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The fragmentation problem most companies can't see

Fragmentation is one of the most common ways organizations lose execution capacity, and one of the least visible. Here's how to identify it and what to do about it.

When organizations grow in complexity, a familiar pattern often emerges, even in busy, high-performing teams: fragmentation.

It typically announces itself as busyness. Reports of full calendars, back-to-back meetings, and stretched teams create the impression of an organization running at capacity. But busy-ness is often a symptom of the real problem, not evidence of productive output.

Think of the senior leader who holds formal responsibility for five initiatives but is actively advancing none of them. The product team has half a dozen people providing input on every decision, but no single owner. The critical project that drags on because everyone assigned to it is simultaneously committed elsewhere.

It might be tempting to diagnose over-extended capacity or poor individual performance in such scenarios. But the more accurate read is something both wider-ranging and harder to pin down: organizational fragmentation.

The two axes of fragmentation

Fragmentation occurs when people or projects get spread too thin. It operates on two axes: how people are allocated to projects, and how projects are allocated across people.

In the first instance, an individual who's holding too many concurrent commitments gets pulled in so many directions that they can't build momentum on any of them. In the second, too many contributors hold a stake in a single initiative, but with no one taking real ownership of progress, let alone delivery.

Either way, the organizational toll comes from switching costs. Every shift from one project to another means another reset: priorities to be re-established, context rebuilt, decision-making and handoffs looping unproductively. Slowly but surely, these frictions add up to a serious drag on output.

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Fragmentation in practice

Consider a typical week in a fragmented organization. A senior manager starts Monday morning in a strategy session for one initiative, breaks for a steering committee on a second, and spends the afternoon in a working session for a third. Tuesday begins with catch-up on the thread that couldn't close on Monday because everyone had to run to their next commitment, then back-to-back check-ins on two projects she is driving and three more where her input is expected. By Wednesday, she is already behind. By any measure, she is working hard. And yet she is making no decisive progress on anything.

The product team presents a similar picture. Six people are nominally responsible for a launch. Each contributes to project conversations, but no one drives decisions. Yet more opinions are canvassed, and meetings multiply as a substitute for momentum. Progress reports go out on schedule, but the project itself doesn't move.

A useful diagnostic question: if you removed an initiative from the active list tomorrow, what would actually change? In a well-structured organization, one or two people would have meaningful capacity returned to them. That clarity means prioritization is about which initiative is the best investment of their time. In a fragmented company, the project may dissolve, but the freed time scatters across a dozen calendars in fragments too small to redeploy quickly. When a new opportunity or challenge arises, teams scramble to find time, triggering a domino effect of delays across projects, dramatically reducing agility when it's most needed.

The strategic cost of fragmentation

Because no single vantage point within the organization makes it easily visible, fragmentation rarely surfaces as a named strategic risk. But its consequences land squarely on the executive agenda: growth initiatives that miss their windows, capital deployed against projects that never make ROI, a leadership bench that looks busy on paper but cannot move decisively when the market shifts. At a board level, a program of work where few initiatives have clear owners or a defined cadence is a governance concern as much as an operational one.

For a CEO, the ability to execute on strategic priorities depends on more than having the right people in the room – it requires those people to have the focus to drive them forward. With no clear boundaries or scope, fragmented roles are among the most difficult to automate, restructure, or hand off. And as organizations move toward faster, leaner operating models (flatter hierarchies, AI-enabled workflows, decentralized decision-making), roles without a defined core become a drag on the agility those models require. There is a talent dimension too. When people feel pulled between conflicting priorities, perpetually busy but rarely effective, with no sense of ownership or clear progress, disengagement quickly follows. The result is attrition and falling output.

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The organizational payoff

Organizations that take a proactive approach tend to find they have more room to maneuver than they expected, because fragmentation, once mapped, is often more addressable than it appears. The ability to track how work is distributed across people and projects is a powerful lever of organizational performance and increasingly a competitive differentiator, enabling faster reallocation, elimination of duplication and sharper direction of capacity toward emerging priorities.

Getting fragmentation under control delivers a significant set of improvements. Decision velocity increases when individuals have real ownership rather than partial responsibility. Execution risk drops when roles are clearly scoped and accountability is unambiguous. People tend to do better work (and stay longer) when they have the focus to do it properly. As roles become better-defined, the organization's existing capacity becomes easier to redeploy: people can be redirected toward new priorities faster, automation and AI tools can be layered in where ownership is clear, and the workforce as a whole becomes more agile without headcount changes. That kind of organizational flexibility is increasingly the competitive baseline.

Some fragmentation resolves through straightforward reallocation, while the rest raises harder questions about which initiatives warrant continued investment. Both findings bring meaningful value. But neither is reachable without knowing where you're starting from.

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