

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

by Andy Masters

Most of us understand the results of not delegating include burnout, stress, and getting overwhelmed with mundane tasks. However, it also squelches the development of employees--and provides a barrier to vision, strategic planning, and innovation. Yet, why is delegation still one of the most underutilized skills in organizations each day?

## 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!"*

At face value, some of the above rationale might seem honorable. However, there is an additional damaging impact of this *"do-it-yourself"* leadership culture in organizations. It creates a woefully inefficient utilization of human resources--which directly impacts your bottom-line. *Here's how:*

## Negative ROI Resulting From Managers Who Don't Delegate

If a \$40/hour manager spends just one hour on a task in which a \$20/hour employee has the skills, training, and resources to do—that organization incurs an expense of \$40, rather than incurring an expense of \$20. So, how many hours per week does this occur with each manager? 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 from that one manager, or \$7,280 per year. If this culture is consistent throughout a department of 16 managers/supervisors, the annual impact would be \$116,480. Multiply this mismanagement throughout all levels and departments, and organizations waste big bucks annually resulting from poor utilization of human resources. Effectively, organizations should pay a manager \$40/hour to focus on \$40/hour level work, not \$20/hour level work. Organizations can hire a \$20/hour employee for those tasks.

## 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 actually handle certain \$40/hour responsibilities—effectively saving organizations money. These employees are then learning responsibilities that put them in position for future promotion. Certainly, when such promotions do occur, the transition period can then be faster and smoother—rather

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than “throwing someone in the fire”. Further, employees now feel their organization believes in them, has confidence in them, and is investing in their future development.

The “upwards domino effect” now allows managers to focus more time and energy on larger, more important responsibilities—with less time and less stress. Each organization should annually re-evaluate the tasks and responsibilities of each department, and be sure to maximize the utilization of human resources effectively.

### The “Disservice” Theory

*“Leaders who micro-manage spend more time looking down, than looking up.”*

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.

So, next time include someone on that “important” committee meeting, “important” event, or “important” project. Don’t deny someone the opportunity to learn and grow. Important responsibilities are what brings the best out of people, and actually improves morale.

### Action Steps

*“A leader isn’t the person who takes on all responsibilities. 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 1, 3, or 5 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 1, 3, or 5 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!”*

\*\*\*\*\***FOR IMMEDIATE RELEASE**\*\*\*\*\*

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Leaders must **WORK** on being an excellent “delegator.” Place a one-word post-it note on your PC to help create this habit everyday. 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 your department, in less time, with higher quality, and less stress.

Through focusing on this habit, you will more cost-effectively utilize your human resources, instill a higher morale in your employees, and develop a winning team that can accomplish amazing things.

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