

## Middle Management

# Delaying Organisational Structures

Great in Theory  
Great on Balance Sheet  
Terrible on Productivity

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In 2008 when the UK went into recession, organisations did what organisations do when business is uncertain, they ‘battened down the hatches’. This meant they cut back on investment, cut back on operating costs and because human resources were the costliest expenditure, cut back on manpower.

Front line staff were normally first to be hit with redundancies, bans on recruitment, cut backs on over-time and blocks on pay rises bonuses etc. This obviously had a huge effect on ‘Engagement’ because front line employees were expected to work harder, achieve the same or more productivity and do so with a smile on the face.

The biggest effect this cutting back strategy had was on Line Managers because they were the people expected to achieve the same or even more productivity as before but with a reduced workforce and maintain motivation and

was something that many Line Managers were incapable of doing.

### Line Manager Performance

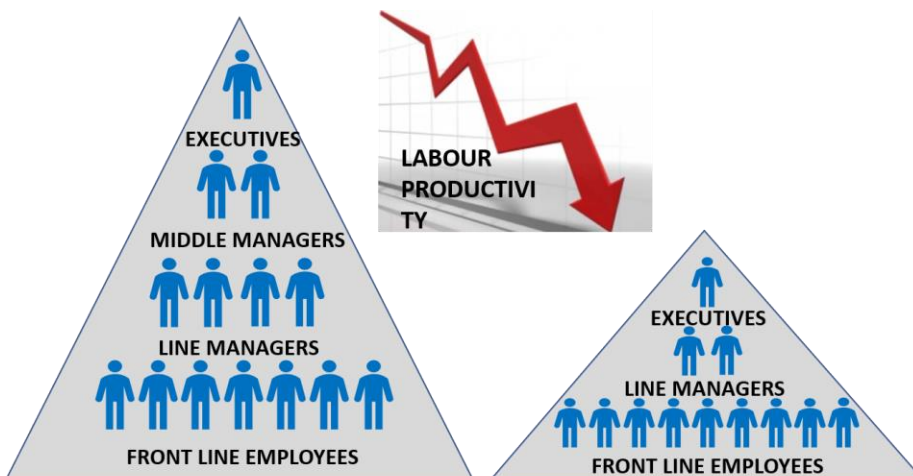
Historically, very few organisations invested in the training and development of Line Managers which had resulted in many Line Managers just coping rather than really managing effectively. So when the recession hit and resources were reduced a huge amount of Line Managers were not prepared for it. Many lacked either the ‘skill or will’ to manage and lead their teams to the new required standard.

**The recession of 2008 and the cutting back on human resources ‘revealed and caused’ a huge skill and will gap at Line Manager level which is still in existence today.**

Why is this manager performance problem still with us after all these years? Because organisations flattened the Organisational Structure and removed the Middle Manager role!

### Flattening Organisational Structures

Flattening the organisational structure in many larger organisations always resulted in the removal of the Middle Management level. The perceived benefits to doing this was that it would improve communication between Line Managers and Executives; Line Managers could be more empowered to make their own



commitment. Unfortunately, this

decisions and as a result, engagement would be improved. This would only have worked however if Executives gave Line Managers more autonomy in doing the job but this very rarely happened. There were really two main motives behind the removing of the Middle Manager layer; one being the obvious cost savings but the main reason being that Executives didn't see the benefits of the middle manager role or respect the competence of the managers doing it. Add this to their strong belief that Middle Managers were a block on company progress as well, de-layering was a perfect opportunity to resolve the issue. However, once the strategy had been implemented, many Executives found it impossible to make the de-layering strategy work.

### **Line Managers reporting to Senior Manager/Executive level is just not practical!**

When Executives removed the Middle Manager layer they took on direct responsibility for Line Manager performance and in doing so, automatically inherited all manager performance issues with it. This was something Executives were not prepared for and found extremely challenging. The big issue Executives found was one of time. The Executive role is a full-time job, managing and leading a management team is also a full-time job and finding quality time to spend on Manager Performance Management proved impossible.

Executives have never been able to solve this problem and as a result of putting Executives duties first, manager performance and labour productivity have never improved. In many organisations, manager performance and employee productivity deteriorated even further because, without the close supervision the Middle Manager would have provided, many Line Managers drifted into 'doing only just the minimum' mode and doing 'what they wanted' rather than what the company needed.

### **Reinstating the Middle Manager level**

Some Executives recognised the problem early on and hastily reinstated the Middle Manager role but unfortunately appointed the wrong people to do the job. The Middle Manager job is fundamentally a Leadership role but Executives had appointed people with strong 'management skills' and not strong 'leadership skills' which is what they did previously. Because of this, many organisations who reinstated the role have still not improved Line Manager performance or employee productivity.

### **What is the solution?**

Executives must accept that the Middle Manager role is essential for business success and reinstate the role. When doing this, they must this time appoint people with proven leadership skills into the position. Once appointed,

Executives should set Middle Managers clear measurable objectives directly related to Line Manager performance and hold them to account for achieving them. Executives should then measure the achievement of these objectives through regular Line Manager competence audits as it has been proven that good Line Managers are a result of good Middle Management whereas 'not so good' Line Managers are a direct result of 'not so good' Middle Management. It really is as simple as that.

### **Summary**

Flattening the organisational structure and removing the Middle Manager has badly damaged Line Manager performance which in turn has damaged employee productivity. If businesses (and the UK as a whole) are ever going to improve labour productivity, businesses must focus on Line Manager Performance through effective Middle Management.

### **Anthony Dance**

Is founder of The Manager Performance Group, a Management Development organisations that focuses on **Middle Manager training, coaching and support**.

Anthony's article 'The Ambiguity of the Middle Manager Role' can be found on his website. Anthony can be contacted on his email address: [ad@managerperformance.com](mailto:ad@managerperformance.com)