

Developing Leaders: What To Do When Your Team Grows Too Big

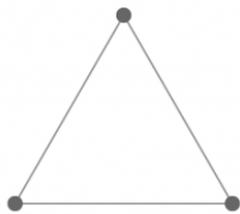
Boss: "You're doing a great job with your team!"

You: "Thanks!"

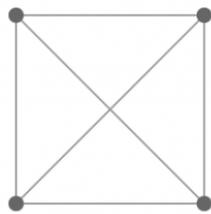
Boss: "You don't mind if we go ahead and put a few more people on your team, right?"

You: "Umm...."

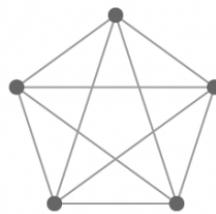
Whether this is a conversation you have in your head, or one that's happened to you in talking to your boss, you know the hard truth: as your team grows, it becomes ***geometrically more complex*** to manage your team. As this [image from Stack Overflow](#) below shows, every person you add to a team adds many more lines of communication, making everything harder for your team.



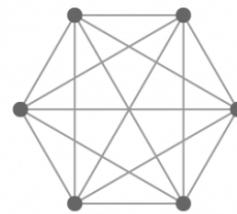
3 people, 3 lines



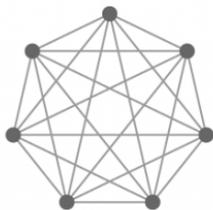
4 people, 6 lines



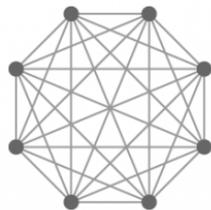
5 people, 10 lines



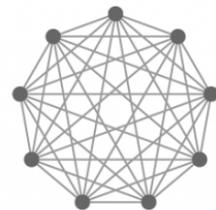
6 people, 15 lines



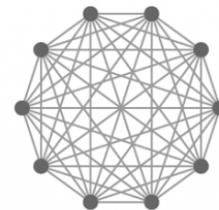
7 people, 21 lines



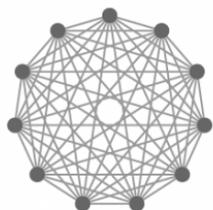
8 people, 28 lines



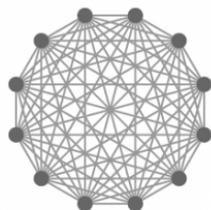
9 people, 36 lines



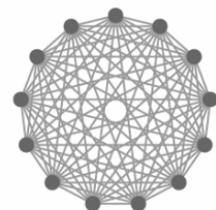
10 people, 45 lines



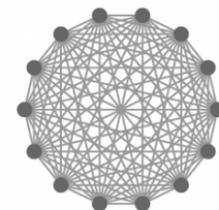
11 people, 55 lines



12 people, 66 lines



13 people, 78 lines



14 people, 91 lines

And as a manager, you're caught in the middle of this. As your team grows, there are more tasks to delegate and outcomes to manage, more communication issues to navigate, and more interests and motivations to consider. As those issues build up, it then becomes easy to have soft skills slip. Unfortunately, it's exactly then, when you don't give everyone the attention, feedback, and coaching they need, you all lose. Your team can easily slip into disorder or simply resentment for you as you break promises, forget what matters to them, and struggle under the growing stress.

The breaking point: 10-12 direct reports

We've had managers of all levels of experience and team size use Lighthouse to help them manage and motivate their teams and the common pattern we've seen is **managers struggle most with more than 10-12 reports**. It's at 10-12 people that the complexity and demands become too great for even a well-trained, experienced manager. Just look at the diagram above and how a team growing from 6 to 10 people causes the lines of communication to grow from 15 to 45 (and 66 by employee #12!). But don't take my word for it, here's what some experts have said:

- **Jeff Bezos, CEO of Amazon.com**, has a "2 Pizza Rule" which really translates to ~8 people, since a pizza is normally cut into 8 slices and 2 slices per person is a reasonable amount.
- **Michael Lopp, author of Rands in Repose**, uses the formula 7 ± 3 , which crucially takes into account how much time you could be committed to in 1 on 1s with everyone on your team.
- **Tomas Tunguz, VC at RedPoint Ventures** deep dives into the concept from many sources to conclude "roughly 7" and explores how "Span of Control" and "Span of Responsibility" impact it.

The consensus appears to be that double digit team sizes are generally a sign of trouble for a manager. So what do you do? Start developing leaders on your team.

What to do when you have too many direct reports

1) Let go of your fears and desire for direct control.

One of the first things you have to do is accept you can't have first level contact with everyone on your team anymore. This can be scary if you're used to setting the standard and pace on your team, and worry that without direct influence that will change. It shouldn't.

“Before you are a leader, success is all about growing yourself. When you become a leader, success is all about growing others.” – Jack Welch, former CEO of GE

If you're going to grow as a leader and do the best you can for each person on your team you have to be willing to give up that control. When your team grows too big you can't serve your team the way you were before. The only way to give your team the kind of leadership you aspire to is by developing leaders under you to lead as you do; they'll take responsibility for day to day management of some members of your team, while you develop them as managers. Everyone wins when no one's plate is overflowing and dropping things that shouldn't be dropped or missed.

2) Look for the leaders already on your team.

When your team is that big you need help, *fast*. The situation is only going to get worse as time goes by and things build up, even if the team doesn't grow further. The easiest solution is to identify and promote from within your team: they already know your culture, how the team operates, and your expectations.

Promoting from your team can also be powerful, positive signaling. Whomever you promote is a signal to your team what you reward; they're getting a new title, new power, and new responsibilities. Of course, this choice is a double-edge sword. Make sure they're deserving of that reward and that the behavior they display are things you want to see more of as you just showed that's what gets promoted. Living the values is a good reason. Sucking up to you and playing politics is not.

From the Pros: Consider promoting 2 people at the same time

Consider promoting 2 people to manager at once to experience these added benefits:

- **Reasonable Workload:** Both managers can have smaller teams as they become acclimated to management, while still having a major impact on your workload (4 people for each of them leaves you with only 4 directs, including them).
- **Better Focus:** With 2 new managers, all of your efforts to coach and develop them is multiplied. Every book you buy and lesson you teach goes to 2 people, magnifying your efforts often with as little effort as adding a second email in the To: field in an email or a 2nd quantity on a purchase.
- **Peer Support:** Being a manager can be lonely and scary. By promoting 2 people at once, they can support each other as they have questions, learn new things, and look for someone facing the same challenges as them.
- **Backup Plan:** If one of them doesn't work out and wants to return to being an individual contributor, you aren't stuck starting from scratch and can return their team to you and the other manager.

3) Sell them on the opportunity and set them up for success.

Some people may be excited by the prospect of managing, while others may need to be convinced. Depending on their past experiences and biases, they may have different perceptions of such a role, so take the time to sell them on the virtues and benefits of the job. Just be mindful of people becoming managers for the wrong reasons, and choose who you promote wisely.

So what makes someone have the right qualities to become a manager? A few common attributes we've seen include:

- **Empathy:** Do they consider other people's opinions and viewpoints? Managers must understand the views of others and avoid a one-size-fits-all management approach.
- **Attention to detail:** Do they produce quality work on their own or do you have to push them to maintain your desired standard? Managers set the bar, so be sure it's a bar you'll accept.
- **Organized:** Do they stay on top of their own work well enough you think they can do it for others? A disorganized manager will have a disorganized team.
- **Leading:** Have you seen them successfully take charge in a group before to tackle a problem? This shows they may have an interest in managing and the team is more likely to accept them as a leader.
- **Hungry to learn:** Do they demonstrate an interest in growth and learning? Management has a long and steep learning curve.

4) Coach and develop them.

Once they agree to the promotion and you set their team, your work is just beginning. You need to invest in their success by coaching and developing them. Recent research by Gallup found it's quite rare for a manager to be naturally skilled in all the areas they must be to succeed:



And few feel supported today. The same Gallup study found that among American managers:

- *Only 40% feel they have the chance to learn and grow at work.*
- *Only 33% feel someone at work encourages their development.*

Don't be on the negative end of those statistics. The tradeoff of reducing your team size should be that you spend some of your time saved investing heavily in developing them to be successful. Share the tricks, tips, and tactics you've learned along the way.

Ask yourself: If you could talk to yourself on the first day you became a manager, what would you tell yourself? Teach them those things.

5) Keep your one on ones with them!

The following story is all too common: A friend of mine got promoted to managing his first team. Almost instantly, his manager stopped having one on ones with him, because they were “too busy”. My friend was all alone to figure out how to manage his team and suddenly had no outlet to get help, advice, and feedback. As he recently told me via email:

“...I only recently started doing one on ones again with my manager after 3 months...they were tipped off by another coworker that I wasn't super happy day to day.”

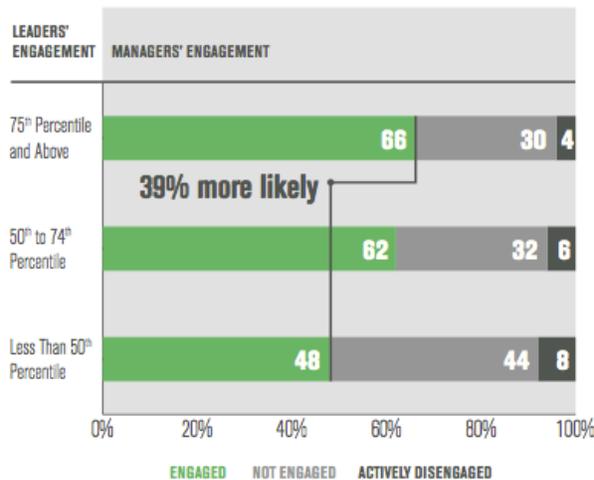
When you become a manager, you don't stop having questions and problems you need help with. In fact, now you have more! You're in a new role where you have other people's problems to solve, too. Not having an outlet to get advice and understanding from your manager can be devastating to you and your team.

Even if your boss doesn't have one on ones with you, don't let that be an excuse to not support your new managers. Schedule the meetings and consider giving them extra time as they get more comfortable in the role. As Andy Grove, former CEO of Intel, wrote in High Output Management:

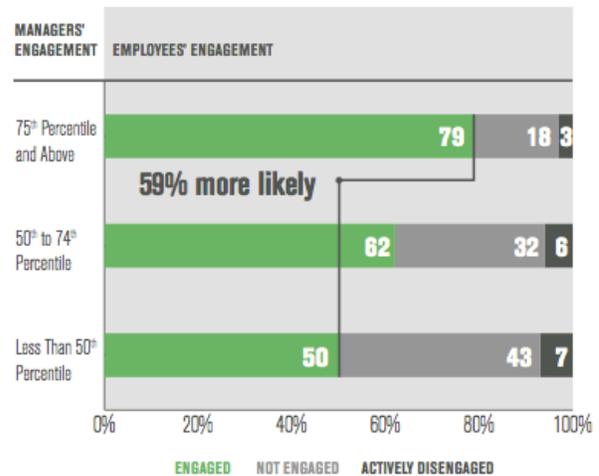
“How do you decide how often somebody needs [a one on one]? The answer is the job- or task-relevant maturity of each of your subordinates. In other words, how much experience does a given subordinate have with the specific task at hand? ...the most effective management style in a specific instance varies from very close to very loose supervision as a subordinate's task maturity increases.”

In other words, spend more time with people when they are new to a role or in one that changes more rapidly. Even if they didn't need one on ones very often in their past role, they'll likely need them more as they get comfortable in their new role. **Remember:** If your managers aren't happy, it's unlikely their team will be happy and the one on one is the best tool to ensure your team is happy.

MANAGERS WHO WORK FOR ENGAGED LEADERS ARE 39% MORE LIKELY TO BE ENGAGED



EMPLOYEES WHO WORK FOR ENGAGED MANAGERS ARE 59% MORE LIKELY TO BE ENGAGED



But wait! ...What if no one on your team wants to lead?

If you really see no one with the potential or interest, take a second look. Ask your team who they think would make a good leader. If everyone still just wants to do their individual contributor jobs then you may want to look outside your team for help rather than forcing someone to do a job they don't want.

However, before looking outside the company, ask if another manager in your department has excess leaders looking for such a role. It's better to have a new manager that already is part of your company's culture take the lead than have to look outside the company.

If all else fails, hiring outside can work. Just be mindful of what they may not know by not having risen in the ranks at your company and look for any potential culture biases they bring with them. If it does come to this, consider

how you can start growing your own talent; it's a better reward to show people they can advance in management and likely much cheaper than having to hire in all of your senior talent.