The ROI of Delegation:
Why Control Freaks
Cost Organizations Big Bucks

by Andy Masters

Most of us are aware of the positives from delegating—we’ve heard them before. In theory, it’s a great concept: “Get other people to do your work for you…Awesome!” We also understand that, theoretically, we can achieve more in less time if we delegate properly.

The results of not delegating include burnout, stress, and getting overwhelmed with mundane tasks which distract us from our most important responsibilities. Yet, why is delegation one of the most underutilized skills in organizations today? What damage does a management team of control freaks cause an organization?

Reasons Why Managers Don’t Delegate Include, But Aren’t Limited To:

- “If it’s going to get done right, and going to get done on time—I’d better do it myself!”
- “Whenever I try to delegate, I always get burned.”
- “By the time I explained it to someone, I could have done it myself.”
- “I don’t want to bother someone else…they already have enough on their plate.”
- “It’s job security. If I’m the only one who can do it, they can’t downsize me!”

Negative ROI Resulting From Managers Who Don’t Delegate

We all have a default mechanism which causes us to fall back on doing everything ourselves, often subconsciously. Unfortunately, that’s the way most of us are wired. At face value, some of the above rationale might seem honorable. “Ultimately, everything in my department is my responsibility, so I’ll just do it myself.”

However, in addition to many other negatives such as stress, burnout, and mistakes, this “control freak” habit creates a corporate culture of woefully inefficient utilization of human resources. This inefficient utilization costs departments tens of thousands annually.

Here’s how:
If a $40/hour manager spends just one hour on a task in which a $20/hour person has the skills, training, and resources to do—that company incurs an expense of $40, rather than incurring an expense of $20. So, how many hours per week does this occur? One, two, 10, 15?

At a rate of 7 hours per week, the losses realized would be $140 from the inefficient use of human resources, or $7,280 per year. If this culture is consistent throughout a department of 16 people, the annual impact would be $116,480. Multiply this mismanagement throughout all levels of the division, or entire organization, and corporations waste big bucks annually resulting from poor utilization of human resources.

Perhaps most importantly, these tasks take valuable time and focus away from each manager, unable to accomplish the most important objectives each are charged with. This culture bogs organizations down at all levels, and squelches organizational growth and advancement.
Empower and Develop Employees to Gain a Positive ROI from Delegation

Conversely, if an organization successfully trains, develops, and empowers its emerging managers, then $20/hour staff can begin to handle certain $40/hour responsibilities—effectively saving companies money. These employees are able to be trusted, and perform tasks above their salary level. The “upwards domino effect” is that managers can more easily focus time and energy on larger, more important responsibilities, and can accomplish great achievements.

Further, a workforce is now being developed which believes that the organization believes in them, and is investing in them for future promotion. Certainly, when such promotions do occur, the transition period can then be faster and smoother.

Each organization should annually re-evaluate the tasks and responsibilities of each level, and be sure to maximize the utilization of human resources effectively.

The “Disservice” Theory

The next time you begin a project where you think to yourself “This is an important project—I need to do this one myself,” consider this: You are actually doing someone a disservice by not including them, and not allowing them to grow and develop so they are a step closer to taking on more responsibility in the future.

Perhaps it is a new or younger member in your organization, or an employee wanting to develop for future advancement, or even an intern. If you at least “take them along for the ride” with you—next time, they can do more. We all had mentors who took us along for the ride and showed us the ropes. This is how people learn. This is how people grow.

Beyond just the ROI impact, take the time next time to include someone and share. Don’t deny someone the opportunity to learn and grow because the responsibility seemed “too important.” Important responsibilities are what bring the best out of people.

Action Steps

“A leader isn’t the person running around doing everything themselves. A leader is someone who empowers others to achieve the goals of the organization as a team.”

Delegation is a learned and applied skill. It takes an understanding of how to do it correctly, and conscious focus to create a habit.

Are your managers and supervisors truly trained on the delegation process? If delegation went wrong, was the task delegated to the right person? Was that person clear with exactly what was to be performed, and by when? Did that person possess the time, training, and resources to perform the task? Did that manager follow-up before the deadline to double-check on progress?

As with anything else, delegation takes focus, and a concerted conscious effort everyday—or we revert to our old habits. To create a great habit of delegation, the FIRST thing you should do each morning is identify the 3, 5, or 7 items on your “To-Do List” where at least some progress can be made by someone else. Ship those items off to sea either in person or via email by asking for help right away. Then proceed with your day.

You are now gaining progress on 3, 5, or 7 items without investing any time on them at all, allowing you to make progress on more important items on your list simultaneously.
“As a manager, you deserve to take a vacation--or take a day off with your kids--and actually enjoy it without your cell phone ringing every hour.”

You must WORK on being an excellent “delegator.” Place a one-word post-it note on your PC to help create this habit everyday. Bring someone along on that next big project. Empower and develop your team, allowing each to take on greater responsibilities. Then devote your time to your big picture goals--and achieve MORE, in less time, with higher quality, and less stress.

You will more effectively utilize your human resources, and you will be amazed at what you and your organization can accomplish.

About the Author: Andy Masters has written 4 books, earned 4 degrees, and is a member of the National Speakers Association (NSA). Andy presents entertaining and impactful programs on sales, service, and work-life balance topics. Visit www.andy-masters.com or email andy@andy-masters.com for book information and schedule availability.

Contact Info:
Andy Masters, M.A.
Author/Speaker/Trainer
314-368-2250
andy@andy-masters.com
www.andy-masters.com
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