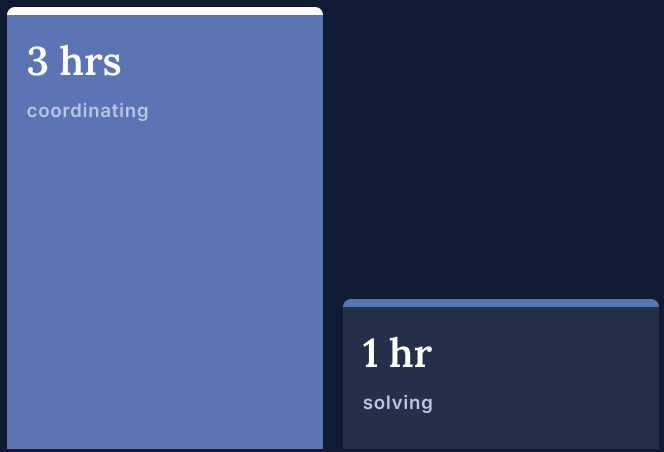
Herrera
HR GROWTH PARTNERS

FOUNDER FIELD GUIDE

THE COORDINATION TAX

Your best people aren't burning out on the work. *They're burning out on everything around it.*

How growing companies cut the hidden cost of handoffs, meetings and unclear ownership, and keep the people who carry it.



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A NOTE BEFORE YOU START

At 15 people, everyone knows who owns what. At 60, nobody’s quite sure, and the time spent figuring it out quietly becomes the biggest part of the job.

Finding the right person, re-explaining context, waiting on a handoff, sitting in a status meeting: none of it shows up on a dashboard, but your best people feel it every day. Eventually some of them leave because of it.

Most companies treat this as a software problem. It’s mostly an organization design problem: unclear roles, fuzzy ownership and habits that worked when the company was small. Those are fixable.

Peter Herrera

Founder, Herrera HR Growth Partners

SECTION 01

What the coordination tax is

A January 2026 survey of 665 customer service, operations and account management leaders at B2B companies, commissioned by Front and conducted by Savanta, put a number on it.

~3 to 1

The typical company spends nearly 3 hours coordinating for every 1 hour actually solving a customer's problem.

39%

spend more than 3 hours coordinating for every hour solving, the largest group in the study.

~70%

spend at least 2 hours coordinating for every hour of problem-solving.

14%

spend more time solving than coordinating. They aren't doing easier work; they built for how work actually moves.

What counts as coordination

- Finding the right person
- Internal meetings and messages about next steps
- Looping others in
- Waiting on handoffs between teams
- Re-explaining context that should already be shared

It isn't just customer teams

The study focused on customer operations, but the pattern is familiar everywhere: a hiring decision waiting on three approvals, a payroll change bouncing between finance and the manager, a product question that takes a day to route. Wherever work crosses teams, the tax applies.

SECTION 02

What it costs you

The hardest part of the coordination tax isn't operational. It's human.

1 in 3+
companies lost a top performer to coordination burnout in the past year.

47% vs. 25%
Teams that spend more time coordinating than solving were nearly twice as likely to lose a top performer to burnout as teams closer to balance.

64%
of companies had at least one customer-facing coordination failure in the past three months: inconsistent answers, lost context, customers repeating themselves.

8 → 11
touchpoints per customer request as companies grow from 51–250 employees to mid-market size. More people, more handoffs, more places for things to slip.

The burnout cycle

1. Overload
Strong performers become the people everyone routes questions through.

2. Departure
The job stops feeling like the job they signed up for, and they leave.

3. Knowledge loss
Who to call and how to escalate walks out with them, and the remaining team carries more.

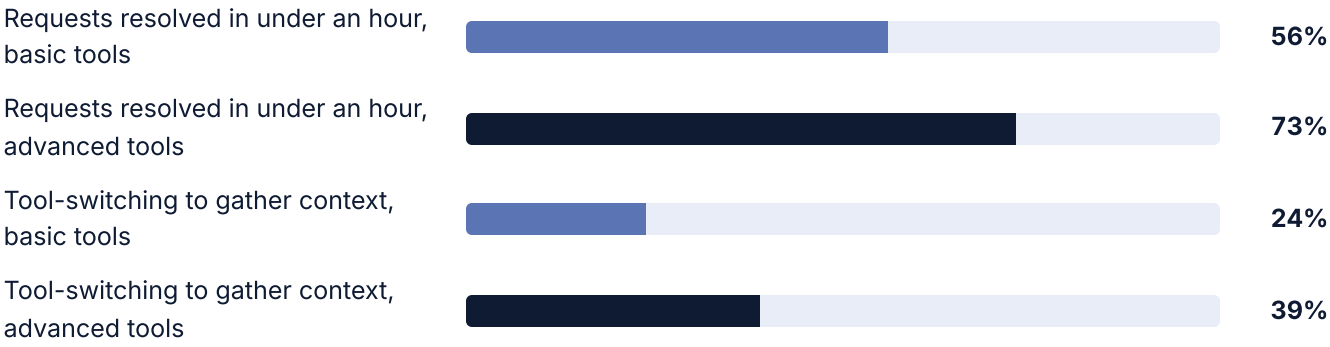
> **Listen for it in exit interviews**
>
> When good people leave, do they say they couldn't handle the work, or that they couldn't handle the meetings, the handoffs and the hours spent figuring out who owns what? That's the coordination tax talking.

Source: Front, The Coordination Tax, conducted by Savanta, January 2026.

SECTION 03

Why tools alone don’t fix it

Better software made teams faster at running the same process. It didn’t make the process simpler.



Time spent actually solving problems stayed flat at about 21–24% regardless of how advanced the platform was. The coordination happened around the tools, in email, chat and meetings.

AI DOESN’T FIX IT EITHER

93% of companies in the study use AI in customer operations, and 71% hit a significant AI problem in the past three months. The most common problems were coordination failures: AI created more coordination work (24%), lost context in handoffs (22%) or routed requests to the wrong place (20%).

AND MOST COMPANIES CAN’T SEE IT

42% of companies don’t track coordination at all: no measure of handoffs, time spent coordinating or duplicate work. Only 5% track all three. Most measure outcomes like satisfaction and response time, which can look fine while the overhead grows.

Don’t replace people with AI until you fix the process

Companies that lost someone to coordination burnout were about twice as likely to use AI instead of replacing them (42% vs. 20%). But a person doesn’t just handle tasks; they know who to loop in and when to escalate. When that knowledge leaves, the coordination lands on whoever is left.

Source: Front, The Coordination Tax, conducted by Savanta, January 2026.

SECTION 04

Measure your own tax

You can’t fix what you can’t see. A simple one-week exercise is enough to start.

THE ONE-WEEK TIME STUDY

Pick one team and three to five recent requests

1. Choose requests that crossed at least two teams: a customer escalation, a new hire, a pricing exception
2. Walk through each one with the people involved, from the moment it arrived to the moment it was resolved
3. Estimate the time in each category below
4. Divide coordination time by solving time. That’s your ratio

COORDINATION	HOURS	SOLVING	HOURS
Finding the right person	___	Gathering data and history	___
Meetings and messages about it	___	Doing the actual fix	___
Waiting on handoffs	___		
Re-explaining context	___		
Total coordination	___	**Total solving**	___

Questions to ask your team

- [ ] Think of the last complex issue you handled. How much time went to finding people and getting them context, versus solving it?
- [ ] Where do requests most often get stuck, and who are they waiting on?
- [ ] Which meetings could be an update in writing?
- [ ] What do you find yourself explaining over and over?
- [ ] If you left tomorrow, what would nobody know how to do?

SECTION 05

Six ways to cut it

The companies that pay the lowest tax treat coordination as real work: they design for it, measure it and assign it.

1 Give every type of work one owner

Most coordination time is spent figuring out who owns something. Decide it once, write it down and make it easy to find.

WORK	OWNS IT	CONSULTED	INFORMED
Billing dispute	Finance lead	Account manager	Customer success
Contract exception	Head of sales	Finance, legal	Account manager
New hire setup	Operations	Hiring manager, IT	Payroll

Start with the ten requests that cross teams most often.

2 Clarify roles as you add layers

Roles that made sense at 20 people blur at 60. Revisit them every time you add a team or a manager.

- A short role description for each job: purpose, outcomes and the decisions it can make alone
- A current org chart that everyone can find
- Clear decision rights: who decides, who advises, who just needs to know

3 Design the handoff, not just the task

Handoffs are where context gets lost. Make the context travel with the work.

A GOOD HANDOFF INCLUDES

- What's been done and decided
- What the customer or employee has already been told
- What's needed next, and by when
- Who to contact with questions

MAKE IT A HABIT

- A short handoff template in your shared tools
- Requests tracked in one system, not side email chains
- The person handing off confirms it was received

4 Put meetings on a diet

Status meetings are coordination tax in its purest form.

- Replace status meetings with short written updates: done, next, risks
- Every meeting has an owner, a purpose and a decision to make
- Default to 25 or 50 minutes, not 30 or 60
- Protect blocks of focus time for makers and specialists
- Audit recurring meetings every quarter and cancel the ones nobody would miss
- Invite only the people needed to decide

5 Write things down once

Every answer that lives in one person’s head gets asked for again and again, and walks out the door if they leave.

- A simple internal wiki for how things work: processes, owners and FAQs
- Decisions recorded where people will look for them
- New-hire onboarding that points to the wiki, not to a person
- Ask your most-interrupted people what they explain most, and write that first

6 Give managers room to manage

Managers absorb much of the coordination load. When they have too many direct reports or are still doing a full individual job, coordination falls on the team.

- Keep spans reasonable: often five to eight direct reports for new managers
- Train managers to delegate decisions, not just tasks
- Watch for “hero” employees everyone routes through, and spread that knowledge
- Add coordination to how you measure: handoffs, time spent coordinating and duplicate work

Then choose your tools

Once ownership, handoffs and documentation are clear, tools can make them faster. Before buying anything new, ask: will this keep context together across teams, or add another place to look? The most efficient companies in the study were half as likely to say AI created extra coordination work, because they fixed the process first.

SECTION 06

How I help

Coordination overload usually shows up at the same stage where founder-led HR stops working. As your fractional HR partner on a monthly retainer, I help you design for the next stage and adjust as you grow.

- Org design: roles, reporting lines and decision rights
- Ownership maps for the work that crosses teams
- Manager spans, training and support
- Burnout and workload reviews, including stay interviews
- Onboarding and documentation habits
- Planning for AI changes to roles and teams

20+ years of HR leadership	**4 industries** financial services, healthcare, hospitality and tech	**2 companies** where I built HR from scratch	**1 to 250** employees: the companies I serve



ABOUT PETER HERRERA

I've spent more than 20 years leading HR in financial services, healthcare, hospitality and tech. I was the first HR leader at a five-venue hospitality group, where work crossed locations and teams every day, and later built the HR function at a tech company. I'm based in Chicago and work with growing companies across the U.S.

SOURCE

1. Front, The Coordination Tax: The Invisible Line Item in B2B Customer Operations. Survey of 665 B2B customer service, operations and account management leaders at companies with 51–5,000 employees, conducted by Savanta, January 8–15, 2026. Findings are descriptive and do not imply causation.

YOUR NEXT STEP

Growing fast and moving slower? *Let's find where the time goes.*

A free intro call to talk through where work is getting stuck and what it's costing your best people.

FREE 20-MINUTE INTRO CALL

What you'll leave with

- A read on where ownership and handoffs are breaking down
- Two or three changes to try before buying new tools
- How a monthly retainer would work for a company your size

No pitch deck, no obligation. If you don't need me, I'll tell you.

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