

Doing Less With Less

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Desperate times call for drastic measures. Anticipating a 20 percent reduction in revenue, the nonprofit CEO asked me, "We are already as lean as we can be! We have cut services, prioritized our work and eliminated non-essential areas. Our leadership will forego bonuses and raises this year. We have installed a hiring freeze and won't replace employees who retire or resign. Starting next month, our employees will pay more for their own health insurance. In addition, nobody will receive contributions to retirement funds this year. We even closed the company day care. What else can we do?"

"Use the team energy," I answered. "And encourage them to tell the truth no matter what." He looked at me quizzically. "I don't know what you can do, but you can have my leaders for a day." The goal of the meeting was to reduce operating costs by 15 percent without compromising essential services to needy clients. The team knew I was the CEO's consultant. This gave me the authority to act in his name, but also invited the resistance that people had to his leadership. Thus, I expected push back during this meeting.

I entered a large conference room filled with professionals. Although well-dressed, they looked tired - hunched, leaning, a little off-balance. Already highly motivated, these people were working double time now that lay-offs had taken place. The CEO opened the meeting with words of encouragement, telling the tired leaders that he had confidence that our day would produce stunning results. I silently wondered how we could revive the dead. He left, off to meet with his board. He was accustomed to commanding the impossible and then leaving the implementation to others. The meeting was now ours.

I spoke briefly about desperate times calling for innovation - leaps of ability and faith. How new inventions and novel approaches emerged from the darkest time. We looked at the Chinese character for "crisis" which also translates as "opportunity." I was there to rally the troops and give hope, and perhaps discover solutions that hadn't yet been found.

These people needed to intervene and change to normal order of things in order to reduce spending. They needed to change the way their energy moved. I remembered my teachers, long ago, describing a primary principle of effective acupuncture intervention called "The Law of Least Action," in which you understand the patient's energy so well that you only need to use a few needles to be effective. When energy is properly directed and blocks are cleared, health will return.

We had a similar job to do if this organization was to survive. They said that they needed to reduce spending. So I asked them, "Do you have projects that you know won't succeed? Or you know won't be finished because you don't have enough resources, or the resources won't be renewed next year? Or you don't have people with the right skills so that projects will be compromised even if you try to do them? In other words, can you stop doing something that won't work anyway? How much would you save if you stopped doing things that are likely to fail?"

They looked at me like I was a creature from Mars. Considering how much they had already cut,

we didn't expect much else to come forward. I told more stories.

"My husband is European. He is fond of telling me that Americans prefer to do more rather than less when faced with a problem. For example, he described American tourists in Rome asking a native for directions...in English. When the Italian didn't understand the tourists, they escalated, this time demanding information. Shouting their questions in English. Their volume didn't help the local man, and in fact, it alienated him. After shouting and getting no constructive response, the tourists were also more agitated. Americans will use more energy, often when less is needed or another approach is necessary."

The group perked up.

"So, is there anything in this organization that is not succeeding, or likely not to succeed? Would the organization thrive with a simpler or different approach? Your organization is on an annual budget?"

"Yes," replied the blue-suited finance director.

"Now, let's look again at your projects. Will any of these lose steam next year due to diminished funding. You can't plant a garden knowing that you are in a multiple-year drought cycle, and hope that it'll rain next season. Why not plan for two years, rather than quarterly. Are there projects that just need to be tabled; bulbs to dig up and put in the cooling shed for a couple of years to be planted later?"

Again, they nodded. A few of them even breathed more deeply.

"Now, when was the last time you hired an electrician to fix your toilet?"

"Who is this alien," I could hear them think.

"Think about it," I continued. "When your toilet breaks, you call the repair person. Let's say someone comes who used to be an electrician but is out of work. So he arrives to look at your backed up toilet, fiddles with something, says he needs a part and goes away. You pay for the service call. Then, a couple of days later, he returns to install the part, and the toilet works while he is there, but clogs up again once he is gone. You pay for another service call and for the new part, but you call for him to come again. So he comes back again, apologizes for the delay, but tells you one of his children is sick and his wife also lost her job and is out looking for work. You feel sorry for him, even though you start to doubt his ability with your toilet, but you pay for the third service call. In fact, you have started using your neighbor's toilet since you aren't sure when your own will be working. You've started working around the incompetent employee, who after his fourth visit, admits he's an electrician moonlighting as a general fix-it man. Now, I ask you, what would happen if a plumber fixed your toilet?"

"Less effort would be expended, less cost, less hassle and better flush," yelled the finance director, now gleeful.

We broke into three teams: Simplicity, Longer-Term Planning, Right Skills. Each team reviewed organizational programs and projects with hopes of making changes. Eight hours and \$11 million later, each team proposed changes that would liberate energy, not just downsize the organization. Our mission was complete.

"I respect how much you all have been through," I said to them at the end of the day. "But I want to know, how painful were today's cuts?"

A diminutive Human Resource director with a small voice meekly raised her hand. Taking a deep

breath before speaking, she said "I can't believe I'm saying this, but I feel better, even though some jobs may be lost."

Other leaders admitted that the headache they had at the beginning of the meeting was now gone - without the use of drugs.

Can reductions heal, I wondered. What's the cost of obscuring the truth? How much energy and money and time can be saved when the truth emerges? Finally, is it possible to do less with less, and be satisfied?

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