

Are You a “Bottleneck Boss”?

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For businesses to survive, their leaders need to put succession plans in place. There’s only one problem: A succession plan only works if high-performing employees can advance through the ranks. That’s impossible if their boss is a perennial bottleneck to high-potential workers’ progress.

Leaders who don’t see much movement in their firms don’t think they’re bottlenecks, of course. They believe that the problem lies elsewhere and is out of their control. Not true. More often than not, a firm that’s trudging along at a snail’s pace — and losing great employees year after year — is being negatively affected by a leader’s bottleneck-style behaviors.

What Are the Signs of a Bottleneck Boss?

- An over-scheduled, overstuffed calendar filled with agenda to-dos
- A business that can’t run on its own without a leader stepping in
- Clients who only feel special if they’re being fêted by the leader rather than by sales team members, which results in the CEO becoming overburdened with maintaining client relations, while the sales team feels undervalued
- Key staff who don’t feel empowered enough to lean into challenging work (revealed by employee engagement reports)

Empowering Your Employees

The employees who aren't given the space and tools to take on more challenging projects are the aforementioned high-potential employees who are willing to put in extra effort — but only if they see an endgame. If a leader stifles their progress, they'll take their ball to another court. In fact, study after study has shown that "lack of advancement" is one of the most compelling reasons that professionals resign. And it's been this way for far longer than since 2020, so the pandemic can't be used as an excuse for why it's hard to hold on to great folks.

If you're a leader realizing you've fallen into this trap, you should work to get unstuck immediately for the good of your company, its employees, and its succession plan. You can start now by following a step-by-step "break the bottleneck" succession planning model.

1. Figure out who your rock-solid, high-potential employees are.

You won't go far without high-potential employees, so aim to surround yourself with them. They are natural go-getters. Let's face it: Growing, scaling, and exiting a niche firm is too complex for one person to do well. Therefore, it's practical to distribute responsibilities and opportunities among high-performing employees.

Right now, you may have a handful of high-potential employees on your payroll, or you may have employees that need an investment of attention to get there. From this point forward, start building a key group of people with the talent, determination, and abilities to be future superstars. Even if they're not ready for all the responsibilities of tomorrow yet, with the right instruction, investment, and guidance from you, many of the high-potential employees on your team will become indispensable players in your succession plan.

From there, you'll need to adjust your training and development programs to ensure that high-potential employees learn at an accelerated pace. Think of them as having two jobs: their day job and the future job they'll take on after proving themselves capable. As a side note, some high-potential people won't realize they're cut out to be leaders. You may have to help them see their abilities through your eyes through continuous encouragement until they reach that milestone.

2. Start delegating responsibilities for permanent ownership transfer.

The emotional stress of a bottleneck culture leads to burnout and turnover. Great Place To Work, a workplace culture research group, reports that micromanaged employees are three times more likely to experience burnout. To avoid this fate, learn to delegate and delete. Write down all your duties and roles. Then, divide them into those that are revenue-producing versus those that aren't. Anything that doesn't generate money for your firm isn't something you should do.

For instance, as the leader, your involvement in strategic planning and client relations directly impacts revenue generation. However, it should be balanced to empower your team's engagement with clients as well. These are tasks you should focus on. Routine administrative work or basic operational tasks, while necessary, don't directly contribute to the firm's revenue. Treat those tasks as delegation opportunities and delete them from your personal to-do list.

Free up your time for high-impact, revenue-generating activities so that your efforts are aligned with the firm's financial goals.

At the end of the day, your time is better spent on high-level responsibilities, not routine projects. You are not a salesperson. You are not the marketing manager. You are not the human resources director, the payroll administrator, or the IT person. Nor should you be. With the right recruiting and training, your employees will be the experts at these tasks. Let go of your ego and start working on strategies and systems. Get everything that could help someone else grow in their role off your plate and onto that other person's. Alternatively, you could hire an expert or outsource a workflow. This will allow your value to go up and give everyone around you the chance to systematically progress toward succession.

3. Support your efforts with measurable results.

You are an expensive resource in the firm. Your time is not free. A quick look at the payroll system will prove this. Delegating is indeed more expensive at first. It may take an employee twice as long to perform a task the first time. However, then the experience curve kicks in. Soon, the employee is as fast as you and getting faster with experience. This growth in proficiency is not just a benefit to the organization; it's also a valuable professional development opportunity for the employees. With their fresh perspectives, they frequently discover innovative ways to save time and money. It is always more profitable to delegate.

You can benchmark anything by following a simple methodology. First, start with what you want to benchmark, such as gross margins, revenue per head, or founder income. Next, identify comparative firms and begin collecting data. With data in hand, perform a gap analysis to inform any action items. Finally, keep recalibrating your benchmarks regularly (not haphazardly) so you don't miss any emerging opportunities or red flags.

Every business needs a succession plan; to do that, you might just have to check your bottleneck tendencies at the door. If you're that person, you should be working on tomorrow and handing over today to your high-potential employees.