

# Quit with Annie Duke

**Annie Duke:** [00:00:00] This is what I wish would change in the world is that, success is built out of both grit and quit. It has to be because you have to quit all the stuff that isn't working and then be willing to stick this to the stuff that is, even though it's hard.

So you, you actually can't have success one, without the other.

**Yael Schonbrun:** That was Annie Duke on psychologist off the clock.

We are three clinical psychologists here to bring you cutting edge and science-based ideas from psychology to help you flourish in your relationships, work and health.

**Debbie Sorensen:** I'm Dr. Debbie Sorensen, practicing in Mile high Denver, Colorado, author of Act Daily Journal, the Act Daily Card Deck, and the upcoming book Act for Burnout.

**Yael Schonbrun:** I'm Dr. Yael Schonbrun, a Boston-based clinical psychologist, assistant professor at Brown University, and author of the book Work Parent Thrive.

**Jill Stoddard:** And from Coastal New England. I'm Dr. Jill Stoddard, author of Be [00:01:00] Mighty, the big book of Act metaphors and the Upcoming Imposter. No more.

**Debbie Sorensen:** We hope you take what you learn here to build a rich and meaningful life.

**Jill Stoddard:** Thank you for listening to Psychologists Off the Clock.

**Yael Schonbrun:** Hi everyone. We are here to introduce an episode.

Incredibly excited about I, I get excited about a lot of episodes, but I'm really excited about this one because it is about quitting. So I had the chance to interview Author World class poker player consultant Annie Duke, about her terrific, amazing, transformative book that I recommend to everybody because I'm a little bit obsessed with it.

And the book is called *Quit the Power of Knowing When to Walk Away*. This episode is quite long because it was just such a great conversation and she had the time and so we kept going. And I just wanna start by saying that

I love any conversation that has to do with doing less. *Lighty Clots* book *Subtract* was another one of my favorite conversations. This idea of quitting, of stop doing, of doing less is so important in a busy world, and I, I love that we have the [00:02:00] chance to talk about it on the podcast. So I think it just gets me almost like too excited.

But

But Debbie, what did you think of this episode? That I'm going gaga.

**Debbie Sorensen:** Yeah, I mean I think it's really fascinating. I think Andy Duke is obviously like super smart and has a really interesting way of looking at things. So I thought it was absolutely fascinating. I listened all the way to the end and was left wanting more. Um, and I think what's so cool about it is it was really fascinating from a, like an idea and kind of theory perspective, but it was also really practical.

I took notes, I went back and re-listened a part of it, the part where she talks about. An exit strategy, or she calls it a kill strategy, which you'll hear about in the episode. Um, but I took notes and used it that day in my clinical work. , it's that. Helpful of a framework that I think it's, you'll find it both fascinating but also useful, especially if you're facing a major decision, which can be really difficult.

I think the, the [00:03:00] decision about when to quit. Should I quit? What? To quit. This is a tough thing to do.

**Yael Schonbrun:** Yeah, it's super tough. And she does offer all of these terrific tools, and her book focuses a lot on decisions that are not necessarily relationally oriented. So it was really fun as a couple's therapist and clinical psychologist to engage her on how do we make these kinds of decisions about whether to stick or whether to quit in committed relationships, because I think.

You know, in the business world, those decisions are hard. But when our heart is on the line, when our personal lives are on the line, when our families are on the line, they're even more complicated.

**Debbie Sorensen:** Well, I kept thinking about how this ties into acceptance and commitment therapy and the idea of psychological flexibility.

And I think that sometimes I think that the, the bias as she talks about is to think of. Perseverance instead of quitting. And I think that sometimes actually what's much more effective and values consistent in the long run actually is not to [00:04:00] persevere, to say, to make a conscious and intentional choice not to.

But I think that in order to do that, first of all, sometimes we really have to be aware of our assumptions and our cognitive biases against doing so. And she talks a lot about that. So there can be a little bit of. Awareness piece of this. And also willingness, you know, you have to face uncertainty. I don't know how I'm gonna feel about this or what this is gonna be like.

You have to face loss. Like when you're giving something up, it can be really difficult. And I think sometimes we get really attached, you know, I was thinking of an example of a time I had this, you know, kind of part-time job that I was doing for a while as kind of like a side position. I became very attached to it because I really liked the work.

I really liked the people, but I just didn't have time for it. And so I wasn't devoting enough time to it to feel really good about it. And I waited too long to quit, and I, in hindsight, I really should have quit months before I did, because eventually it became really obvious that this was not [00:05:00] working out.

But I think at the time there I had a kernel of like, I knew that I should leave this position, that this was. working well, and it wasn't really a good use of my time and I wasn't able to to do enough to make it worth paying me. Um, but I think that I was so attached to it, it was hard to give up and that's the part that I kind of wish I would've, , known is like, it's okay to feel lost about that.

It's a hard thing to do.

**Yael Schonbrun:** And I actually think this episode for a variety of reasons, is paired really well with the episode on Regret that we released just a few weeks ago. Because making decisions with uncertainty is a lot, A lot of the challenge is about this fear of, you know, what's gonna happen and am I gonna regret it, and am I giving up on something that I shouldn't give up on?

And, but I don't know. And. That fear can sometimes keep us doing something even when the something isn't quite right. And as Debbie you just [00:06:00] said, that really contributes to some psychological inflexibility. It's like we keep

doing the thing even though it's not consistent with our values or the way that we wanna show up in the world or the way that we wanna be building our lives.

And because of that bias towards worrying about regret or making a bad decision, we stay with the status quo. And she talks a lot about that in our conversation and in our book. And I share a personal example toward the end of our conversation where her advice helped me to let go of something that I was holding onto pretty tightly as well.

So we hope you listen all the way to the end of the episode and get a lot out of this conversation with Annie Duke about quit.

Annie Duke is an author, corporate speaker and consultant in the decision-making space, and a former professional poker player who's the only woman to have won the World Series of Poker Tournament of Champions.

Ian, the N B C National Poker Heads Up Championship. Annie's previous book Thinking in Bets is national bestseller and her latest book is Quit the Power of Knowing When to Walk Away, and it is, in my humble opinion, nothing short of transformative. So we are here [00:07:00] today to discuss, quit and quitting.

Welcome a.

**Annie Duke:** Thank you for having me.

**Yael Schonbrun:** All right, so maybe just start off, since we're recording the morning after the Super Bowl, and since I am in New England Patriot's territory and we are therefore obsessed with one particular football player and who has a history of quitting, a recent history of quitting, I wanted to ask your thoughts on Tom Brady's repeated retirements.

**Annie Duke:** It's interesting. The issue for any athlete is really, when is the point at which this isn't gonna make me happy anymore? Um, where I'm not gonna perform up to the level that I want to perform at that's gonna be good for me.

, and how do I know that? And I think that what's really hard is that the point at which it's correct to walk away is before that thing is true. And thi I think this is the problem for all quitting. So what I mean by that is that if you were, if you had perfect knowledge, if you're Tom Brady and [00:08:00] you were somehow omniscient, you would know that before he came back for this season, that he was gonna have a crap season.

and he was gonna be unhappy and people were gonna say, why did he come back? He's not performing well. And you would've ended up retiring again. Anyway, the issue though is that for somebody like Tom Brady or for any of us really at the moment that he was making that decision, yes he had decided he was gonna retire, but he hadn't been playing badly before that.

So it's a problem of what's gonna happen going forward. And this is, this is true not just for a football player, it's true for someone, say, on a TV show, when is it gonna jump the shark? It's actually true, even if you're, say, climbing a mountain. And what you have to figure out is, at what point is it true that in the future as I'm forecasting the future, the weather is gonna be too bad for it to be safe, or it's gonna be too dark for it to be safe? [00:09:00] And the issue is that at the moment that that equation turns against you, the weather won't actually be bad.

It won't actually be dark. So this is the problem that we all have with forecasting, these kinds of things and, and figuring out when we're gonna quit. And what that often makes us do is continue past the point at which the future has already turned against us so that we can find out for sure that the future has already turned against us.

And then what happens is that now people remember this crap season. that Tom Brady had and that he retired twice. Or people keep going up mountains when snowstorms come in, or we stay in a job too too long. Or, I mean, think about how many TV shows, you know, I'm sure we all wish there hadn't been that last season.

, and, and I think that this is just fundamentally the problem that we have with [00:10:00] decisions about quitting. And by the way, let me just also say decisions about sticking to it also, because all of these things, whether it's correct to stick to it in the future, or whether it's correct to quit in the future, are all fundamentally forecasting problems.

And that means that we have to look forward to the future and be willing to walk away at a time when it's probabilistic, whether it's gonna go against us or not. And that's just incredibly hard for us as.

**Yael Schonbrun:** Okay. Yeah. I love that you dive into all the cognitive biases that go into why it's hard to quit at. Uh, appropriate time, you know, where we're sort of taking all that into account and I wonder if you could just humor me for a moment so that, that I can tell you about the lens that I read *Quit Through*, which is, as a clinical psychologist who uses a treatment that focuses

on this UN building, something that we call psychological flexibility, which is defined as persisting or desisting in behavior based on the situation and in the service of chosen values.

So we talk a lot about [00:11:00] psychological flexibility because it underlies mental health and wellbeing and it helps us show up in line with who we wanna be in the life that we wanna build. But it was so interesting to me because I was reading your book and thinking that we talk a lot about persisting and not enough about the desisting.

And so I think you start off by talking about this huge issue, which is we have a real negative association with the idea of desisting or more directly put quitting. So can you talk a little bit about the stigma of quitting

**Annie Duke:** Well, I mean, yeah. If I were to call you a quitter, would I be complimenting you

No. We just, you know, the idea of quitting is just associated with a lack of character. , but so, so here, here's an interesting thing. So I'm a huge fan of Angela Duckworth. , I'm a huge fan of the book Grit. I think that people should read it.

, it is very true that if you are going to [00:12:00] succeed at something, you will have had to stick to it. So the idea that I need to be able to stick to something, even when it's hard, as long as it's worthwhile, is a really important idea, right? Like you have to have grit to suc to succeed at something. That's true.

I have a little quibble though, because the lab that she has to study grit is called the character lab. And I think that that fits in with our bias, right? That grit builds character. I mean, when we think about, uh, parents, right? L let's say that I want my child to do enrichment activities and I want them to do some sort of sport because I believe that physical movement is really important.

And so they try soccer. It's true that if they just have one bad day on the field, I don't want them to quit. Right? That would be overreacting. And, um, not being able to see the long view, but what if they just really hate it? [00:13:00] You know, what if I want them to play a musical instrument and they're trying the piano and they're just like really bad, and it's very clear that they're never gonna be good.

It's not something they're ever gonna do for the rest of their life. And now I'm torturing them in piano lessons every single week. Parents don't let their kids quit in those situations because they feel like it would be a lack of character. But what we're losing sight of in those situations is what was the, what were we trying to accomplish in the first place, right?

So if we're trying to accomplish some sort of enrichment, say movement, and let's say that my child is just not particularly athletic and not particularly good at soccer and they know it. , you know, why can't I have them go do something like, Cross country running or maybe I, they could work out with a trainer, they could do yoga or they could do something that isn't, , or, or a different team sport maybe that they would be more talented at.

Maybe they're really tall and they'd be good at volleyball or something, but why can't I switch them [00:14:00] to something like that? Or if they're really just musically untalented, why is it music that I have to have them do as the enrichment activity? Maybe I should put them in robotics. Maybe they'd be better at that.

, so I, but we won't do that. So we as parents even make this mistake and will make our kids stick in things that, that just aren't long-term, like great for them with the idea that, well, if you quit, it's gonna show a lack of character. No kid of mine is gonna be a quitter. People will say, I'm making them stick to it so I can build their character.

What kind of message is that sending to them into adulthood? , right? It's, it's this message that winners never quit and quitters never win. I mean, it's, it's built into our language. And of course the whole thing is completely absurd. It's, it, of course, you shouldn't stick to things for the rest of your life.

And by the way, just to be clear, Angela also agrees with that. She says, you know, that you're supposed to sample a lot of stuff and then the [00:15:00] stuff that isn't good, you're supposed to quit. And the stuff that is good, you should stick to. And we should have that attitude with our kids. Let them sample a lot of stuff.

If they don't like it, let them quit. , and the things that they do tell them to stick to. And I think that that's true character, but that's not the way that society treats it.

**Yael Schonbrun:** It's not. And one, one thing that comes up for me and with my parent peers is this fear of closing doors. It's like, well, if I let my kid quit and



then they decide to come back later, it's gonna be too late. So what, how do you respond to this, like fear of closing doors? Uh, issue that I think it's not just for parents with their kids, it's for ourselves that we worry that if we leave something and we made a mistake, that it'll be too late.

And you talk about this actually in terms of academia, which I really relate to. , because once you leave academia, it's so hard to come back. And so if there's any shred of hope that you think it might be a possibility, you wanna kind of, hang on, you don't wanna quit, or [00:16:00] that's the

**Annie Duke:** Yeah. So we can think about, , two different types of situations. One which is, uh, what Jeff Bezos would call it, two-way door decision, but it's, uh, it's where you can go back to the option that you're rejecting. So, , look, if my kid doesn't like soccer one year and I have them go do something else, they can clearly come back to soccer their next year.

, and they can actually be really good at it. There was, there was just a study, I can't remember who the authors are on, people who have performed at elite levels in sports. And they showed, they tended to start their sport late. They tended to do like a lot of different sports. And when they were early, when they were younger, they were behind their peers.

, and we know like famously that's true of like the, , I think the Williams sisters who were doing a lot of different things. But , so I think that that's generally just, you know, we think that things are one way door much more than they actually are. So, uh, we have to remember that for most things that we [00:17:00] quit, we can come back to it. , for most careers that we quit, we come, come back to them. Now there are certain things that are very hard to come back to. So certainly if I get divorced, um, that really reduces the possibility and end up back with the same person

**Yael Schonbrun:** except for Elizabeth Taylor . Just kidding.

**Annie Duke:** well, yes, that's true, but it would be rare. Right? Um, there are certain academic.

Fields where that's also true. Not all, , but humanities would be a good example of that. If you, if you, uh, leave academia in the humanities, it's really, really hard to come back and get an, uh, you know, to come back in and get a job. I think partly because there just aren't very many tenure track positions in humanities in the first place.



If there were more, I think that, that there would, that would create more flexibility to move back and forth. , so there's kind of two, two points that we wanna make about that. One is that when it is harder to go [00:18:00] back, there are two things that have to be true. One is that you have to be more careful about the decision to start.

What I mean by more careful is more deliberative. So it means you shouldn't just go, man, let me. right? You should, you should say, let me think about this. Let me do some testing, make sure that I'm, um, I've got enough information that makes me feel like this is the right path for me. So you can think about it as, uh, I guess you can just swipe right to go on a date, but you wouldn't wanna just swipe white to get married that day.

So, um, and it has to do with how easy is, is it to exit or get back to the situation if you do happen to reject it. So you have to be more thoughtful on the entrance and then on the exit, you, uh, because it is very hard to come back. You want to be thinking about the exit before you start. Because once it's really hard to come back to it, the forces [00:19:00] that make it very hard for us to quit are gonna be much stronger.

It's gonna make it much harder to quit and you're gonna tend to hang on longer. Than you really should because you know that you're gonna be closing the door permanently. So that's this kind of piece number one. And then that relates to point number two, which is that, we are much more tolerant of losses that we might incur from the thing we've already started or the status quo than we are from leaving, from switching, from going and starting something new.

And this just has to do with the concept of loss aversion, , which is famously, you know, Daniel Kahneman and Amos TKI and loss aversion. Is that the concept that when we're trying to decide whether to start something, we will choose options that carry a lower chance of loss, even if they're not as good for us [00:20:00] in terms of their.

how, how, how much we would expect them to help us gain ground toward our goals. So a simple way to think about that is that let's say that we have a choice between two stocks and one, uh, has more volatility, but the expected value is much greater. And if it has more volatility, that means we, there are sort of bigger losses that might be associated with it, but also commensurately much bigger gains that would be associated with it so that we would end up with, , more money in the long run if we chose stock A or stock B, which would be very low volatility, not a lot of loss associated with it, but also not a lot of gain associated with it will prefer the second choice, right?

So that's also true of not just stocks, but um, anything that we choose. We don't like the idea. We really get focused on the loss side of the equation. Okay? So it turns out that we apply that asymmetrically. to the thing we're already doing versus the thing we're thinking about doing. And so this is where we get a [00:21:00] mistake that gets particularly amplified in these sort of, I can't get, you know, the door's gonna close on me situation, even if you're miserable. So let's say that I've got my academic job, , but I'm an adjunct and I really wish I were a tenure track pro professor, but I've been at it for 15 years and I haven't gotten that tenure track offer. Or let's say I am a tenure track professor and I just hate it. I just really hate it. I'm miserable. I'm not happy.

I don't like the culture. I wish that I could switch to a different university, but I can't get a job at a different university. You know, whatever the reasons are that you hate it, um, you will be more tolerant of. . Even though if I ask you in a year, do you think anything's gonna change? I'm sure your answer would be no.

Then you would, Adam. But what if I switch and I go try to find a job outside of academia and I hate it I can say to you, but Yale, [00:22:00] like, what is the probability you're gonna hate the new thing? And you'll acknowledge that it's, you know that it's a lower probability than the thing you're already hating, but you won't switch because you get focused on that downside outcome that might be associated with the new thing you're doing.

And it causes you to stick to the thing that you're already doing because we just tolerate that unhappiness so much more if we've already started it. And this is why, like particularly for one way door decisions, we have to be very careful on the start, on the starting side of the equation. Cuz once we're in it, it's really hard for us to switch.

**Yael Schonbrun:** Yeah. Well, and a lot of times I'm just thinking about marriage, you don't really want to enter into it. Thinking about how you would exit it, it almost seems counterproductive, but, so let me actually ask the question by contextualizing it the so quitting decisions as expected value decisions. I think it's really common in the field of behavioral economics, [00:23:00] but as a clinical psychologist, I don't often think about it that way.

And I really had this light bulb moment when I was reading the example of the ER doctor that you interviewed, Sarah Olson Martinez. Um, because you, you sort of framed it as that way she was really miserable in a job. She'd been miserable for a long time and you asked her a year out from now, what's the chance that you'll still be miserable in this job a hundred percent a year out?

If you take a different job, what's the chance that you'll be miserable? Okay. It's less than you know. Uh

**Annie Duke:** Yeah. I think she said 50%.

**Yael Schonbrun:** Yeah. 50 50. Cuz you, you don't know. , but it leaves. But sort of in the context of marriage, I feel like framing the question that way might leave out thinking about ways that you can make a situation better.

For example, when we think about committed relationships, we can think about expected value based on the past, but it doesn't account for the possibility of working together with a couple's therapist or you know, figuring out a different way to proceed. And so how do you wisely use expected value decisions in the context of futures that are influenced by what we might do differently?

**Annie Duke:** [00:24:00] Yeah. So let me just preface with Sarah Olson Martinez. I actually asked her all of those questions. So the way that that narrative is framed in the book, I'm ju it's really just talking about expected value. But I will tell, I'll give you a hint to the behind the scenes conversation where I said to her, how long have you been happy?

Unhappy. So her answer was, um, she'd been really unhappy for over three. . Okay, so now I know that this is a persistent problem, right? I said, well, what's the part of the job that you like? She said, well, the part of the job I like the best is actually being an ER doctor, but not the hospital administrator part.

Could you go back to it? I asked her. She said, I mean, I could, but, , that still wouldn't make me happy because there were things about reimbursements and what doctors were expected to do. There were a whole bunch of changes in the healthcare system that made it. So, even that part of the job, which was the reason why she had entered the work, , wasn't really, you know, on balance, wasn't making her happy, right?

I asked, had you talked to your [00:25:00] bosses, had you, so I, so we actually went through all of those things and she had actually done all of those things. Uh, so those aren't included in the story, but, um, she had done all of those. So let's think about how you can build that into the quitting decisions. So let's imagine that you're really unhappy in a situation.

the time to quit is not the moment that you go, man, I'm really unhappy. That is probably gonna be a pretty bad decision, just as, as the time to stick is not in that moment to say, I'm just gonna stick it out. Neither of those is actually true.

Right. So, and that's because in the moment when we're facing down the decision, as you know, from your work, everything feels really big and it's really hard for us to get to the long view.

So instead, what I ask people, and I do this, um, not so much with marriage, although I've done this with people in marriages before, but I, the, in my coaching work with executives, it's very often about whether you should exit an employee. Um, so

**Yael Schonbrun:** it is very [00:26:00] relational.

**Annie Duke:** it's very relational and I think that people think about, um, executives as just like cutthroat, whatever.

But I've never met an executive that's good at exiting an employee. Um, they don't, they never do it too fast. , they never do it willy-nilly. They always hang on too long. They always believe they can coach them into a good place. And it's almost never true. It's sometimes true, sometimes, sometimes true. But the, but the way that we do this actually allows for that to occur.

So basically what I, what I say is, let's take the marriage case, okay? You're really unhappy. How long would you be okay, given what your values are? How long would you be okay with this situation as is, right? Um, so if they're coming to me saying, you know, it's really awful. I'm thinking I wanna leave. I'm assuming that this is not a tolerable situation, right?

So, so let's say that they say, um, I, I, I'd be okay. Like I can power through this for another [00:27:00] six months. Let's just assume six months. So now what I would say is, okay, tell me, imagine it's six months from now. So now I'm getting them out of the moment. I'm saying, okay, you've told me I can power through this for six months, or the executive can have the employee underperforming in the way that they are for another six weeks.

It doesn't matter. Um, at the end of that period, tell me what it looks like if things are good. Okay. So we sort of write down what does that look like, right? And then I say, tell me what things are look like, what are the signals that things aren't getting better for you? Um, and that it's time to leave.

Okay? So we, we get both of those things written down. So what we're doing is developing a set of what are called kill criteria. You can call them exit criteria if you wanna be a little sweeter. Um, but they're called kill criteria. And it's

basically, here's the benchmarks that we need to hit to tell me that things are actually going in a good direction.

Here are the things that I could see in the future that would tell me that things are [00:28:00] not in a good direction. So now we have those two things set. And here's the ca thing. , you don't then just allow the world to happen for six months. Instead, what you follow it with is, okay, so what are the inputs now?

So what are the things that I need to do as an individual, um, or in collaboration with the other person? They're gonna help me to get to that good version of the future, and I need to communicate to that person what a good ver version of the future looks like. So taking it outta marriage, let's take it to the employee relationship.

I need to go sit down with the employee and say, look, things aren't going well. You're not performing well in your job. Um, let's talk about what we're gonna do over the next two months to, uh, make this happen. But first, let's sit down and let's agree, you know, what, what do I expect to see from you in terms of behavior and output?

That would tell me that things have turned around, cuz I, I know you can turn it around, right? Let's talk [00:29:00] about what the signals are. both in what you're feeling, what I'm feeling, what we're seeing in terms of your work, that would tell us that it's time to have a conversation and actually exit. Great. So you agree to that stuff together.

It might involve like writing a job description and saying, you know, you have to actually be live, you know, living up to this job description and then you say, tell me what you need from me and tell me what you need. Right? Tell me what coaching you need from me. Do you me need me to step up my one-on-ones?

Uh, do you need more clear guidance, so on and so forth. So you kind of work out what are those inputs gonna be? Um, and that way you're not just saying, oh, I'm imagining some future and here's what needs to happen, and then I'm gonna go to sleep, like Rip Van Winkle, and then wake up and hope that things are better. So there always has to be that idea of what are the actions, what are the behaviors that are gonna help us to actually achieve that future? And I think that one thing that, um, does get missed is that idea of being really clear. [00:30:00] with the other person. Here's what I expect to see. Like this is what good would be for me.

So that we're very, and this is what bad would be for me, so that we're super clear. I think that when we don't sit down and do this, it's like I'm unhappy in the marriage. We're gonna go do couples counseling, and then you just sort of start talking and you haven't set a deadline. And I do think that you need a deadline.

I, you haven't sort of said at that deadline, here are the things that, I'm gonna be very clear with you what I, what I need here. What would, what I think happy would look like.

**Yael Schonbrun:** I, I love that for the business place, and I, I love it even more for, for couples counseling as I do a lot of couples counseling and I, I always establish therapy goals and we set out a certain number of sessions, but I actually, this is informing me to be really clear about a timeline and to get even more concrete than I am in terms of what people are hoping to see.

That would sort of be good enough to suggest, okay, this marriage is viable versus I don't think,

**Annie Duke:** Yeah. [00:31:00] And I think that what I think that by doing this, what ends up happening is that the, if you do end up exiting the exit is, is a smoother, happier exit because you've created a couple things in, in doing this. One is just by being clear, right? It's, and by setting a deadline, it kind of stops that. But I know I can turn it around, I promise I'll be better.

Um, you know, that kind of like can loop forever and ever and ever, right? Like where you've got people who they're just completely miserable and they're complaining to you separately, and then you see them in a six months and they're completely miserable and they're complaining to you separately, and then you see them in six.

And they're completely miserable. And this is on because you haven't actually been really clear. And I think the clarity is actually incredibly helpful, um, for getting people there. But then the other thing is that, um, you know, if you [00:32:00] take, whether it's the employee, employer or couples, is that setting out what good looks like?

What is the deadline? You know, sort of that timeline, that that stop point. What are the kill criteria You're working through, what that would be for yourself. But you're then you're sitting down with the other person in a collaborative way. So you ask the employee to also write that down for themselves.

And then you come together and you then you work through together. So now you have this a. and that agreement creates endowment to the decision. So you're both now owners of that decision. The world is not happening to you. It's not unfair. It's nothing because you've sat down and you've agreed to this together.

And now what that does is open up an agreement to the quitting decision, which is a decision that's actually quite taboo. It's quite emotionally fraught, but because you're casting it into the future, it takes a lot of that kind of, um, [00:33:00] uh, you know, that that emotional, uh, piece that causes so much friction out of it because you're not saying to them, you're, you're, I'm gonna fire you now, which is what people don't wanna do Let's talk about what the future is gonna look like, which people tend to be much more rational.

**Yael Schonbrun:** Yeah. So one thing that I think comes up probably in the workplace, indefinitely in marriages and also, I don't know, in creative endeavors for example, is like this, the sunco fallacy, which you talk a lot about in the book. And I, I'll just share that. My first introduction again, cuz I'm a psychologist and not a behavioral economics person, was, uh, with a friend I was going skiing with.

And the husband of my friend is a hedge fund manager. I was in grad school, so money was super tight and we were going skiing and the day was freezing, but I was hell bent on going. And what he told me is that I was falling prey to the sunk cost fallacy. So I, I think about that a lot. This idea that you've already put so much into it.

And so what I think sometimes happens and holds [00:34:00] people back from having the kinds of conversations that you're describing is this fear that they're gonna come to a point where it's gonna become so obvious that they have to leave and it feels like. I can't, I already put too much into this. Like I have, for example, I have a child in this marriage with my partner who I really am unhappy with.

Or if I leave this job, I'm gonna have to start over. And that feels so overwhelming. And so I wonder if you can talk a little bit about the sunk cost fallacy and some of the ways that we can manage this. Feeling like it starting over would be too much for us.

**Annie Duke:** So, yeah. So let me talk about the marriage piece first. So one of the things that I wanna be really clear about is that nobody, nobody can decide for you



**Yael Schonbrun:** Annie's not trying to tell you to leave your marriage and neither am I.

**Annie Duke:** Yeah. Um, when you should quit or when, when you shouldn't. So, I, I think that it, it's a good example. So, so if I'm, if I'm in a marriage with no children, um, it's a simplifier, right?

Because that's sort of like, I'm an employee and I've got an employer [00:35:00] and the employer comes to me and says they're unhappy, and then I say, I can turn it around. And it's a very similar type of conversation. Um, if you have a child, this is where, what you're. what your values are, right? Uh, it really matters.

So, um, how much do you value the happiness of your child over the happiness of you? Um, the happiness of your child being part of your own happiness. Um, but also, uh, at what point is the unhappiness of you and your partner in that relationship now gonna make your child unhappy, right? So the, these are things that you sort of have to work through.

That's all rational. What's not rational though is to say, well, I have a child so I can't leave. That's not rational. Um, in the same sense as saying, I've put 10 years into this marriage, so I can't leave, right? I have so much invested in it, so I can't leave. So if, if it's that, it's, I have a child, um, [00:36:00] so that means that I have to stay because we have this thing together, right?

It's like, well, that's not true. Because if what you're doing is really trying to think about the happiness of the child, We all know that there are circumstances where the marriage is so fraught that the child is unhappy. Or where one of the partners, like, maybe I wanna leave because my partner is behaving in a toxic way, right?

Then sticking it out is a no longer noble because I'm subjecting my child to a toxic environment in that particular case, right? So we need to sort of tease those, those two things out. So there's, there's sort of the rational side of, I have values about my happiness versus my child's happiness. Um, versus I can't leave just because I have a child.

Right? So, so I just wanna kind of set that aside to, to say that there's some rationality to that, but it can get to a point where it's not. So let's take the sunk cost fallacy kind of separate from that. Maybe we can simplify with marriage. Let's just assume that [00:37:00] you're in a relationship. , um, you don't have any children, let's simplify it.

Or you're in a career. What happens to us is that we make the mistake of taking into account what we've already put into something and trying to decide whether to continue and spend more. And by spend more, I mean spend more time, effort, it could be money, um, to continue on. So let's think about a very simple example of how that might express itself.

Um, let's say that I buy a stock that's trading at 50 and it's now trading at 40. The question is, should I continue to hold onto it or should I sell it? Now in stocks, holding is the exact same thing as buying. So we can now say what's the comparison between. , I bought it at 50 and it's trading at 40. Do I wanna keep holding it or do I wanna sell it versus I've never [00:38:00] owned the stock before and I'm coming fresh to the decision.

It's trading at 40 and I do my analysis. Is it a stock that I wanna buy? So that's what we wanna compare, so we get apples to apples. And if the answer is, uh, no, I don't wanna buy it at 40 when I'm fresh to the decision because I'm looking at sort of what's happening with the stock and I just don't think that it's worth it, then even if I bought it at 50 and it's now trading at 40, I ought to sell it because I'm saying when I'm fresh to the decision and I have no history with it, that it's not an asset that I would wanna own.

So therefore, just because I already owned it doesn't mean that I should continue to own it. If it's not something I would buy that. Um, but people do continue to hold it. Uh, it's been very well demonstrated that, um, in situations where people would otherwise not buy it, they will hold it, um, if they already own it, and they will say things like, otherwise I can't get my money back.

**Yael Schonbrun:** Yeah,

**Annie Duke:** So they'll say, sta stuff like that. [00:39:00] Um, how will I get my money back? I can't get it back. But of course that's silly because that money is already gone. And what you should care about is what's the best thing for me to put my money into in the future. So now let's take that out of stocks and let's think about, um, an example with like, uh, a job.

So, uh, I'm in a job and, um, I've done so much training and, uh, you know, I've done all the onboarding and I've learned the ropes. I've got the culture figured out. I know my job pretty well, but I hate it and I've hated it for a really long time. . So now the question is, should I switch to a new job? What you'll hear, hear people say, and we've already talked about the one thing that people will say is, what if I hate the new one?

So we've already talked about that. That's the loss aversion problem. But what people will say is, but I've put so much time and energy and now I've done all the onboarding and I've done all this [00:40:00] training, and I don't want all of that to go to waste. So it's a sense of like wasting, right? But the question is, if you, if I just dropped you in today and you could observe this job that you're doing and how hap unhappy you are, would you wanna take this job today?

Is this the job that you would start? Anytime? The answer is no. You're supposed to. , but people don't leave because they're afraid that they'll have wasted the time. Now, this happens in relationships too. I'm miserable in this relationship. Again, take kids out of the equation. I'm miserable in this relationship.

Okay, why don't you leave? Well, because I've put so much time into it, I've put my heart and soul into it. I've already been in the relationship for two years. I have so much invested in in it. Okay, but if you knew two years ago that this was what the relationship was gonna look like today, you wouldn't have started it.

**Yael Schonbrun:** Yeah.

**Annie Duke:** You would. You would and and I would argue [00:41:00] that two years ago, if I showed you a future that looks like this, and I said, what would you do in this situation? You would say, I'd leave. Whether it's the job or the relationship, you would say, well, there's no way I would stay in that relationship. And this is where we get down to this problem of what's called escalation of commitment, which is related to sub cost, which is that we have the intuition.

that when we get signals from the world that things are not going well, that we're not actually gaining ground toward our goals, we will walk away and we don't. And a lot of it is this fear of waste. And the thing that people get wrong about waste is that waste is not a backward looking problem. It's a forward-looking one.

It's not about what I have already wasted that's gone. It's am I in the service of worrying about what I might have wasted in the past, going to continue to waste more in the future. So if I'm in a relationship with no kids and I'm [00:42:00] incredibly miserable, and I stay in that because of all the time I've already been into it, that is time that I can't go find somebody who is gonna fulfill what I need as a human being in a relationship because that's not what's being fulfilled.

**Yael Schonbrun:** I think that's so brilliant. And I, I love that phrase, waste is not a backward looking problem. It's a forward looking problem. And it reminds me of this really interesting line of research about cohabitation before marriage or before engagement, where the researchers talk about this issue of sliding versus deciding that people cohabit and then they feel like they've already invested into a home together and pets or furniture.

And so they end up getting married or having babies sort of, because they're already on that path as opposed to deciding like, this is what I wanna commit to. And I think maybe that does kind of get back to your recommendation to um, a little bit thinking about exiting. But maybe it's more just thinking about, do I want to make this [00:43:00] commitment today?

Do I wanna make this commitment, you know, six months from now and a year from now? And sort of looking at it with fresh eyes as opposed to just thinking of it as one continuous choice.

**Annie Duke:** Yeah. And one, one of the things I wanna say, Kill criteria is that there's a lot of things where it's really important to do it at the start. So if you're making an investment, you should create kill criteria at the start. If you're pursuing a sale, you should create kill criteria. If you're, um, if you're on a house hunt, it's good to create kill criteria.

Uh, if you're climbing up a mountain, um, when you're entering in a marriage, I don't necessarily think that you, you need to do that. I think it would be good at the beginning of the relationship to do that. So, because you're, you're trying to sort of stop things before you get to the point where you have so much sunk cost built up that you just randomly end up getting married, which is what you're describing.

Right. So you can create, you can create those as you're entering into the relationship. , it's a new relationship. What are the things [00:44:00] that I could see from this person that would tell me that this isn't the right thing for me to, for me in the long run, I think that's fine. Once you do decide to get married, I think that there are reasons that have to do with the structure of marriage that you might wanna do that right at the beginning, but when, as soon as you're unhappy, it's a really good thing to do, right?

As soon as you're saying like, oh gosh, I'm really not feeling good in this relationship. It's good to do. And it's particularly good to do with somebody from the outside, like a therapist, right? Who's gonna be able to see that better for you and be able to negotiate those conversations with your partner.

Um, so at that point you would re-trigger them. But I really do believe, like on the, going into the relationship to say, okay, I think I'm all starry-eyed. I think this person's amazing, but let me imagine it's a year from now and I'm unhappy. Like, what do I think are the things that I'm saying that would make me unhappy?

So that you're thinking about that prior to actually making the very big commitment. . Um, I do love, I, I, now I'm like sad [00:45:00] because I wish that it were in my book, the study about cohabitation, that's an amazing example of how we have to be very, very careful on the front end

**Yael Schonbrun:** Yeah.

**Annie Duke:** sunk cost.

So what kill criteria are trying to help you do is to tackle the sunk cost problem on the front end. Because the problem is, I know your, your friend said, oh, you're succumbing to sunk cost. But if your friend were in the same situation, they also would succumb to it because knowing about it doesn't really help you very much, but you can't, you can see it in other people,

**Yael Schonbrun:** Yeah.

**Annie Duke:** right?

It's very easy to sort of see it in other people go, oh, I know what you're doing. Um, but it's actually really hard for us to overcome it ourselves. Like knowing about it doesn't help you in the least

**Yael Schonbrun:** Like, you know, I'm curious, do you think that there's an evolutionary function to sunk cost fallacy? Like is there a reason that it's so embedded? I mean, all of the biases that you talk about, I'm sure have some kind of evolutionary function, but I was just trying to think about like, what is the sunk cost fallacy?

Because it seems so problematic and yet it is so [00:46:00] omnipresent.

**Annie Duke:** So I'll tell you a j So story cuz all evolutionary explanations are

**Yael Schonbrun:** Yeah, that's true too.

**Annie Duke:** So here's my J. So story, uh, survival was really hard and you had to like go on these long tracks or these hunts where you were trying to find food and if you didn't find food, you were gonna die. And you couldn't just say like, uh, oh, this is really hard and it's too cold today.

I'm gonna turn around and come back the next day to try to find food. So, uh, I think that um, there, there's just a lot, there was a lot of evolutionary pressure to like, look, you have to keep climbing the mountain because you can't stop here, you'll die,

**Yael Schonbrun:** Yeah.

**Annie Duke:** right? Like, you didn't have a choice about like turning around.

We live a much more luxurious life with lots and lots of opportunities,

**Yael Schonbrun:** Yeah. You don't have to climb a mountain to get, uh, to get dinner.

**Annie Duke:** Right, exactly. So, um, you know, and then the other thing of course I think is that, um, just again, completely just so story, uh, is that hu the humans who survived is [00:47:00] the, the, the aspo, so you had a whole bunch of people continuing, like trying to get to Europe, right?

Most of whom died, but the ones who got there survived. Uh, and that was good for humanity as a whole. And I think that this is one of the things that we have to remember is that what's true for an individual is not necessarily true for what I'd call the portfolio, right? So it's really good for humanity for a bunch of people to be trying to invent something where each person is actually

operating at negative expected value, but the chances that one of them actually does it is so good for humanity, that humanity itself would prefer that all of these people are sort of like pushing ahead, even though most of them are, are, are, are, have no like very little chance and all of them have very little chance of actually getting, um, to where they wanna go.

But if one of them does, it's so good for the [00:48:00] portfolio, right? So, uh, humanity's gonna thrive if that happens. So the portfolio holder often will have different values than the individuals

**Yael Schonbrun:** Yeah.

**Annie Duke:** the, in the portfolio. And I kind of think, I, I always, I often think about, um, I mean it happens not to be true, but I think that's where like you got like college sports coaches saying, don't have a plan B, uh, because from their perspective as the portfolio holder, right?

They're like, no, I just wanna make sure that I get what my one, you know, Michael Jordan or whatever. and I need to make sure that they don't have any other options so that they can stick to it. I don't think that they're consciously thinking that, but I think that that's sort of how that's being expressed.

I actually don't think it's true that that will create more success in that particular case, but you can see where that as the person who has the team, you're trying to get everybody to only focus on basketball, even if it's not great for each of the individuals. So, so that's just kind of my jso story on the evolution of sunk cost fallacy.

One is like, it didn't make sense. You could, you know, you couldn't stop [00:49:00] what you were doing just cuz it was hard, cuz you were trying to survive and you would die. Uh, and that there was, you know, the people who persisted to, you know, March from Africa all the way to Europe and survive that track. Right.

Obviously we're, uh, having to overcome a lot of different obstacles, um, in order to be able to do that. And they needed to not just sort of sit down and say, this is too.

**Yael Schonbrun:** Yeah. Well, thank you for entertaining me with your Justo stories. I know evolutionary is, is

**Annie Duke:** none of that should be taken to the bank. Don't say, well, Annie Duke said this is the evolutionary reason for this because I'm making it up.

**Yael Schonbrun:** Yeah. The fair. I still think it's there. It's useful to think about like, huh, what is the function of that? So thank

**Annie Duke:** Yeah, no. Which is why I've obviously entertained it. I didn't, I didn't make that up off the top of my head. Like, I have actually thought about these things and that, that is the function that I believe is occurring. So, um, you know, there you.

**Yael Schonbrun:** I think it makes sense. All right. So given that it is so hard to [00:50:00] quit, we are built in with all of these biases. Who knows why? We



have some stories to explain maybe. Um, but it is true that it's hard to quit. And so you have all these strategies to help folks quit more strategically. And one of my favorites is monkeys and pedestals.

And I know you didn't come up with it, but I wonder if you can explain it. As, as a tool that folks can use,

**Annie Duke:** Yeah. So this comes from Asso Teller who, uh, is the C e O of X, which is Google's in-house innovation hub. Um, just to give credit where credit is due. So I, there, I think there's a really fun application to relationships for this that we can talk about, but, , the way the monkeys and pedestals goes is it's a mental model for understanding, like when you're entering into something, , how are you supposed to enter in to the thing that you're doing?

Again, thinking about. . Look, once you start something, what we know is that there's gonna be a lot of pressure for you not to stop it. Um, and this is really where the problem is, right? , is that once you start it, you're gonna have sunk costs. You're gonna be endowed to it. , it's gonna become the status quo.

You're gonna [00:51:00] be tolerant of losses associated with the thing you've already started. And the way that you aren't tolerant of losses, , when you're thinking about starting something new. Like there's just a whole bunch of stuff that just sort of like piles up on you and like lands on your head once you've started something.

So Astro Teller had the insight that you wanna be really careful when you're thinking about starting something. First of all, about have a, have a framework to think about is it worth starting? And if it is worth starting, how do you actually get to the answer of whether it's worth it to continue as quickly as possible?

Okay? And the reason why you wanna do that is that when we start things, it's under conditions of great uncertainty. So we've all had that feeling of, I wish I knew then what I know now. . What he says is, when you, when you figure that out, you wanna quit that. I wish I knew then. Like, oh, that was really bad.

I, I wish I had never started that. When at that moment you actually wanna quit and these forces are gonna stop you from doing that. And number two, you wanna get to that [00:52:00] knowledge as fast as possible. So that brings us to monkeys and pedestals. So imagine that you're trying to train a monkey to juggle flaming torches while standing on a pedestal in this town square. , there's two pieces to that puzzle. , well, you'd make a lot of money, right?

**Yael Schonbrun:** You would make so much money. I would be at that show every day.

**Annie Duke:** Yeah. Like standing in Quincy market, like people would be throwing hundreds at you. Um, so, so the, so you're, you wanna tackle this project, there's two pieces to the project. One is, , can you train the monkey to juggle the flaming torches?

That's piece number one. And piece number two is building the pedestal that they're gonna stand on. And his point is that you should never, ever start by building the pedestal. You should always start by seeing if you can train the monkey to juggle the flaming torches. So let's think about why that is.

, well, there's no point in building the pedestal if you can't actually train the monkey, right? The whole, the, the act is [00:53:00] not a monkey standing on a pedestal. It's a monkey juggling flaming torches while standing on a pedestal. So if you can't actually accomplish that piece of it, then there's no point in building the pedestal.

It's actually wasted effort. And if we think about the sunk cost problem, it now creates a sunk cost, which is, but I put all this time into building this beautiful pedestal. How can I

**Yael Schonbrun:** so pretty. Yeah.

**Annie Duke:** from this, um, act? So you wanna tackle that harder part first. That's number one. Number two is that if you build a pedestal, you don't learn anything new.

So it, it's the idea of what, what's the unknown, right? So, so, There's kind of two pieces. What's the hardest part and what's the most unknown? So, so the, the mon the monkey juggling the flaming torches is the thing you don't know if you can do. Okay? So that's the bottleneck, right? In terms of our own knowledge, we don't know if we can actually do that.

We do know it that we can build a pedestal because, uh, people have been building [00:54:00] pedestals for a very long time. Um, so, uh, we already know that thing. So we always wanna be tackling the unknown rather than the known, because that brings us to the third problem, which is that if we tackle the known thing first, it gives us the illusion of progress, right?

So it, there, it, there's no progress involved in building the pedestal, cuz because you are, again, you already know you can do it. So you haven't actually, you haven't actually made any progress towards your goal, but it gives you a false sense of progress, which we know is really bad. Again, if we're thinking about like sun cost or endowment, that kind of thing.

So he's saying, look, , identify the bottleneck. What's the really hard thing? What's the big unknown? And tackle that first. Okay. So, sometimes when you do that, you never start. So he did that famously with a project called the Hyperloop.. So the hyperloop is we're gonna have a, a vacuum tube train that's gonna go from coast to coast, [00:55:00] and it will, the train will get sucked through a vacuum tube and you'll be able to get from New York to LA in two and a

**Yael Schonbrun:** so fast. Yeah.

**Annie Duke:** So, um, so he got pitched that, over at x and after the pitch, they applied monkeys and pedestals.

and they identified two monkeys. So again, we're just trying to say like, what are the monkeys? And you should do this with anything that you're starting. What are the monkeys? What are the big unknowns? What are the hard part? What's the hard part? And in this particular case, what he identified was two monkeys.

, one was regulatory. So if you're going to bring some sort of infrastructure from coast to coast, you have to go through lots of different townships, each of which has, has different issues about like right of way and ordinances. And then there's eminent domain issues and so on and so forth. So the regulatory problem actually is quite difficult to solve, for something like that.

And then the second monkey, probably the more impactful is that nobody knew [00:56:00] whether you could start and stop the train without killing everybody on board.

**Yael Schonbrun:** A hard monkey.

**Annie Duke:** Yeah, well cuz you know it's going really fast, right? So the question is when you're trying to slow that thing down, because you're gonna stop along the way, right?

When you're gonna slow that thing down, is everybody gonna die? Okay. So they then said, okay, let's try to figure this out. Are these monkeys that we can tackle? And when they thought about the regulatory problem, they said, well, you know, as he put it, were Peter Pans with PhDs. I don't know if that's a something that we can tackle.

So they sort of saw that as a pretty intractable monkey. But then when they turned over to, to the other problem of will you kill everybody on board? , what he realized is that the only way that you could really know that is to get the thing up to speed. Okay? So when it was pitched, the vacuum tube technology itself had already been proven out.

So that wasn't a monkey. So it wasn't like somebody just invented the idea in its head and the question of could you actually suck a train through a [00:57:00] vacuum tube? Um, that wasn't a monkey that had already been solved. So now we have this other one. And he said, well, . Um, so you've proven that you can actually get the train to go, but what we don't know is, if you're gonna kill anybody and we can't know that unless you actually get the train up to full speed.

So they did the calculations and said, well, what's it gonna take? How much of this thing are we gonna have to build? And building the actual track, building the actual system is a pedestal. Remember, it's a known, so you already know you can do that. How much of it will we have to build to try to figure out if you can do any of this safely?

And what he realized is almost the whole thing,

**Yael Schonbrun:** Uh,

**Annie Duke:** that was the thing he realized, like pretty much the whole thing, at which point he said, I'm just gonna have to build this ginormous pedestal in order to, to solve the monkey. And I don't want anything to do with that. That's not the type of project that I wanna do.

And so he abandoned it. Now, how long it took him to get to [00:58:00] know there was 15 minutes. . Okay, so 15 minutes he said, no way. No how, we're not gonna build a cross-country pedestal, , in order to try to figure out this problem. Now what's interesting is post publishing the book, there was an article that came out about the Hyperloop.

So he passed on it, but other people said yes, and one of them was Virgin and they are now, I think 160 or so million in, they have only gotten the train up to one sixth of the speed. So they haven't done any, , safety test yet cuz they've, I think, think they've spent about 60 million so far just like building enough of it to get it up to one sixth of the speed.

, they haven't gotten it to go any faster yet cuz they don't have enough of it built. And guess what? They're running into regulatory problems. So, interestingly enough, and this has to do with. Why monkeys and pedestals are so powerful is that I don't think there's any doubt that if Virgin knew what they know [00:59:00] now, they would not put any more money into it.

**Yael Schonbrun:** Yeah.

**Annie Duke:** Okay. They, they, you know, they would, they would say at that time, we're not gonna start. Like, and if we knew that this was the situation where we were in, we would stop. But having put so much into it, having spent 60 million on it, they've now, they're now gonna spend a hundred million more and they've now pivoted to, instead of thinking about it as a passenger system, they're thinking about it as a cargo system.

But the issue is that that's not solving a new problem. Like, it's not, we don't have a problem getting cargo from one end of the country to another. That's, that it's not even a problem that anybody really cares about, but they won't abandon it. So, so now we can see like, why monkeys and pedestals is so powerful, because he under, he really understands Astro teller that if you don't think about this in advance, You're gonna get stuck where Virgin is.

**Yael Schonbrun:** I'm sort of thinking where, how this applies to relationships. I could imagine one [01:00:00] asking oneself, what's the monkey here? Like, what are the things that would be hard to solve down the road in this relationship?

We like to travel together, but maybe how do we fight? Or do we have similar visions,

**Annie Duke:** Yeah. So, uh, I always, I, I have actually given this advice to people who are in new relationships. I, I always tell them if they can afford it, if they, if they have the ability to do this, take, take an overseas flight and go visit somewhere where you're gonna be jet lagged and you're gonna lose your luggage and, , you're gonna be really, you know, tired and you're not gonna speak the language

And you know, like, That's something where like you're doing something fun, but you're really, there's gonna be a lot of stress involved so that you can see like, how are you, how are you problem solving together? How are you thinking about like, these kinds of stresses? I always think that's really good. , there's a very big monkey in any relationship that you're entering into, which is how do you wanna raise your children,

**Yael Schonbrun:** Yeah.

**Annie Duke:** right?

Like, [01:01:00] what are your values? Are, are your values the same in terms of, you know, how much discipline, how much not discipline? You know, do you want, do you want like free range kids? ? Are you gonna be a helicopter parent? , what type of education do you want them to have? And I'm sure you know in your seat that nobody has those conversations.

**Yael Schonbrun:** Yeah, they right. And they're so useful. I, I have an, a really funny quote that I included in my book on Working Parenthood, which is from Will Ferrell. Before you marry a person, you should first make them use a computer with slow internet service to see who they really are.

**Annie Duke:** Yes. See? Exactly right. That's so good. You know, like, take, take, uh, a nephew or a niece for a whole weekend, right? Like something to test that, but really sit down and have those conversations about like, what is your vision for, for how you're gonna have kids? Listen, my first marriage, we didn't have a single conversation about it, I think because you assume like, oh, we love each other and da da da.

So obviously when we have [01:02:00] kids, , it's gonna be amazing. And then I found out that we had completely different ideas about how you raise a child, how much discipline there were supposed to be, what you were supposed to do when your kid was screaming in the middle of a target for a toy. Were you supposed to give them a toy or not?

Give them a.

And I was on the, no, I'm gonna march right out of the target. I don't even care if my basket is full. I'll come back later. And he was, I'm gonna buy them a toy. So that was a B, you know, we didn't know that before we had kids. And that d particular difference in attitude was a really big problem for us.

So, , and this is despite the fact that we were, we were really got along well. We were really good friends, we were intellectually compatible. And as a matter of fact, after we got divorced, we were really good friends, , and we got along really well and we're intellectually compatible, but we were miserable for a long section.

You know, this is despite the fact that, you know, once we relieved the [01:03:00] stress, we were then very good friends again. But if we had talked about it beforehand, that would've solved a lot of the issues. Like for one thing, maybe we wouldn't have had that big difference. because we would've talked about it beforehand and it wouldn't have evolved naturally, but we never had the conversation.

**Yael Schonbrun:** yeah, yeah. You could have figured out that monkey early. Yeah, so I think that that's really powerful advice.

, there's so much good advice in your book, but my other super favorite advice is to move away from past fail goals and appreciate that quitting a larger goal doesn't mean that you haven't accomplished something. And I wonder, I was, as I was reading it, I was thinking that it, for me, it really fits into this concept of growth mindset.

**Annie Duke:** Mm-hmm.

**Yael Schonbrun:** And, and I wonder if you've thought about that body of research and, and thinking about the way that you frame quitting sort of in that context.

**Annie Duke:** I have it, but now I wish that I was in my book because now that you say it, it's totally obvious [01:04:00] that they have to be related to each other. , so let me, let me explain the, the downside of goals. , so we think about goals as universally kind of good things, but there's this problem. So, , here like, so let's separate out with sunk costs.

We sort of are worried about having wasted what we've already spent, but there's another issue that has to do with, , mental accounting. And you can sort of feel it in this stock example that I gave you, buy a stock at 50, it's now trading at 40. If I sell it, how can I get my money back? , so what that means is that you're short, you're short of where you.

Okay. And that, that's what the problem is. And Richard Thaler Nobel laureate in, in economics has talked a lot about how we do not like to close mental



accounts in the losses. So, , remember I said, of course, it shouldn't matter what's happening with that particular stock. What we should care about is sort of where is our money across all the investments that we make.

But it's not the way that our mental accountant works, right? We don't sort of [01:05:00] think about, oh, but I'm doing really well across everything. We're just sad about the thing that we're losing at the, I gave an example actually in thinking in bats my th two books ago,

, which is,

**Yael Schonbrun:** book. Everyone should read that one too. It, it there really just changes the way that you think about decision making. It's, it's very powerful.

**Annie Duke:** Oh, thank you. I give the example of like, if you just got a big promotion, , but now you're standing on the side of the road and it's freezing rain and your tire is flat and you don't have a jack. You're not like, oh, I'm balanced. I'm doing really good. right? You're just like, ah, this is the worst thing that's ever happened to me.

Why is my life so crappy? Right? Because we're not good at getting out of like one account. So, so in that moment you're just like, this account is really down and that's all I'm thinking about. And you're not like, but oh, but I got a promotion on balance. I'm great. That is not the way any of us feel. So this is very similar to that.

So you buy the stock, you open up a mental account for that as well as a physical account, but you have the mental account and once you're [01:06:00] below 50, you're now in the losses. We don't like toose mental accounts in the losses. Okay. So that's just sort of the wonky economic stick. But now how does that relate to goals?

Well, that's because the goal has become 50, what you bought it at, and I can actually change that. It's not even what you bought it at, right? It's like if you bought it at 50 and it went to 75 and now it goes to 55. Even though like on my physical ledger, on my real life ledger, I'm up five. . in my mental account, I'm down 20 because now there's a new goal, which is 75.

I've set a new goal. Okay? So that's like with stocks. Okay, so now let's think about something like a marathon. So there's this woman, Shavano Keefe, who in 2019 was running the

**Yael Schonbrun:** This was so painful to read. Just just to let you know.

**Annie Duke:** Like, so she's running the London Marathon in 2019. She's a marathoner. And, , on mile eight, she breaks her leg, her fibula bone snaps.[01:07:00]

So as you can imagine, the medical personnel are like, Hey, she probably stop running. , she doesn't, she keeps running and she actually finishes the race on this broken leg. All right, so, , let's think about what's going on there. So, thing number one is, , I know that I felt when I read that separate and apart from ooh, pain, like, oh, badass. right? Like, I wish I had that kind of grit, but why would I wish I had that kind of grit, right? This is where we get this, you know, this problem of like, grit. We, we sort of think about as like, oh man,

that makes you a badass. It makes you so, so much character. But of course, that's ridiculous. She's a marathoner.

She's now running on a broken leg. She may create like a compound fracture. She's certainly sacrificing future marathons that she might be able to, to run. , in the service of just finishing that one, she may do permanent injury to herself where she can never run again. So I, I don't think that I should admire her that she kept going, and yet part of me does.[01:08:00]

So I got, you know, and this is the problem, like I know about it and I'm still like, Ooh, I totally wanna do that. , the second thing that we should realize is that I, I think that we can agree that if you said to her, Hey, you're gonna break your leg on mile eight, do you wanna start that? She would say, no.

of course I'm not gonna start, if I'm gonna break my leg on mile eight. And if you said to her, well let's imagine that like you didn't know that but you just broke your leg on mile eight, would you keep going? And I'm sure she would say, no, there's no way I would keep going. And yet she did. And she's not unusual cuz three other people did it in the same marathon.

And if you look at any marathon, you're gonna see all sorts of people finishing marathons with broken legs or broken ankles or some sort of tear or whatever is going on. So this is happening all the time. So let's think about why that is. The answer is because there's a finish line. So the finish line is the goal and it's a fixed object in this case, 26.2 miles.

Now why do I know [01:09:00] it's a finish line problem? Because she didn't continue and only run 13.1 miles, which would be a half marathon,

**Yael Schonbrun:** Which should also

**Annie Duke:** right? But that, that particular race, that wasn't the finish line. , right? So she ran a half marathon along the way, but she didn't stop at that point because that that race, the goal was 26.2 miles.

If the goal is five kilometers, that's how long you're run. And here's the other thing is that if the goal is 26.2 miles, have you any ever seen anyone be like, oh, well I feel good though. I'm just gonna keep running. Of course not because they reached the goal. So here's where we get this pass fail nature of goals.

As soon as you hit 26.2 miles, you've passed and you stop.

**Yael Schonbrun:** Yeah.

**Annie Duke:** But anything short of that, we're now in the losses in comparison to the goal, right? We're short of that goal. That is a fail. And so we [01:10:00] don't wanna ever stop short of the goal. Now we can think about it from an objective standpoint. She was eight miles past the starting line.

So why is it that cognitively, we don't think we're in the gains eight miles. , right? That we've, we've got accumulated eight miles that we otherwise wouldn't have accumulated. And it's, that's not the way that our mental accounting works. Their mental accounting works in relation to the goal. So this is where we really have to be very careful about the goals that we're setting because when we set goals, they tend to be fixed objects, but they're fixed objects in an unfixed or flexible world where the world is changing or we're changing, right?

So, , stupid example, right? But, , if I'm using a pager, the world has moved beyond that. I should probably give up the pager , right? , or we could take actually a more serious example like a company like Blockbuster that was selling, uh, physical. [01:11:00] Videotapes or Blu-ray or whatever in a physical location for people to go get to bring home, to watch on their television.

And they had a chance to buy Netflix. They didn't do it right. Okay. So the world will change on you. So the world was going to streaming and they didn't change along with it. So this is, we wanna be sensitive to how the world is changing. If we're climbing up a mountain, uh, the weather may change on us, a fog might roll in.

So we wanna be sensitive to those things. And then also we wanna be sensitive to the way that we change. So this could be physical changes, like my leg could break, but it could also be, you know, I really used to like this job and now I don't, my values have changed. I took this job when I was in my twenties and I, I loved working 80 hours a week and that was my jam.

But now I'm in my thirties and I don't wanna work 80 hours a week anymore. . Okay, [01:12:00] so you may change as well. So if, if we're, if we're fixing, you know, a finish line that's a fixed object, right? The summit of a mountain or the finish line of a marathon, or whatever goals we have in terms of like projects or products that we're developing or goals that we have for ourselves, and we don't then take into account, but what a, how might the world change that would make it so that that goal no longer makes sense?

Or how might I change that would make it so that goal might no longer make sense? Then we're just gonna run toward a lot of finish lines with broken legs and that's what we end up doing.

**Yael Schonbrun:** A hundred percent. And this kind of brings us full circle to talking about psychological flexibility because we can persist. , you know, as long as it still makes sense to persist. And then if things around us or inside of us change, we can reevaluate. And sometimes the better choice is to quit. And just to sort of double down on why I [01:13:00] so much love this, is that it, it's not, you have this great quote, which is, if you quit something that's no longer worth pursuing, that's not failure.

That's a success. And in part because, and this is where it fits into the growth mindset, you've still probably learned a lot and gained something. Maybe you've learned what doesn't work and that's

**Annie Duke:** which is. I mean, that's exactly right. And that, that's why we, so, you know, look, when you think about like, you know, fixed mindset versus growth mindset, right? The idea is that you're always trying to strive for something. And that that is, you know, that striving and the learning is always gonna be attainable for you, right?

And you just have to sort of change the way that you're thinking about the things that you're pursuing and what, what progress means and what accomplishment means and what, what's available to you as a human being, , in terms of where you can get to. And I think that it, it means, it, it gets you to start to think more about across opportunities.

And I, this is the really, really sad thing about quitting is that because we think it's such a [01:14:00] bad thing to do, number one, and because the cognitive biases are really all lined up against walking away, they, they really are lined up to create a failure to stop things that we actually slow our progress down.

because as you just said, look, I, if I'm doing something that isn't actually causing me to gain ground toward my goals, then by sticking to it, I'm stopping myself from gaining ground to my goals. And yes, if I switch to something new, it's probabilistic, right? If I switch to something new, , will it cause me to gain more ground toward my goals?

Well, if the, you know, it's probabilistic, so yes, it's uncertain, but I'm switching from something that certainly is not going to, and that means that I'm gonna get to where I wanna go faster. And what, what I like to think about is not so much like, uh, you know, obviously sometimes we have fixed goals. Like I'd like to finish writing this book for sure.

But I like to think about broadly as I wanna be doing things that I [01:15:00] just use happiness, right? That are causing me to feel fulfilled and. and like I'm a good citizen and I'm growing as an individual and it's something that I wanna be exploring for myself. And that can express itself through a variety of different ways.

And tying my identity or the idea that I'm a failure if I stop doing something that I was doing before is gonna prevent me from doing that. So I can be a poker player and then I can go give talks on the relationship between poker and cognitive science and then I can start consulting in that area and then I can start writing books on it and then I can return to do my PhD.

, and it's just kind of the way that I have always navigated the world. And I think the reason why is because I had a forced quitting moment when I was in graduate school in the first place. And it's interesting because without that, I don't [01:16:00] know. that I would've ended up navigating the world the way that I did as an, you know, for the rest of my adulthood.

I was two seconds from my PhD and got really sick and ended up in the hospital for two weeks. , was unable to go and do my job talks. I had to cancel all of them, but I had already scheduled all of them. I mean, that's how done I was. , and it took me a really long time to recuperate. I was very sick and during that time that I was recuperating, I just needed money.

And that's when I started playing poker. And I, I just really loved it. And then I didn't go, I ended up not going back to academia, at least not for that time.

, but I think that it, it taught me a really valuable lesson that it's not the end of the world, right? That it feels so horrible and like everything's being taken away from you.

But, , that that can actually create opportunity and obviously it doesn't create opportunity for everybody. I recognize that I was lucky that I found this other opportunity that. that I was really good at. , but we need to remember that when we go in to [01:17:00] start things, we're doing all sorts of exploration. Do I wanna be an academic? Do I wanna be a poker player? Do I wanna go to business school? Do I wanna, , work at a literary agency? Do I wanna whatever? Like we're thinking about all the different possibilities and then we choose something to start, and all of that exploration stops,

**Yael Schonbrun:** Yeah.

**Annie Duke:** then we just don't, we don't even see the other opportunities that are available to us.

And so, , when you, when you are forced to quit, it forces you back into that exploration mode. And I think that that helps you to understand that there are possibilities for you and you need to sort of grab that and say, even if I walk away from something, doesn't mean that it wasn't for anything. And I need to be thinking about what makes me happy and about these broader goals.

And one of the things that I like to point out to people about everything that I've done, whether it was graduate student, cognitive psychology, poker player, talking about the intersection between the two, writing these books, consulting, coming back and working with Phil Tetlock and Barb Millers on [01:18:00] forecasting problems, is that there's a thread that I can pull through all of it, which is what I've really cared about is decision making under uncertainty.

That's an unfixed goal because there is no, I'm done. Right? It's, let me go try to explore this in a variety of

**Yael Schonbrun:** that's your larger why, which is also what Angela Duckworth talks about, underlies grit, but it also underlies quit because it gives you directionality.

**Annie Duke:** Right. That's exactly right. And it allows me to, uh, it allows me to move between things I think a little bit more, a little bit more easily. But again, if I hadn't had that forced quitting event, I don't know that that's, that, that I would've ended up in that place. But it it, to tell you the truth, it kind of forces you into that.

**Yael Schonbrun:** It forces you into a growth mindset because you, you haven't, I mean, your professional life would otherwise be over you. You have to start thinking, okay, well how can I use this as an opportunity to move forward? [01:19:00] And I just wanted to sort of add my own personal experience. So I was reading your book and I'm working on a new book of my own, and I had picked a title and it started to do research and was just feeling so stuck.

And I was talking with my partner and I was telling him, you know, I don't want to, but I think maybe I need to turn to a different topic. I, I had, I was like throughout the topic and was like, I don't know. And he was like, you should definitely do that and you can use almost all of what you did. Not the title, but you can use a lot of what you already called in terms of the research and use it for this. it's, it's a pretty different topic, but it's still useful. And I was like, yes, I need to quit that title, because it opens me up for something so much more productive. So I think thinking about quitting in this way is so powerful for big decisions and small ones, it just opens you up so much.

**Annie Duke:** Yeah. I actually, so, you know, I, I [01:20:00] talk about writing as just so much quitting. So, you know, and, and this is, this is the pro, this, this is what, this is what I wish would change in the world is that, success is built out of both grit and quit. It has to be because you have to quit all the stuff that isn't working and then be willing to stick this to the stuff that is, even though it's hard.

So you, you actually can't have success without one, without the other. I just saw a video of Guy, guy Kawasaki, I think, uh, there's two videos and in the first part he talks about how when things aren't working, you have to walk away from them in regards to his parents in. Moving to Hawaii with nothing like giving up everything they had there and moving to Hawaii to try to give their children a better life.

And then the second video, he says, the secret to my success is grit. And I'm just like, I'm sure it is. Like I, there's no doubt. I mean, part of the secret to my success has been grit. I finished my books that I wrote. Um, but, but we need to [01:21:00] start to think about these things living together. So this is where I think about the writing process, right?



Is that, uh, obviously I have to, you know, writing is very hard and it, you, it's just you,

**Yael Schonbrun:** Which you can't tell when you read it, when I read your books. Um, it looks so effortless,

**Annie Duke:** It's so not, it's just, I mean, my editor is like very much a therapist, like where I'm just like, I can't find my way out of the book and I'm never gonna finish it. And it's not even any good. And I mean, it's a really hard, arduous process. I mean, separate, apart from just the mechanics of the amount of research that you have to do and the amount of words that you have to produce.

It's, it's just psychologically, it's a, it's tough to write a book. It's very, you have to expose yourself to the world to, you have to expose yourself to criticism. Like, these things are all very hard. So obviously you have to have grit to write a book. But think about it's, there's so much quitting, whether it's something as simple as, you know, line edits [01:22:00] and I just wrote 2000 words and I've decided now that I need to, to throw them out and not be so endowed to them that they have to stay into the book.

I have to listen to what my editor is saying in terms of. , do they think that I should change the order of chapters? Right? Should I move stories around, , should I rewrite this whole section? , and for me, in one case, my editor told me with how to decide that I should throw the first two chapters out, just stop and, and start completely over with them.

And she was correct. , and I'm so happy that she told me to do that. But that, so there's all these like small quits that are small or in the case of those two chapters, I guess a little bit of a bigger quit. And then there's the quit that you just did, which I've actually done quite a few times. So, , when I was writing how to decide, I had to throw out the first two chapters, then I get to quit.

And I had a completely different idea for a book that I had actually started writing a proposal for. And then I just, I was doing some [01:23:00] podcasts to promote how to decide, and I'd already written a proposal for this other book. that I was starting to do research on. I still have a deck of the research and I, when I was promoting how to decide, I started talking about this idea of reversibility right?

And quitting. And I just started to get really obsessed with the topic in a way where I was like, oh my gosh. Like, I don't know, I think I have to write this book, even though I had this other book *Waiting in the Wings*. So I started to get

in touch with people I knew, like Phil Tetlock and Danny Kahneman and, and so on, so forth, and just started talking to them about it.

And then my excitement just kept growing. So I, I completely abandoned this other thing that I had already done. I'd already, I'd already shown my editor the proposal and I was just like, no, you know, I'm not gonna do that one. I'm gonna do a different one. Let me write a proposal for that instead. And now I, I finished quit and I was like, oh, I'll go back to that other book, right?

Because you can't go back to things. And I was like, I'll go back to that other book. Cause I kind of liked the idea of that other book. And then I was teaching a class and I started getting obsessed with [01:24:00] a different topic when I was teaching. a cohort and I was like, oh, I think I need to write that book.

And it was a topic that Gary Marcus, um, who's a cognitive psychologist and people should go to his CK cuz it's great. He's

**Yael Schonbrun:** I think you just retweeted it, right? Yeah,

**Annie Duke:** just, with everything that's happened with chat G P T and whatnot, he's like a great voice of reason and skepticism that I think everybody should go check out.

But we had been talking since the beginning of the pandemic about this particular topic and you know, just sort of like, oh, aren't you annoyed by this? Or, you know, whatnot. And then I was, you know, we had been talking and we decided we should write this book together. So now I'm, again, I still have this other proposal sitting there.

Maybe that will be the next book after that. But I. Abandoning it. And at some point I need to listen to myself and say, it must not be interesting enough to me. Like I think that for somebody else to write the book would be really good, but it's, for whatever reason, it's not lighting [01:25:00] a fire in me. So despite the fact that I put in quite a bit of effort and a lot of research, and I wrote a proposal that's a lot of sunk costs, I was like, no, I can tell it's not for me, and then I'm gonna write a completely different proposal instead.

Um, and so I, I, you know, the writing process is so much like everybody thinks it's grit, but it's so much quit. And that's what you're experiencing, right? Like, you know, this book is gonna be better because you quit the frame. It's the same material, but you're framing it in a different way and it's gonna make you happier.

It's gonna be a better book because you're willing to walk away from it, even though you're gritty about ac the actual writing of a book.

and it's that, how do those two things live together, and why do we only focus on one side of the equation as the secret to success and not understand that the, it's the calibration between the two.

Quit the right stuff. Stick to the right stuff.

**Yael Schonbrun:** . Thank you so much, Annie. I, I'm, this was like, so exciting for me and. The book is so [01:26:00] powerful. I hope every person picks it up and reads it. I really think it's one of these transformative books that will help you live better. Um, so in addition to reading all of your books, where can people go to find more from you?

**Annie Duke:** So you can always go to [andyduke.com](http://andyduke.com) for sure. But I did just start a subs and that's been really fun. So, , I post Gary Marcus actually po uh, wrote a post for me on subs about chat G P T because I got asked a question by a reader and I said, well, I don't like to answer things that I know nothing about cuz it would be like a random person in a bar pontificating on some sort of topic to you that they don't know anything about.

So I'm gonna bring in someone who actually does know something about it, but, , so I do, I do post on there. But um, the other thing is that I schedule, , through the CK for people who are paid subscribers. , uh, for Ask Me Anything for AMAs a year. Um, my first one's coming up pretty soon and so it, I, I switched tock because I felt like it, it was more of a, like a two-way conversation.

So I used to have a [01:27:00] newsletter and I would send the newsletter out and then I wouldn't hear it from anybody who read it. , and so now with CK there's obviously the commenting function. I can open up open threads. So we did, like, I did a huge open thread last last week where people are just, I'm talking to people and it's like super fun and then we're gonna do AMAs.

And cuz I just really like the idea of like building community around this idea of decision making under uncertainty. So, , definitely go look at mys, it's called , UN Creatively Thinking and Bets. My husband said to me, why'd you call it? Thinking in Bets? And I said, cuz I'm lazy. So So that's why it's called that.

Uh, so you can definitely, you can definitely find me there. And then the other thing, the other place that I would love for people to go visit is the Alliance for Decision Education. . And so what we're, that's a, an organization that I

co-founded along with my husband. And what we're trying to do is bring decision education into K through 12.

And the idea is that just as, uh, kids get social emotional learning now is part of education through that movement, um, that somebody needs to create a movement [01:28:00] for decision education, which is basically, we're not gonna teach you like what to think. We wanna teach you how to think, how to decide. We don't teach you what to decide, but how do you do it?

How do you structure decisions? How do you think about your own habits? How do you navigate the information to try to start to query it, to try to figure out like what's actually true? How do I model that information? How does it inform my actions in the future? And then also to start to really get people.

, teach kids to think probabilistically, right? Things aren't yes or no pass fail, but, , they're a little bit more open-ended than that. And being comfortable with that would be really good. And so, we are trying to build a movement around that. Um, uh, it's called field building, , to get people to understand like decision education is a thing.

You should be demanding it for your children, starting in kindergarten all the way through 12th grade so that we can, , produce children who, you know, who aren't just like memorizing [01:29:00] trigonometric functions, but are able to actually navigate the world and be really good, you know, next century thinkers. So that's what we're trying to do there.

We've put together a pretty great academic advisory board. , Danny Kahneman's on at Bard Millers, Phil Tetlock, Michael Moison, Paul Slovic, , Katie Milkman.

Um, Yeah, it gives, so that's the academic advisory board. There's more, , more people on there as well. I apologize for note. Oh, Richard Bailer's on there.

, so, uh, and then we have a, a, a pretty good board also, , and business Advisory Council and so on and so forth of people who really believe in this as a movement and that this is something that's really, really, really missing from education. We spend so much time thinking about how to help adults be better decision makers and pretty much no time helping kids, you know, figure out how to be better decision makers or really even understand like, what would you be teaching them

that would help them to do that.

So, that's the [01:30:00] Alliance for Decision Education. You can find that online. I would love for people to go visit

**Yael Schonbrun:** we'll definitely link to it. That's incredible. I, yes, we need that for our kids. That's so powerful. So, Thank you for all your work. We'll link to all of that stuff in our show notes, and thank you for taking the time. This was such a huge gift for me personally, and I hope I, I know that our listeners will get so much out of it

**Annie Duke:** Well, thank you for having me. This was a super fun conversation

**Yael Schonbrun:** Hey, psychologists, off the clock listeners, I'm gonna guess that if you got to the end of this episode that you also love to geek out about books in psychology.

**Michael Herold:** If you don't know where to store all your books and people are already complaining that you talk about this book that you're reading all the time, then why don't you join us once a.

To read a book together.

**Yael Schonbrun:** If you're interested in joining us, we hope you are. Just send an email to off the clock psych gmail.com and we'll send you more information.

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