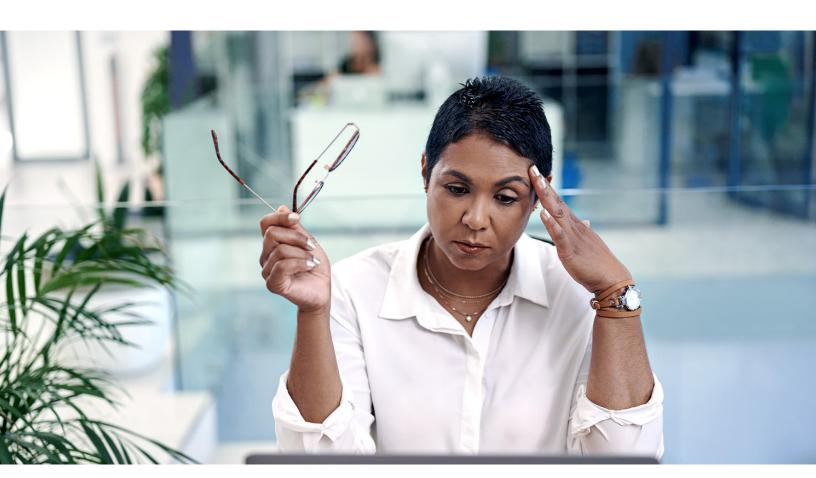
McKinsey & Company

People & Organizational Performance Practice

Are middle managers your next ace in the hole?

Middle managers: they're beleaguered. Maligned. Miscast. But new research reveals the clear competitive advantage the best middle managers bring—and the vital role they stand to play in the future of work.



Business lore is freighted with misadventures in middle management. Yet middle managers are critical to organizational health and performance, and they are only becoming more so as work continues to transform, according to the new book Power to the Middle: Why Managers Hold the Keys to the Future of Work (Harvard Business Review Press, July 2023). On this episode of The McKinsey Podcast, authors Emily Field, Bryan Hancock, and Bill Schaninger talk to global editorial director Lucia Rahilly about the costs of middle management gone awry—and about a new model for getting it right.

Why the bad rap?

Lucia Rahilly: When I say middle manager, what comes to mind? Maybe it's the familiar trope...

Bill Schaninger: Someone who's regularly at their wit's end, not exactly sure how to deal with their boss, the demands of the firm, or the needs of the people they're trying desperately to lead.

Lucia Rahilly: That's McKinsey senior partner emeritus Bill Schaninger. Emily Field and Bryan Hancock, McKinsey partners, agree that middle managers get a bad rap.

Emily Field: There's this idea that middle managers are the bureaucrats—they make work.

Bryan Hancock: They're the ones who are there to ensure that the three extra steps in the prescribed process are done, or who call for four extra meetings, or who are there getting in the way.

Lucia Rahilly: Ouch. But Bill, Emily, and Bryan are pushing back on the hackneyed reputation of meddlesome middle managers by writing their new book, *Power to the Middle*. They believe not only are middle managers far from dispensable, they are, in fact, essential to an inspired and more productive workplace—especially postpandemic.

So taking a step back from the stereotype, the most basic definition of middle management is just what it sounds like.

Bryan Hancock: It's a manager who sits somewhere between the front line and the CEO suite.

Emily Field: And when you think about managing up, it's an art form in itself, often of influencing and really thinking about being the translation layer and understanding a top-down vision.

Lucia Rahilly: And it's the implementation of that top-down vision that's crucial and frequently overlooked.

Emily Field: What is one of the most core roles a manager plays? It's being a people leader. And too often we forget that vital role a manager plays.

The difference a good manager makes

Lucia Rahilly: Here's the thing. Done right, middle management is actually an opportunity.

Bryan Hancock: That's where the action is, and it's the closest to having an influence on people day-to-day: their experience, their life, what's happening. And it's the closest role to actually taking a broad vision and bringing it to reality.

Emily Field: Middle managers are at their best when they're empowered to lead and drive impact. They can take a vision from a leader and make it a reality. And they're talent magnets who attract high performers and make them shine even brighter by developing and apprenticing them.

Lucia Rahilly: And the managers who succeed are those who reasonably respond to the reality of the people they lead. Here's a great example.

Emily Field: I'll tell the story of two different managers in the very same business unit dealing with hybrid work. So a CEO said, "Everyone back to the office 40 hours a week." One manager—who had a more technical background—passed down that message to his team: "Everyone in the office 40 hours a week. Let's go." One of his team members, who was quite literal, said, "Well, I'm in the field three days next week. How do I hit my

40 hours?" And the technical manager said, "Hold on. I've got to go back to leadership and ask."

Another manager, same team, received the same edict—40 hours a week in the office—and she told her team, "Hey, I know you're focused on driving outcomes. I know you're in market right now. Let's get together in the office when it makes sense. And let's focus on doing what's right."

What's not surprising about these two managers is that people want to work for that second manager, and furthermore, many of the folks from that technical team have actually moved on to work with her as well.

From paperwork to people work

Lucia Rahilly: It's a tale of two managers—the kind people do and don't want to work with. Realistically, there's a distance to close between the derided stereotype, which is very real for many, and the potential for greatness. What's standing in the way? Here's Bill.

Bill Schaninger: I think they're faced with an overwhelming demand on their time. On one hand, they have what their job has been created to be: largely, they're supposed to focus on what's been called "strategic planning." But in reality, it really is

tactical and/or operational planning: someone else has done the strategy. Now they're making plans to do plans, in many cases doing reports, doing PowerPoint decks, "administrivia"...

Lucia Rahilly: Administrivia. And what that means in plain language is...

Bill Schaninger:...too much process, too much paperwork, too many meetings, too much performance by attendance. The common denominator is it just takes time and attention. They're feeding the beast way more than they're developing their employees. What surprised me most when we dug into the research for the book was just how bad it's gotten.

Bryan Hancock: I was working with a healthcare organization. Their middle managers—who were responsible for some of their locations—had to filter through 300-plus requests from headquarters in any given week. It was overwhelming, and they didn't see it as driving near-term performance.

Finally, this organization said, "Stop. Why don't we reorient around the manager?" So they figured out from the manager's perspective what was going to be most important in enabling the work with their people and delivering on their broader client service mission.

'Where it starts to break down is when you're expected to be a player—coach where your player responsibility is well over half of your time, in addition to needing to coach a team of seven to 15 people.'

-Bryan Hancock

They were actually able to eliminate a lot of the administrivia tasks.

Wait—why did you promote that manager?

Lucia Rahilly: Even when they are not bogged down in administrivia, middle managers can often suffer from a company's overreliance on what's called the "player—coach model."

Bryan Hancock: A player—coach is somebody who is responsible both for leading a team or a group of people and for individual-contributor responsibilities. There are places where player—coaches work well—usually where it's a relatively small team, where there aren't a lot of people needing management, and it's usually where the player—coach actually has deep expertise that is relevant in the context of that team.

Think of the tax department in a corporation. There you might actually have a player—coach who's responsible for overall tax and has somebody on their team who is responsible for state taxation in one of the states where the organization is most prevalent. That works well.

Where it starts to break down is when you're expected to be a player—coach where your player responsibility is well over half of your time, in addition to needing to coach a team of seven to 15 people. At that point, you don't have time in your day to do one-on-ones while you're also delivering on your individual responsibilities.

Lucia Rahilly: But frequently, people are promoted to manager roles even though leading people might not be their strength—or interest.

Bill Schaninger: People likely get promoted because of their individual skill and their own technical acumen. However, the degree to which they were ever held to account for developing their leadership skills is pretty variable.

Emily Field: Take deeply skilled engineers who were rock stars at their individual craft and then got promoted. Maybe they didn't want to be managers, and ultimately, they didn't succeed. As I've spoken to organizations, what I've consistently heard can be exemplified by a chief technology officer who said, "My biggest regret is promoting rock star technical talent to be managers." Ultimately, they would've been better left as individual contributors.

'People likely get promoted because of their individual skill and their own technical acumen. However, the degree to which they were ever held to account for developing their leadership skills is pretty variable.'

-Bill Schaninger

Bryan Hancock: To many organizations, to be successful, to be seen as doing well, to keep progressing through your career, you have to pick up people management.

Lucia Rahilly: But Bryan says there should be two tracks for promotions. Some people are promoted for their expertise, and others are promoted for their people management skills.

Bryan Hancock: So keeping those separate is key.

Emily Field: Organizations would be well served to create some exposure and early development before somebody enters the role as an emerging people leader. How do they try it on for size? How do they figure out if they like it, are good at it, or even want to do it at all?

Lucia Rahilly: But what if a company doesn't have time for their people to experiment and is faced with hyperscaling—and has an unwieldy number of direct reports for folks to manage? Bryan recalls working with a quickly growing software company that helps hospitals with their day-to-day operations. As they grew, they prioritized staying true to their culture above all...

Bryan Hancock: They realized that as they scaled up, they needed to think about who they'd bring on or train as managers. When they were smaller and serving fewer institutions, it was easy for the founding team to work together. But as that started to scale, they needed managers to make sure they were developing the new folks, and in ways that held to the same values and way of working—the human parts.

Managers are critical for providing feedback, making sure new hires are holding true to the original mission, and they're also enabling the creativity that's required to hit that S-curve in growth.

Feedback is fundamental

Lucia Rahilly: One of those managerial responsibilities that Bryan mentioned—feedback—is fundamental for growth.

Emily Field: Giving feedback, and in particular hard and honest feedback, is such an underdeveloped muscle in organizations. Managers are responsible for the performance of their organization. They can't be reactive about it and just wait and see what people do. They need to really work with their people to remove roadblocks, to challenge them to achieve more, and to give them feedback, all in the spirit of getting better.

So it's important to have a feedback culture. This doesn't just mean training people to give feedback; it also means helping them learn how to receive feedback. Both skills are critically important. Having a framework can really lower the waterline and normalize how we do things around here.

Lucia Rahilly: McKinsey uses the OILS framework. OILS is an acronym that stands for observation, impact, listening, and solutions plus strategy.

Emily Field: Observation. State what you're seeing, not what you feel: "Hey, did you notice you interrupted somebody in that meeting, and they didn't get a chance to share their perspective?" That's the O. State the observation in a fact-based way.

Impact. What impact did it have? To stick with this thread, this would be saying, "The impact it had is that this individual felt like their perspective wasn't valued, and we might have missed out on a really great idea." What was the impact? Why should I care about that observation?

Listen. Giving feedback is a two-way conversation. You can't just give the feedback and expect somebody to take it. You also have to listen to them.

'We're not clairvoyant. We can't read minds. If we don't tell people what they need to do to get better, in the spirit of deeply caring about them as individuals, we're missing out on our role as a manager.'

-Emily Field

What's going through their mind? That's where the training piece really comes in so you can train somebody on how to listen, receive feedback, and react.

Solutioning and strategizing. "Let's talk about what the potential solution is. Maybe next time you are in a meeting, you will make sure that every voice is heard, or you'll even specifically say, 'Hey, I haven't heard from you, and I'd love to hear your perspective.'"

Solutioning is really important, because then people can go try it out and continuously improve. But if you don't give the feedback, people can't grow. We're not clairvoyant. We can't read minds. If we don't tell people what they need to do to get better, in the spirit of deeply caring about them as individuals, we're missing out on our role as a manager.

A new lens for leaders

Lucia Rahilly: These improvements don't start and end with the manager though—some need to originate from the top.

Emily Field: Just like this feedback muscle is underdeveloped in the organizations, it's underdeveloped in senior leaders. It really starts with them to strengthen it.

Lucia Rahilly: But, over the course of their research, the team found that senior leaders rarely valued or rewarded managers for focusing on their people.

Bill Schaninger: When we asked middle managers what they thought really has impact, they thought developing talent was really important. However, when we asked what these managers were evaluated on or rewarded for, "talent" was not a big part of that. So the ones who do focus on talent are basically doing it off the side of their desk.

Lucia Rahilly: But there seems to be a burgeoning shift of perspective within leadership.

Emily Field: Leaders are asking themselves now, "What's my role in really empowering managers?" They're recognizing that they haven't invested in managers. It's on the senior leaders to unblock managers and to change how managers are perceived.



Lucia Rahilly: One way to unblock managers is to deliver a kind of assembly line of crystal-clear communication between senior leadership and management...

Emily Field: ... where a senior leader is spending time with their managers up front, saying, "Let's talk about the problem we're solving. Let's structure it together. Let's really align. And then I'm going to empower you, with that clarity of vision, to go off and conquer. Let's have repeated check-ins down that assembly line to review progress, to tweak, to upgrade, and to get input."

Lucia Rahilly: This type of hands-on support has a better chance of ensuring the desired outcomes. Emily says too often she sees teams work tirelessly...

Emily Field:... to solve a problem, to present it to senior leadership, only for leadership to say, "That's not the problem I was trying to solve." I can't tell

you how often that happens: this isn't hours or days, but rather months or years of time that teams have essentially wasted—all because a senior leader wasn't clear on the problem up front.

Lucia Rahilly: And the old adage holds: time is money.

Bill Schaninger: We know that the relationship with the boss is the most important relationship at work. And for corporations, it matters massively to the bottom line.

Emily Field: We keep hearing, "2023—it's the year of the manager." We can't afford to have this be the *year* of the manager. This has to be the *century* of the manager—that's how we'll win.

Lucia Rahilly: To hear more about the team's groundbreaking research and recommendations, check out their book, *Power to the Middle*.

Emily Field is a partner in McKinsey's Seattle office, **Bryan Hancock** is a partner in the Washington, DC, office, and **Bill Schaninger** is an alumnus of the Philadelphia office. **Lucia Rahilly** is the global editorial director and deputy publisher of McKinsey Global Publishing and is based in the New York office.

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