

# The Control Tax: From Oversight to Judgment

## The Cost of the Control Tax

Senior leaders often hire high-capability talent only to stifle them with "Control-Based Management"—surveillance, approval bottlenecks, and procedural overreach. This "Control Tax" erodes autonomy and drives away top performers.

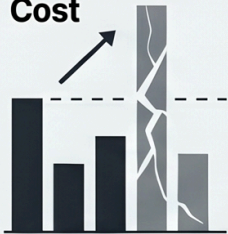


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Replacement Cost



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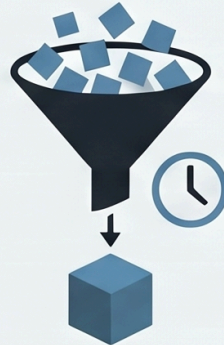
## Innovation Suppression



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Environments lacking psychological safety prevent employees from surfacing errors or proposing new experiments.

## Decision Bottlenecks



Centralized approvals force the organization to move only at the speed of the executive's inbox.

## Shift in Leadership Philosophy



### Control-Based Management



Rigid prescription on activity

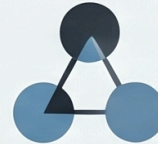


Information as a status symbol



Managing by "Muscle Memory"

### Trust-Based Leadership



Firm direction on outcomes

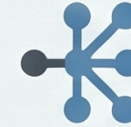


Default-open information architecture



Designing for judgment and autonomy

## Designing for Judgment



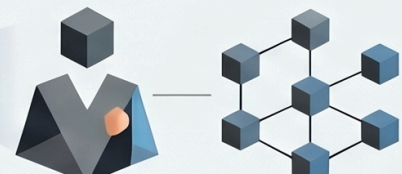
### Redesign Decision Rights

Use tools like the RAPID framework to push authority to where the information lives.



### Model Fallibility

Leaders must speak openly about their own mistakes to build interpersonal psychological safety.



### Outcome-Based

Shift from tracking "presence and motion" to measuring clear objectives and key results.

