

Think Managers Are Disposable? Think Again – The ‘Great Flattening’ Is Making Them More Essential Than Ever

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Key Takeaways

- The Great Flattening is when businesses gut their middle management ranks.
- Invest in management training to strengthen leadership in flatter organizations.
- Equip managers with AI tools to enhance decision-making and productivity.

Companies keep slashing headcounts, but it isn't just frontline employees at risk these days. Increasingly, managers find themselves on the receiving end.

Welcome to the Great Flattening, which is seeing businesses everywhere gut their middle management ranks. Across industries, companies from Amazon and UPS to Walmart and Meta are trimming their staff. Understandably, middle managers are spooked, with almost half worried about losing their jobs.

At first glance, it might look like today's managers are disposable – especially in the age of AI, which appears to be hastening their demise. But the exact opposite is true.

Fewer managers means more responsibility for each one that's

left, plus more potential risks for the business if they can't keep up. Unless companies get it right, their bottom line could suffer. After all, the most talented managers contribute nearly 50% more profit to their companies than their average peers.

The problem is that managers haven't historically been set up for success, and have been left to their own devices in most orgs, with minimal training or support. Here's why the pressure is on today's managers like never before, and how companies can find creative ways to keep up.

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Why managers are under more pressure than ever

Companies have their reasons for shedding managers. AI has automated onboarding, scheduling, project tracking and other tasks that have traditionally fallen to middle management. By flattening the org, companies stand to boost efficiency, cut costs and make the business nimbler.

But for those managers who remain, it's no picnic. Their span of control is getting bigger, with the typical manager overseeing roughly twice as many workers as they did five years ago. They're not only managing people, they're also managing budgets and their own individual contributor work.

On top of all that, as business functions merge, the breadth of expertise required to be a manager keeps expanding. A prime example from my world is revenue operations, or RevOps, a new discipline that integrates marketing, sales, customer success and finance. That means RevOps managers need to be experts at nearly every stage of the customer lifecycle.

Even administrative duties can be overwhelming. Middle

managers spend almost one day a week on admin – and less than 30% of their time dealing with direct reports.

The result? With superhuman expectations on today's managers, stress and burnout are inevitable. Managers are about 35% more likely than regular employees to feel burned out, and roughly 25% percent more inclined to consider quitting within six months.

No wonder people's appetite for management roles is diminishing at this critical time. When my company surveyed 1,000 US employees, fewer than four out of 10 individual contributors said they wanted to become a manager. Their two main roadblocks: expectations of greater stress and pressure, along with the prospect of working longer hours. Gen Z employees were twice as likely as older generations to say that lack of confidence in leading a team held them back.

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How to re-engage your managers

So, how can companies shore up and even strengthen their management ranks at this critical moment?

It starts with a fundamental cultural shift: elevating the management role.

Most people who become managers today, especially in the tech world, do so accidentally. Rather than deliberately seeking the job, they're player-coaches who fall into it without training or tools. In one survey of managers, eight out of 10 said they didn't get any training when they took on their first role.

I experienced this firsthand early in my career, when I was asked to join the management ranks at a software company. With no training, I was expected to lead a team in addition to handling my duties as a developer. Many accidental managers

may thrive, but many more falter under the weight of their new responsibilities.

Finding a way forward here actually requires looking back: to an earlier model of management training. For example, blue-chip stalwart IBM has long had a training program that includes development for new managers. In today's fast-paced and resource-scarce business environment, such efforts don't require lavish spending or dedicated time off. Procter & Gamble takes a 70/20/10 approach to leadership development: 70% learning on the job; 20% support from colleagues, mentors and peers; and 10% courses and learning materials.

What's key is providing structure and space to learn the craft of management, something that has been neglected for too long.

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A new management toolkit, powered by AI

Giving managers the right tools is equally crucial. And here, AI is part of the solution, not just the problem.

Take something as fundamental as performance reviews and merit pay raises, typically some of the most time-consuming parts of a manager's job. The average manager spends about five weeks a year just keeping tabs on people's performance.

The latest AI-powered tools can radically change that timeframe.

Let's say you manage 10 people and want to determine annual raises, while staying within a prescribed budget. The right AI assistant can quickly draw on company-specific data like performance, engagement, industry salary levels, market demand and pay philosophy. If someone is beating sales targets or

otherwise going the extra mile, that becomes part of the compensation picture. You then get an informed pay recommendation, plus a data-driven rationale to share with the team member.

These same tools can help managers streamline everything from talent acquisition and retention to workforce planning and skills gap analysis. Gathering that data from different internal sources – including employee management systems, customer relationship management platforms like Salesforce and revenue-tracking tools like Gong – AI tools weave it together behind the scenes to deliver actionable insights connecting people with business results.

Best of all, managers can ask questions in plain language. Who are the top contributors on my team? Who's most at risk of quitting, and why? What drove the sales team's performance last quarter?

When you tangibly empower managers, the gains are real. On average, middle managers say using AI tools boosts their productivity by more than 40%. And in one study, managers using generative AI saved an average of almost three hours a week, while eight out of 10 said it helped them do their job faster.

Breaking the management fourth wall

Standing in the way of unlocking this type of performance is one formidable obstacle facing managers at most companies today: access to data.

In far too many cases, the people data needed for informed decision-making by managers is walled off. HR, finance, marketing and other departments can be reluctant to share their numbers with people managers. While “privacy” is often cited, the reality is that today's tools can provision access so that only the right people see the right information.

What's really missing is a culture of trust: shared information leads to democratized decision-making that is inherently better, because it's backed by actual data and results.

As the Great Flattening continues, managers will only become more important. HR may influence decisions, but it's managers who truly drive results – because they have the most direct influence on how people impact business performance.

It's time for companies to empower a new generation of intentional people managers, ready to face the challenges ahead. The right training and support – coupled with the right workforce intelligence tools – ensures that flatter orgs can run better, too.

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