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People & Organizational Performance Practice

Stop wasting your most precious resource: Middle managers

In the modern workplace, middle managers face many challenges. A new survey finds three areas where organizations can better support their managers and help them accomplish more.

March 2023

Middle management is a vital yet beleaguered role within organizations. Managers face pressures from above and below, they tend to be both underdeveloped and unempowered, and they face growing pressure to deliver in flatter, faster, and leaner organizational structures, all of which leads to being underutilized and unappreciated. The findings of a new McKinsey Global Survey[1] of middle managers suggest that many companies may be unintentionally thwarting middle managers' ability to perform in their roles. Companies treat middle management as a catchall, requiring managers to spend much of their time handling nonmanagerial work and navigating organizational bureaucracy rather than allowing them to focus on the most important role at an organization: fostering talent.

Good managers with strong team relationships can lead their teams to higher organizational performance, drive more effective organizational operations, and provide the link between organizational vision and execution. Previous McKinsey research found that workplace relationships account for 39 percent of employees' job satisfaction.[2] Moreover, relationships with management, in particular, account for 86 percent of workers' satisfaction with their interpersonal ties at work. Yet, despite the importance of these manager–employee relationships, surveyed managers report spending almost three-quarters of their time on tasks not directly related to talent management. In our survey, we found three areas where organizations can better support their managers to deliver more value:

— *More time on talent.* Organizations can help managers who are stuck spending time on planning and lower-value tasks shift their focus toward higher-priority talent needs.

— *Removal of organizational hurdles.* Many managers report challenges from above and below, and responses suggest that any reductions in excessive bureaucracy could improve managers' work.

— *Personalized incentives.* Understanding what really motivates middle managers can help organizations provide the best environment for their managers to succeed.

Managers are stuck in the menial

The survey findings provide insight into how middle managers' time is spent. Nearly half of their time is devoted to nonmanagerial work—specifically, respondents say they are spending nearly one full day out of every week on administrative work, and more of their time is taken up by tasks we refer to as individual-contributor work[3] than any other area (Exhibit 1). Although these respondents are all people managers, on average they say they spend less than a third of their time on talent and people management, of which they primarily focus on coaching employees and supporting their development, as opposed to tasks such as recruiting and performance appraisals.

Most respondents see individual-contributor and administrative work as less valuable than strategy and talent-related work. So why are middle managers spending so much time in areas they don't consider the most beneficial for the organization?

'Value-adding areas' diverge

It's partially because there is a mismatch between what middle managers see as important and the work they say their organizations value, suggesting

[1] The online survey was in the field from March 29 to April 8, 2022, and garnered responses from 984 participants representing the full range of regions, industries, company sizes, and functional specialties. Of those respondents, 706 met the survey's definition for middle managers—that is, respondents who are not in the C-suite who said they manage one or more people who manage people—and said they had been in their current roles for six months or more.

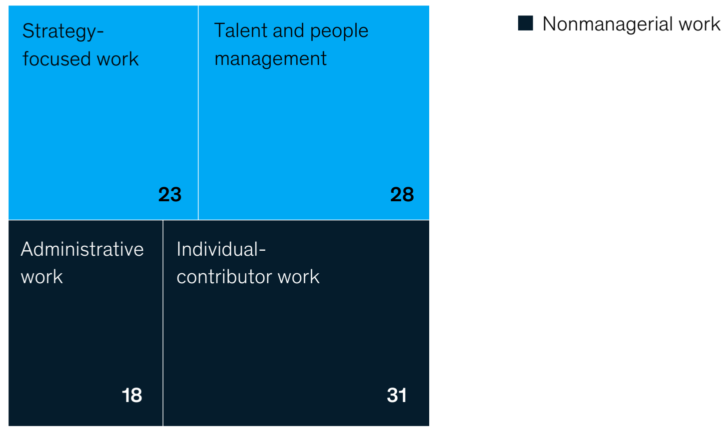
[2] Tera Allas and Bill Schaninger, "The boss factor: Making the world a better place through workplace relationships," *McKinsey Quarterly*, September 22, 2020.

[3] We define individual-contributor work as collaborative tasks where a person delivers an output in a particular work stream—for example, analyzing the data from an employee sentiment survey.

Exhibit 1

Surveyed middle managers spend nearly half of their working time on nonmanagerial work.

Average share of working time spent in each area,
% of respondents



Note: We define middle managers as those who are not members of their organizations' C-suite and who say they manage one or more employees who also manage other people.
Source: McKinsey Global Survey on middle managers, 706 middle managers, Mar 29–Apr 8, 2022

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that organizations lack clarity about what managers should be doing with their time (Exhibit 2). For example, managers are much more likely to say their organizations value individual-contributor work than to say they personally create the most value with this work—and time spent on it seems to come at the cost of more opportunities to spend time on talent and people management.

There is agreement about managers' value in one area, however. More than half of surveyed managers say they deliver the most value through strategy-focused work, such as developing work plans and overseeing initiatives, and it's also the area that they most often say their organization values most. Yet managers report spending, on average, less than a quarter of their time on strategy-focused work, and the value generated from this work generally requires properly developed talent.

Employee development requires time

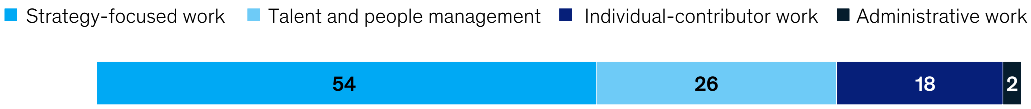
Our survey reveals that fostering employees' growth is the second-most-commonly cited area where managers say they deliver the most value. Within talent and people management, 86 percent of respondents say coaching employees and 56 percent say development of employees are the top two ways they add the most value. Yet as mentioned above, organizations may be more likely to value—and therefore expect managers to spend more time on—strategy-related and individual-contributor work rather than talent management, making it difficult for managers to devote adequate support to their teams.

Nearly half of respondents who devote less than a quarter of their time to talent and people management say they simply don't have more time to spend on it. Another 35 percent say they don't have the resources required, suggesting that their

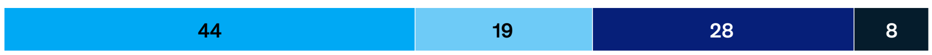
Exhibit 2

There is a mismatch between the areas in which middle managers say they deliver value and what their organizations value most.

Areas in which managers say they deliver the most value, % of respondents



Areas that managers say their organizations value most, % of respondents[1]



Note: We define middle managers as those who are not members of their organizations' C-suite and who say they manage one or more employees who also manage other people.
[1]Figures do not sum to 100%, because of rounding.
Source: McKinsey Global Survey on middle managers, 706 middle managers, Mar 29–Apr 8, 2022

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organizations don't have a structure in place that encourages them to prioritize talent management or that allows them to devote more time. For example, if a manager doesn't have enough team members to meet the team's goals, that manager might have to fill in the gaps by completing lower-value work.

While we believe middle managers would benefit from spending more time on talent and people, it's also important to ensure that when they are spending time on strategy work, they devote most of that time to efforts that are connected to and enhance their talent work. Managers engage in strategic work that falls into two categories: individual and collective. Individual strategy work includes elements such as planning, while collective strategy work might focus on mobilizing the team to achieve a set of objectives. This collective strategy work is indeed a form of people management—just not what managers might classify as classic "people management." Consequently, strategy work is something that managers say both they and their organizations find to be valuable, so organizations would benefit from strengthening the link between classic people management work and the strategy work that can augment those efforts.

Hurdles from above and below hinder managers' work

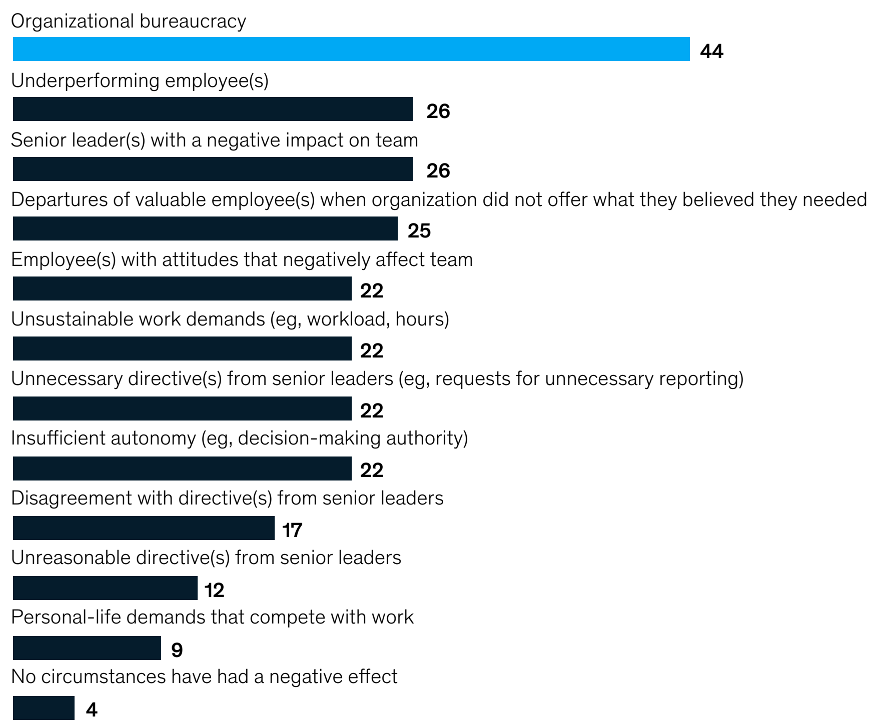
The findings show that managers not only are not spending their time in the areas they should but also are facing multiple obstacles to managing talent effectively. Just 20 percent of surveyed managers strongly agree that their organizations help them be successful people managers. A much larger group of respondents (42 percent) either disagree or are unsure that their organizations set them up to be successful people managers.

Middle managers face a range of complications with leaders and employees—as well as the organization's ways of working—that impair their work as people managers. When asked what circumstances have most negatively affected their experience as a manager, respondents most often mention organizational bureaucracy (Exhibit 3). In fact, bureaucracy is the most-cited negative factor

Exhibit 3

Of the many complications that middle managers face, organizational bureaucracy's negative effects are cited most often.

Circumstances with the most negative effect on managers' experiences in their roles,[1]
% of respondents



Note: We define middle managers as those who are not members of their organizations' C-suite and who say they manage one or more employees who also manage other people.
[1]Respondents who said "other" or "don't know" are not shown.
Source: McKinsey Global Survey on middle managers, 706 middle managers, Mar 29–Apr 8, 2022

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among respondents in every region: excessive meetings, emails, and approval processes are a problem everywhere. Additionally, at least a quarter of respondents point to each of these challenges: underperforming employees, senior leaders who have a negative impact on their teams, and departures of valuable employees after the organization did not offer what they believed they needed. This mirrors previous McKinsey research that shows when organizations do not support their managers, they put their recruiting and retention efforts at risk.[4]

The carrot shouldn't feel like the stick

To motivate managers to put forth their best efforts in the most impactful areas, organizations should not only remove the barriers to managers' success

[4] Previous McKinsey research has found that managers play a critical role in employees' satisfaction. See Tera Allas and Bill Schaninger, "The boss factor: Making the world a better place through workplace relationships," *McKinsey Quarterly*, September 22, 2020.

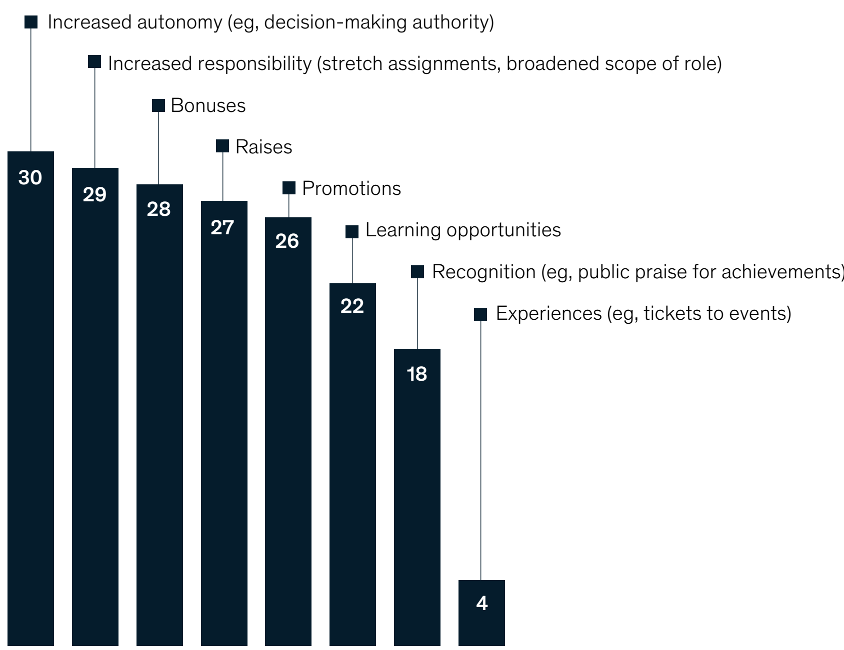
but also reward them in the ways they want to be rewarded. The survey findings suggest that middle managers want more agency in their roles just as much as they want financial rewards for their accomplishments. Looking at responses from all surveyed middle managers, they most often say they want their work to be rewarded with increased autonomy and responsibility, followed closely by bonuses and raises (Exhibit 4). Preferences differ somewhat by location, however. For example, a greater proportion of US respondents prefer to be rewarded with raises than those in other regions, while respondents in Asia–Pacific, Europe, and developing markets are much more likely than US-based managers to want learning opportunities.

Looking at how organizations are actually rewarding them, the survey suggests that organizations are already on the right path, frequently rewarding managers in the ways that are most important to them. New responsibilities are the most commonly reported reward: nearly six in ten respondents say they've received new responsibilities thanks to their efforts in their current role. Furthermore, about half of all respondents report that their work has been rewarded with increased autonomy and bonuses.

Exhibit 4

Survey findings suggest that middle managers want to be rewarded with more agency, just as much as they want bonuses and raises.

Ways in which managers would most prefer to be rewarded for their work,[1]
% of respondents



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Those in the United States, where respondents prefer financial rewards, are more likely than those elsewhere to say they've been rewarded with bonuses and raises. The roughly even split of respondents expressing interest in different types of rewards—and relative alignment between their desired rewards and those they've received—suggests that, rather than focus on which rewards to offer, organizations would do well to commit more energy to determining which accomplishments should be reinforced by them. For example, is the organization rewarding managers whose employees receive promotions?

If organizations are rewarding good work with more work, we suggest they ensure that these managers' new responsibilities don't detract from their ability to focus on the work that matters most. Organizations should allow managers time to focus on their people, otherwise they risk breaks in their talent pipelines and strategic plans. Time is a nonrenewable resource, and organizations that rethink how managers spend their time will better set up their managers to succeed.

The survey content and analysis were developed by **Emily Field,** a partner in McKinsey's Seattle office; **Bryan Hancock,** a partner in the Washington, DC, office; **Marino Mugayar-Baldocchi,** a research science expert in the New York office; and **Bill Schaninger,** a senior partner in the Philadelphia office.

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