think we all experiment too little. And, actually, it's not the focus of my book, because the focus of my book is like, here are some scientific principles that can be useful in

creating change, and here's when to use them. But I think when I teach my Wharton MBAs, I think the thing that they leave with, that's probably the most valuable, in my estimation, is an appreciation of the importance of testing, how it can allow you to hone in on the truth, and how to do it. So I'm not sure there is a more important thing for leaders to understand than that.

**Jacob Morgan** 27:54

Okay, that's great. All right. Let's talk a little bit about these barriers in more detail. Which one? Do you want to start with? I mean, of course, laziness immediately, like jumps to mind? Oh,

**Katherine Milkman** 28:05

no, let's wait on laziness. Let's wait, we got to come to that we could be a little lazy about laziness. Alright, about getting through the barrier. Getting Started, because we're getting started on talking about them, that's always a great place to start is with getting started, right. Okay. I think the Getting Started problem is one of the ones I've personally studied the most, just, you know, I know I need to make a change, I have some desire to change, there's some other goal I'd like to achieve. But like, I'll worry about that tomorrow. I'm not going to get started today. Um, so my collaborators and I got interested in this because I gave a talk at Google about a decade ago, where I was presenting a bunch of research on tools we could use to help motivate their employees to, you know, take advantage of different workplace programs, you know, productivity training, lifelong learning, getting them to save more for retirement and so on. And I presented these results and one of their HR managers they call them people analysts said, Okay, Katie, completely convinced that we should use these tools to nudge behavior change. Science proves that it works. But is there some ideal time to encourage change? Is there some point in a career when people are more motivated to change or some dates that matter more than others? And I thought it was just such a great question. And so my collaborators Hank Chen, die of UCLA and Jason Reese of Wharton and I have all together explored what we now call the Fresh Start effect. And the basic finding is that there are moments in our lives when we feel like we're turning the page on a chapter you know, it's a new chapter we're beginning they can be little fresh starts so Mondays are a mini fresh start. They can be bigger, fresh starts New Years, the celebration of a major birthday or I'm moving to a new community or a new role. Those are more major moments. Start at any moment.

**Jacob Morgan** 30:07

Yeah, moments that matter or moments of impact. I've heard them called a lot of different ways. I love that you're talking about this.

**Katherine Milkman** 30:13

Yeah, I, I think we don't use them enough to kickstart change. It happens naturally, that people think of their lives in these chapters. And then when they come to a chapter break, we've shown in lots of different data sets, they naturally pursue goals more aggressively, because they have the sense that, you know, that was the old me that didn't get much done before. But this is the new me new means it's going to be different. So there's a renewed optimism in what you're capable of. But we don't do enough to actually capitalize on those moments as leaders when they come about I think, and we've shown in research that if we call people's attention to a fresh start moment that they might not otherwise be focused on and encourage them to make a change at that time, that can be really successful.

**Jacob Morgan** 31:00

Okay, so that's one barriers. Getting started. Oh, it's all good.

**Katherine Milkman** 31:06

Yay. For recording Sorry, I'm need a sip of water.

**Jacob Morgan** 31:11

That's what makes it good for editing.

**Katherine Milkman** 31:15

Sorry about that. A felt good been a long day of talking.

**Jacob Morgan** 31:21

Oh, I know, that happens to me all the time. If I do a lot of podcasts or interviews, I gotta have lots of water.

**Katherine Milkman** 31:27

Or bubbles. Well, anyway, hopefully that won't. Alright, I'm ready. Sorry. Don't sorry, mess up your flow?

**Jacob Morgan** 31:35

No, no, no worries. Okay, so when we think about those, or that particular barrier as far as getting started, so the thing to be aware of for leaders is, if there's a moment that they could kind of piggyback on to help somebody get started.

**Katherine Milkman** 31:51

You got it, if there is a moment, when it feels like a fresh start, it could be as trivial as a Monday or coming back from a holiday break. Or something more meaningful, like person's been promoted. And a new year has begun. We're tracking performance in a new way, something that just jolts us into a chapter break. Okay, that's a perfect time, to encourage change, to help people with goal setting to put opportunities in front of them, that might help them on their journey, because people are going to be more willing to take those opportunities and to set those goals and more motivated to begin to change at those moments.

**Jacob Morgan** 32:34

So I suppose that's why it could be a barrier, right? Because people don't have that moment. Like they. It's like trying to start a race where there's no start line. And you're like, Well, I don't know where to begin, because there's no place for me to

**Katherine Milkman** 32:45

say, that way of describing it. That's great. Yeah. So I

**Jacob Morgan** 32:49

love that idea of giving people a starting point so that you know, like when it begins to help drive change. Alright, let's let's jump into one of the other barriers which one want to go to next?

**Katherine Milkman** 32:59

Let's talk about impulsivity. This is I think a beast. It's the one I struggle with most economists call it present bias. The tendency we have to over value, the instant gratification we'll get from an action and underappreciated and underweight the long term consequences, right. So this is like why you scream at your kids. It's why you don't go to the gym, binge watch TV shows. Eat pizza when you should be having salad.

**Jacob Morgan** 33:33

All those delicious by the way.

**Katherine Milkman** 33:36

Oh my gosh, now it's close to dinnertime, you're making me hungry do now that you point that out. Impulsivity is a really tough one. But I think one of the most important insights we have comes from research by Ayelet Fishbach at the University of Chicago and Caitlin Woolley of Cornell University, and they've shown that most of us think when we've got a tough long term goal where the rewards are sort of later, right, saving or exercising or being productive on a on a long term report that's not due for ages. We think I should just push through find the most effective efficient route to my goal. That's what will get it done. Because that's the best best path, the shortest distance. A small minority of people actually pursue these kinds of long term rewards long term goals in a different way by actually trying to pursue them in a way that's most instantly gratifying, the most fun now, right? So if you want to think about like workouts, like one person looking for the efficient route, they're like, beeline for the Stairmaster maximally punishing as many calories per minute as possible. The person is focused on fun is heading for the dance class with a friend. What's interesting is even though most of us think we should take the more efficient route, people persist much longer. When they pursue the fun route. And this is, you know, random assignment studies where people are encouraged, try to do it in a way that'll be the most fun, try to do it in the way that'll be most efficient. You get more persistence when you're working on your goals in a way that you enjoy in the moment. And we don't appreciate that we think, no, I'll be able to just push through. I'm gritty. But in reality,

**Jacob Morgan** 35:21

that was my assumption to

**Katherine Milkman** 35:23

Yeah, it's the it's a classic assumption. And it's a misconception. In reality, we get further faster when we actually look for an enjoyable way to pursue our goals, because we keep at them because because the experience is pleasant. And we value the here and now. So basically, that I think is one of the most important things that we can know as leaders and as individuals about ourselves is, we have this misconception we'll be able to push through pain push through unpleasantness. In reality, we get our best work done when we're enjoying the experience.

**Jacob Morgan** 35:59

This is the this was impulsivity?

**Katherine Milkman 36:02**

And says impulsivity. And yeah, there's lots of tactics, you know, gamification, I've studied something called I called temptation, bundling, where you only let yourself enjoy some temptation. Like, you know, you could only binge watch your favorite TV show while you're exercising of the gym, or only let yourself pick up the coffee drink you crave when you're heading to the library to hit the bucks, like you link some, some source of pleasure with the thing that would otherwise feel like a chore. And that can make it more enjoyable and more likely that you'll keep doing and keep at it. But there's, there's lots of different tactics, I think the most important insight is that present bias, impulsivity is a big barrier, we can't just push through, we actually need to try to change the nature of the experience, so that the long term goal has some short term value.

**Jacob Morgan 36:55**

Okay, great. It reminds me of like cheat meals. And I try to eat healthy during the week, and I do cheat meals, you know, Wednesdays, sometimes Saturdays, where it's kind of like, you healthy, you're strict, strict strict, and then you get a little bit of enjoyment, like you're allowed to, if you exercise the whole week, then you get a little bit of enjoyment. You eat healthy the whole week, you get that one cheat meal, where you

**Katherine Milkman 37:15**

still pretty delayed, right. So you're you're you're trying to bring the reward for it a little bit. But I'd say that's still not if you want every like, it's more. If you need to eat healthy, how can you do it in a way, maybe it'll take a little longer, but that you actually enjoy the meals, right? So it's like substitute the kale salad without any dressing for a smoothie that you actually find tasty and Okay, so you're going to lose, you're going to get to your dream fitness level, it's going to take two months instead of one month, but make the the experience more pleasant or else you will quit.

**Jacob Morgan 37:57**

Got it. Okay, so that's impulsivity. Let's jump to the next one. Which one you got to go to next?

**Katherine Milkman 38:02**

The flip side of impulsivity is procrastination. So impulsivity, we've all been procrastinate. Yeah, and so that's, that's one. Of course, you know, the tactics we just talked about can help with that, too. But one of my favorites is something called a commitment device, which is been studied extensively by actually economists and psychologists, it's basically a tool that lets you penalize yourself if you fail to achieve some goal. And that creates an incentive structure, so that it will actually be more costly to procrastinate than it will be beneficial, right. So we're used to other people, creating incentives to keep us from misbehaving, right, like speed limits. For example, and, you know, making drugs illegal of various kinds, those are like somebody will slap your hand, if you give into temptation, you do the wrong thing. It's weirder to think about doing it to ourselves, but turns out it works really well. So if you can put money on the line, this is called the cash commitment device that you agree to forfeit. If you fail to achieve a certain goal by a certain date. There's websites like stick.com and Beeminder, which psi have no financial interest in that help people create goals and and you can literally forfeit money to a

charitable cause if you if a referee reports that you didn't achieve them. And these kinds of tools have been proven really effective incentives work and you can incentivize yourself. My favorite study shows smokers who want to quit and get sort of a standard smoking cessation program are less successful than smokers who want to quit and are given a way to put money on the line of they'll have to forfeit if they fail to achieve a goal. Self set deadlines that you announced to other people can help you as well. They're they're another form of penalty you're imposing on yourself in the form of shame, essentially. But we can use these different forms of commitment where we put something on the line whether it's our reputation or our cash and that can change the the equation so that we won't procrastinate because now the cost is too high for doing it.

**Jacob Morgan** 40:07

It actually I'm hearing you talk about that made me want to ask you, what about fear is fear? Because a lot of leaders, oftentimes they lead by fear, right? Do this, you're going to be fired, do this, you're not going to get your bonus do this, you're going to get in trouble. Is that and I hope you don't say yes. But is that an effective way to lead or to drive change? Or any kind of

**Katherine Milkman** 40:29

I mean, if you have only one short run goal, you know, it's going to it is an incentive fear is certainly a motivating incentive. The problem with fear as you're getting at in saying I hope not is, most of our interactions are what Congress would call a repeated game. We're not just having one interaction. And one goal we want to achieve a leader is repeatedly hoping to achieve goals with a team. And if you pursue, you know, if you set up a structure that thrives only on negative emotion, there's a lot of negative consequences to that in the long run. Okay, short, right. If I scare you by saying you'll get fired if you don't do this, you're probably going to do this. But we can't play that game repeatedly and have good outcomes because resentment and lack of motivation desire to get out of the situation are all going to drive down performance.

**Jacob Morgan** 41:24

Okay. Alright, which one the next one? We didn't do forgetfulness yet, did we?

**Katherine Milkman** 41:30

We didn't do forgetting, forgetting gets forgotten a lot. It's, it gets a bad rap. I think people think it's boring, like duh, yeah, I forget. I think it's so important. And it's so interesting, all the things we know about how to improve on this, and how much we undervalue those tools. We had one experiment we ran where we like charged people to get reminders for some to do something that would earn the money. And they were like, I don't need the reminder. And I just want to take all the money, I'll remember, we charge them a small amount for a reminder to do something that would earn them a large amount, they would have been way better off paying us for the reminders. Because people that they forgot to forget thing. Yeah, we just forget all sorts of stuff. If we don't remember to follow through on key things that will help us achieve our goals constantly. And there's, you know, reminders are really valuable, we should use them everywhere. There's another tool that Peter Gollwitzer of NYU has studied called a planning prompt. That's a helpful tool when you're trying to help somebody make sure they actually will follow through on an intention. You just walk them through some questions like, you know, when will you do it? Where will you do it? And how will you get there, thinking through those

simple things can do everything from we talked about voter turnout earlier, you can get more people to turn out to vote by just asking those simple questions. By the way, this is part of every voter turnout script now, because it's been proven so useful. To you know, getting people to get a vaccine, or make sure that they achieve some other goal, you got to break down all of those components, you're less likely to forget, because it's now concrete, you've thought through the obstacles in going through these kinds of questions. And now you normally have linked it with a cue, like the time when you said you do it becomes a cue. And that's how memory is structured. And maybe you literally put it on your calendar and now actually get a calendar alert when it's time to do it. So I just, there's a lot of simple tools that can help a lot with forgetting we flake out on a lot of our goals, just because it's not we're not attending to it at the right moment, the right time. It's a really easy one to solve. But you've got to pay attention to it.

**Jacob Morgan** 43:36

Yeah, I love that one. It's, it's funny, because I always assume and I'm sure people probably assume that when when you say I forgot. It's kind of like No, you didn't

**Katherine Milkman** 43:45

like, right. It's like a lack of motivation. Yeah, it's like

**Jacob Morgan** 43:49

the dog ate my home. Yeah, sure, sure. You forgot you just didn't want to do it. But it sounds like

**Katherine Milkman** 43:56

there's a lot of evidence that that is not true. And in many cases, things that are very important to people are things that they do at a considerably higher rate when they're set up to remember everything from you know, saving more for important life goals, if reminded to getting a life saving vaccine or a colonoscopy. Everybody was expecting that to come up in this interview of Sure. Just eyes always get big when I like mentioned colonoscopies and, and the research and follow through like, what, where did that come from? But there are all sorts of important things that we don't do. That could save our lives. Because we forget and

**Jacob Morgan** 44:43

seems like that's an easy one, like you said with the reminders. Well, it's great at least now we know that's like a legitimate reason. And so leaders need to be aware of that. And then if they see that that's a barrier. They can like you said,

**Katherine Milkman** 44:53

step in mind, prompt planning, you know, focus on making sure that that that's such an easy one to nip in. button, but often overlooked.

**Jacob Morgan** 45:03

Alright, are we finally at laziness? Or did we skip one?

**Katherine Milkman** 45:06

We're finally at laziness. Yes, laziness. Okay, there's two big things we can do about laziness. The first big thing is, set defaults wisely. And this might be the most important finding from sort of all of the research that's been done on nudging, which we talked about earlier. When you set up a system, so that the path of least resistance, what will happen, if someone takes no effort at all, is a positive outcome, you get great results. So you know, your iPhone or your smartphone, right? You turn it on, like has some settings that it comes with that makes sense. It has a calendar that's already installed, and it's already the right day of the week, maybe it has a mail app, and it just asks you a single question and boom, your mail starts loading on your homepage, there are all these defaults in technology in life. And we accept them almost always at an incredibly high rate. And that, if they're set wisely, they can change things for the better. I'll give you two really quick, concrete examples. The most famous is savings defaults, you join a new employer, if they default you into being part of a retirement savings program like a 401k. So that a portion of every paycheck is just automatically sent over there. But they make it easy to opt out. Like you can click a button call a number whatever, say No, don't, I don't want to be in the 401k. If they opt you in, you see something like almost 40% more employees start saving and therefore accumulate decent arsenal for retirement, then if you make it easy to opt in. So the default is it's going to happen. But you can get out that has much better implications much better results than if the default is it's really easy to sign up. But we're not going to take a portion of your paycheck and do it. So this is default, a big success.

**Jacob Morgan** 46:54

So default to yes. And give people the opportunity to opt out instead of defaulting to no and giving people the opportunity to opt in.

**Katherine Milkman** 47:01

Anytime it's something important. Anytime it's something even that is unimportant, but where it could have consequences for their health or wellness, try to make sure that the default has been set to something that will be advantageous for most people. Okay, and then make it easy to change.

**Jacob Morgan** 47:18

Yeah. Are you said that there were two two things or something? And this was Yeah, was

**Katherine Milkman** 47:23

there another big one on laziness. The second one is habits. So habits are sort of what we felt there are autopilot for repeated decisions, there are default actions, and they can be trained deliberately. And there's a couple of great, you know, several great books that have been written focused on habit. And actually, I think they sort they get the equation, right. If you look at things like Charles Duhigg, The Power of Habit, there's a book by winner of USC called good habits, bad habits, she's an expert on this, it's, you know, it's a very simple sort of, like, engage in the behavior, make sure there's some reward. And you could do this for yourself, or to encourage someone else to form a habit, repeat and repeat as often as possible. And that is really the formula that tends to put things on autopilot. There's some interesting, you know, things we've learned about the importance of varying the environment, so that it's not always a consistent environment so that you'll become sort of flexible and your habit formation, but basically, that that loop, it's almost like training, right? Like, if you're learning, trying to train yourself to learn how to play the piano or ride a bike, there, there's some similarities to trying to train habits, and



that can be important for behavior change to, to, you know, get that loop going, if it's a repeated behavior.

**Jacob Morgan 48:38**

All right. Well, before we wrap up, I know we covered a lot. But I wanted to get to one more thing before I let you go. And that's this no club that you have. And so I want to ask you about this, if you can share what exactly this is. And maybe this is something that leaders and just individuals out there, we can start thinking about applying in our lives.

**Katherine Milkman 48:59**

Yeah, absolutely. So this has to do with a key barrier to change, which is actually two that we didn't get to in as much detail, having good social support, and actually having confidence in yourself that's built from others relying on you. So I have a no club. It's a group of it's it was inspired by research done by Linda Babcock at Carnegie Mellon University and collaborators showing that women tend to take on the majority of non promotable tasks at work, meaning, you know, planning the holiday party or sitting on this committee that isn't rewarded or taking notes in a meeting. Because we aren't that great at saying no, and people expect us to say yes, and that can be harmful to women's advancement. So she did this great work. And let us in on the secret that she has a club of women who help support each other and figuring out when to say no when they're asked to do things that are outside their main job description. And I formed a no club with a couple of women faculty at other universities who has similar careers. aspirations and similar challenges with, you know, more inbound requests than they could possibly take on. And it's hard to figure out which do you say no, to which you say yes to?

**Jacob Morgan 50:08**

Yeah,

**Katherine Milkman 50:10**

this club is magical. It's magical for a couple of reasons. You know, there are obvious and one that's less obvious, the obvious reasons, right, like social support, friendship, learning from others experience and expertise. Those are great things, they always prop us up and make us better. The magical one that I didn't anticipate, but discovered and is aligned with some research I did subsequently is that in giving advice to others, it actually improves our own outcomes. And that is Lauren as Chris Winkler. It's so interesting. So psychologists learn experts Winkler at Northwestern University has shown when we give advice when we're asked to give advice, it boosts our confidence and what we can achieve, because wow, somebody is asking me that makes me feel great. They must think highly of me, too. We introspect in ways we wouldn't otherwise because now I have to, you know, come up with something to tell you. And when we introspect, we think of things that will work for us, because that's where we're our own sort of model. And then finally, once we've given someone advice, we're gonna feel hypocritical if we don't walk the talk ourselves. So advice giving, it turns out Lauren's research, and some I've gotten to be involved in two shows, helps the advice giver improve their own outcomes. And so my no Club, which I think we should really start calling an advice club, because it's broadened beyond just saying no to things and yes to things. My no club I've found helps me for other reasons I expected and because when I give advice, it boosts my confidence that when I face a similar challenge to one that I've just

offered wisdom on, I will know what to do. And so it's sort of grown my confidence and my capacity to make those critical judgments. So we should all have them.

**Jacob Morgan** 51:51

Yeah, no, that's an awesome one. I love that one very much, and hopefully people will maybe implement something similar in their lives. Well, we've talked about a lot of different things today, Katie, let people know where can they go to learn more about you to get your book, any resources, anything that you want to let people know about? Please feel free to do so.

**Katherine Milkman** 52:10

Thank you. I think the best place to find out more is at my website, which is Katy with a Y like Katy Perry, Katy milkman. Just like the guy who delivers the milk.com and there's all sorts of stuff you can find out about my podcast choice. ology, there's information about my book, How to Change can read my academic research if you're into such nerdy things. I even have a newsletter called milkman delivers. I blame my daddies for that hokey title, they insisted. So all that is at my website.

**Jacob Morgan** 52:43

I love that. I love that very much. Well, Katie, thank you so much for taking time out of your day to join me. I really, really appreciate it.

**Katherine Milkman** 52:49

Thank you. This was really fun. Thanks for asking great questions.

**Jacob Morgan** 52:53

Oh, of course, I had a lot of fun. I'm genuinely curious about this stuff as well. So thanks again. And thanks, everyone for tuning in. My guest again, Katie milkman, make sure to grab her book. It is called how to change the science of getting from where you are to where you want to be. And I will see all of you next week. All right, we are all done.