

# Middle management role assignment

[Business](#), [Management](#)



Organizational theory and leadership. Report on the paper: Dinosaurs or dynamos? Recognizing middle management's strategic role In this report we present a concise description and analysis of a study by Steven W. Floyd and Bill Wooldridge. The paper's main interest is to show a new perspective on the importance of the middle managers in an organization. Some years ago middle managers were a critical part of the growth of a company, every time that growth or expansion was necessary top managers simply added workers at the bottom and filled in management layers above.

This layering technique quickly type casted middle managers as “ plan and control” employees. However since the late 1980s growth and expansion has slowed greatly and the priorities of organizations have shifted. Higher quality, lower cost, flexibility and SPEED, are now the main goals. With new priorities come new strategies and structure, thus the hierarchic or vertical model is now seen as a slow model, as the authors state, “ people in the middle slow things down, increasing the distance between the customer and the corporate response”.

The current wave of restructuring aims at eliminating these hierarchical levels, starting with middle management layers, and organizing work around “ horizontal processes”. Main theory The role of middle managers has been widely discussed; generally, it is defined as a part of an organization's control system. They are known for implementing and communicating to the bottom employees the strategies defined by higher levels. Based on this view, on the reengineered organization top managers depend every day less on middle managers.

The advances on information and communication technologies allow them to efficiently “ plan and control” activities on the lower levels. “ The withering of middle management’s operating responsibilities undeniably justifies reductions in the number of middle managers”, but does it mean that they have become dinosaurs in the firm? Studies have shown that delayering often has negative consequences, according to the authors “ the consulting firm of Towers Perrin asked 350 senior managers in 275 major firms whether hoped-for cost reduction had been achieved, and half said no. In the case of Kodak, for example, the consequences of delayering were costly to the company, after laying off 12 000 employees between 1988 and 1992 (many middle managers among them) the innovation and creativity declined and they fell behind their competitors in the race for new products. In spite of these results, we already established that delayering is a crucial step in the restructuring of many organizations nowadays. So, how to make it work? The paper’s principal argument is that the root of the problem in delayering is the stereotype of “ plan and control employees” that top managers have on middle managers. Seeing all middle management from an operational point of view, the top people often fail to make distinctions about the variety of contributions made by middle managers”, especially in the strategy department. Thus vital strategic capabilities are slashed in the process of eliminating middle management layers. Many have argued that the competitive advantage of a firm comes from unique organizational resources. The authors agree with this view, and based on this they developed the main theory of their paper that “ the most important strategic

resources are the knowledge and skills accumulated collectively over time by organization members”.

These capabilities become “ core capabilities” when they make the difference between the firm and its competitors, as they can’t be bought nor copied, they are the result of a long process of interpersonal exchange and knowledge creation. This makes them difficult, almost impossible to imitate. The authors define therefore, dynamic capability as the faculty to “ develop new capabilities”, and they associate this competence with the work and influence of middle managers in the organization.

To prove the link between core capabilities and the work of middle managers they conducted a series of interviews that we describe hereunder.

**Methodology** The article is based on two main studies, the first one aiming to develop a theoretical framework and the second to deepen the survey with a statistical support. The first study is based on interviews done to dozens of middle managers combined with the authors’ perceptions and conclusions fostered by prior research. The goal was to capture the roles of middle managers in dynamic capability.

For the second one the research data were collected from a study of 259 middle managers from 25 different companies in diverse circumstances. No much detail is given about the companies’ activities or size. Top managers were also interviewed to support financial information about the studied organizations. More precisely middle managers were submitted to a questionnaire, combining objective and subjective data, able to examine their behavior from a statistical point of view at a large scale. The main goal

was analyze the link between strategic roles and core capability of organizations.

Main results In implementing strategic change, models of strategic roles for different managerial levels have been developed. These models describe the behaviors that are expected from middle managers. Floyd and Wooldridge developed a model of strategic roles for different managerial levels combining upward and downward influence with integrative and divergent thinking. According to them, there are four main roles, namely championing alternatives, synthesizing information, facilitating adaptability, and implementing deliberate strategy. [pic] Figure 1.

A typology of Middle Management Roles in Strategy (Floyd & Woodridge 1992). According to their categorization, middle managers' role is to communicate between the operating and top levels of management in the forms of championing, facilitating, synthesizing, and implementing. Of the four main roles by Floyd and Wooldridge, the middle managers we interviewed experienced the role of implementing deliberate strategy as their main role. This role has a downward and integrative influence. The behavior relating to this role was typically concretizing the strategy to the personnel.

The second common role in the middle managers' opinion was to facilitate adaptability, with divergent influence directing downward. The middle manager in this role acted as facilitator of change, removed obstacles like contradictory goals, and ensured the required resources. The roles with upward influence were less common. In the role of synthesizing the middle

manager evaluated effectiveness of the actions that had been implemented, and communicated the feedback upwards. The role of championing was typically bringing innovations upwards in the organization.

The managers who adopted this role participated in the vision creation, brought their unit or group's view in the strategy work. In this role, the challenging part was the effectiveness of this participation: to some extent, the interviewees had doubts whether their ideas had any effect. Moreover, concerning the link between strategic role and core capability, there were three results highlighted as important: Middle management championing and facilitating were found to be more highly active activities in organizations depending on product innovation and exploiting new market opportunities.

In addition, it was found that those activities were concentrated around particular managerial functions, referred in the article as "boundary spanning" functions (i. e. marketing, sales, purchasing and R), explaining that those functions are more likely to interact with customers, suppliers and technologies, and so, ideas arose more naturally. Quote: "Boundary-spanning middle management appeared to use strategically important knowledge in ways that fostered the development of core capabilities. "

Finally, high importance is given to variety, skill wise, instead of simply more strategic roles. Middle managers that would have different skills such as will or authority, and that would be able to complement each other, would create together a successful mix and very influential for the development and stability of core capabilities. This was all the more confirmed by interviews

with the top managers: “ it helped confirm the thesis that performance was highly associated with a statistical measure of diversity in middle management behavior”. How can it be applied by managers in organizations?

After analyzing the results and the arguments on the paper it is clear that the role of middle managers in developing core capabilities and achieving competitive advantage becomes a central one, as the organizations change to horizontal structure. Senior managers should take these findings in account when they decide to go through with the delayering process, giving the middle managers that remain the importance they deserve. The following “ set of principles” is a guide to evaluate middle management: • “ Recognize the link between middle management, core capabilities and competitive advantage”.

Middle managers participate actively in the process of developing capabilities and creating knowledge in the firm. They are in the privileged position between the visionary but abstract concept of top management and the experience-grounded concepts that take place in the market. Therefore they know what a strategy should be and how to implement it. Senior managers need to understand that delayering is about cutting cost not the core capabilities of the firm. • “ Identify middle managers with the appropriate skills, experiences, and potential to thrive within the new organization. It is important to identify the major assets in your company, and when it comes to employees it is even more important to keep those assets when restructuring occurs. After the results presented on the paper

we can pinpoint some key competences to look for in middle managers; first it was clear that boundary spanning experience is indispensable if we want a middle manager to contribute with insightful ideas to the strategy making of an organization. Second, strategy and teaming skills will allow a good understanding of high level objectives and the successful deployment of resources to achieve those objectives.

Finally communication skills are important in order to share experience and knowledge within the manager's team and with other departments of the company. • “ Develop a better understanding of desired roles within the organization”. The strategic roles of middle managers described on this paper are understood by few; consequently senior managers fail to clearly define the roles and tasks they want their middle managers to carry out. It is not surprising then, that middle managers confine themselves to implementation tasks.

As the future structure is analyzed, the changed role of their employees in the new organization must also be examined, mostly the middle manager one. The authors recommend “ interventions with middle managers” in order to clarify expectations and encourage appropriate behavior. • “ Redesign the organization to leverage the knowledge and skills of a selected set of middle managers and encourage their influence on strategic priorities. ” It is clear by now that middle managers with the right skills and experience are a huge asset and a key element for sustaining competitive advantage.

Many senior managers understand this and have a good idea of the changes that horizontal design calls for, but they don't really appreciate the



redistribution of power that it implies. Often they feel threatened and instead of supporting middle managers, and working on developing their skills they tend to restrict them. Sometimes middle managers are expected to take charge of a project but they are given very little authority. Since they don't have any freedom to experiment, middle managers quickly become frustrated and cynical about top management's objectives.

The need for power shift should not scare top managers, it should make them realize that it's up to them along with middle managers, to encourage and develop the core capabilities on which the company will lean on to overcome competition. • “ Renegotiate the psychological contract by committing to the ongoing involvement of middle management in the strategy-making process”. To keep management force loyal to the company a new psychological contract must be defined at the same time that reorganizing is taking place.

Most managers are loyal and want to be loyal, but if the old vision is discarded with nothing to replace it, then management loyalty will fade quickly. An unknown future only makes the employee feel unstable and ends up by encouraging talented managers to leave, thus eroding core capabilities. High level managers realize that the delayering process will give the surviving middle managers a renewed sense of power, responsibility and participation in the company. It is crucial for them to make this a clear statement to their middle managers.

How does it improve your current knowledge in OTL? Change has become inherent within nowadays organizations, forced by economic and

technological struggle, competition and several other factors. As an approach to managing change, the organizational development highlights the importance of trust and support, power equalization and participation for an effective change. The main lessons we gather out of the article turn around achieving such aspects as the middle manager enrolls, in the delayering process, a more strategic position as well as full of new responsibilities.

As organizations move away from hierarchical towards more horizontal business structures, the elimination of several middle managers is inevitable. The middle managers left standing in the organizations are not only responsible for their usual operational tasks; their position is of main importance in the company's strategy. The middle manager has to assume a new position in the organization: his contribution is expected for interpreting, nurturing, developing and promoting new capabilities, making of him an important piece to achieve competitive advantage.

Top management, on the other hand, need better understanding of the role of middle managers, especially in restructured organizations. For the middle managers' activities to be fulfilling, top management must realize their importance, and should therefore be ready to grant more power as well as more responsibilities and encourage their influence downwards as much as upwards. One cannot expect a middle manager to have an impact on competitive advantage if he is not granted liberty of maneuvering, overall vision and very importantly liberty of expression and criticism.

In the article, they use the term “ psychological contract”, to state the need of commitment from top management towards the ongoing involvement of middle management in the strategy making process. If this commitment is not achieved, the combination of more responsibility, without an increase of voice and authority, is bound to fail for the flexibility and responsiveness that horizontal organization seeks require resources that are, in some sort, no more than granting the required power to middle management.

About the implementation of change in an organization, we asked ourselves how can middle management contribute to the implementation of big changes? What competences and skills are needed? Besides the obvious strategy and teaming skills required, huge importance lays on the developing of leadership among middle management with the increase of their strategic role. Eric S. from Moravec & Associates states: “ Their companies need them to focus on all the drivers of productivity, and go beyond the role of task executor to leadership for results - with all the capacities that that involves.

The reality of fewer workers and more work means that middle managers are expected to build high-performance teams to maximize contribution while keeping close watch on costs as well as customers and employee clarity, motivation and morale”. Moreover, we realize that middle management activities and responsibilities in this context gather all six organizational development techniques for managing change such as team building and intergroup development. In constructing an agenda around top

management's objectives, middle management has to interact with many people in the organization who have interest for this agenda.

The network building is crucial to establish a smooth cooperation between different departments and all those concerned by the agenda. The interpersonal exchange is a vehicle for sharing and creating knowledge and therefore developing core capabilities. Personal critic point of view: Although middle managers' role has been considered redundant and has even been questions we agree with the authors on the opposite point of view. Middle managers constitute the critical link between what's happening on the front lines - with customers and other stakeholders - and the direction set by senior management.

They have the understanding and the skills to take a strategy defined by top management and to turn it around into a middle range theory that can be understood by all employees and that can be implemented within the framework of the company. Many think that a corporate strategy is to be formulated exclusively at the higher levels of an organization, and that the role of the middle manager is just to be a transmitter of the predetermined policy. But even the smallest analytical strategy has to be translated into hand-on terms so that people at lower levels make sense out of it.

When Eric S. , a specialist on strategy alignment and performance improvement, was questioned on the link of middle management with performance of a firm, he declared that " by communicating the " why" behind the " what" of assignments, middle managers strengthen team clarity and commitment and ensure that the projects they lead are aligned

with strategic outcome. ” Therefore, without the middle manager the strategy could be misunderstood, or even worse it could stay as just a paper document.

The role of middle managers, however, must accommodate to the changing conditions of the organization. As the structure changes to a horizontal design the few middle managers that remain need to be given a more participative role in the strategy-making process. Allowing them to be involved as much as possible in this process, results in a better communication and implementation of the strategy but mostly it brings a fresh look on problems and obstacles that may arise.

With their insightful opinion and contribution the strategy will surely be more feasible and adapted to the environment of the firm. Moreover as their influence in the organization increases downward as well as upward they reinforce their role of facilitating the process of organizational knowledge creation, resulting on network building and a culture of participation in which all employees feel taken in account. In addition bringing middle managers to the strategy-making table would make them feel involved and committed to the strategy.

In the end the organization can only benefit from allowing middle managers to fully develop their strategic role, as it improves organizational knowledge creation and thus develops the core capabilities that will sustain the competitive advantage of the firm. The restructuring in organization giving birth to highly strategic middle management doesn't really stop there. Flat structured organizations need responsive, flexible middle managers able to

grasp all strategic roles either directed upwards towards top management or downwards.

But can really a selected group of people manage to carry out all this strategic responsibilities all by themselves? We believe that the restructuring affects not only the manager's position, but also the people who are working under his command and supervision: Middle managers will have to delegate responsibilities more and more, that is to say they will be more dependent on their team in terms of work performance, information and relational commitment. But also to make them feel part of that strategy and improve the work environment.

Under this rationale, we also think it's important for middle managers to give up some of the recognition and prestige they obtain once occupying a central role in the strategy and becoming a symbol of the core capability. It is important for the middle manager to keep a humble vision of what his position is and what it calls for, sharing knowledge and experience with his subordinates as part of support activities become one of his main tasks. For us it is essential that the middle manager focuses on supporting their team, by eliminating barriers to success, getting the tools and resources that the employees need and providing a good working environment and representing the employees upward in the organization, so that outstanding employees can be recognized for their talents and potential. When we proposed ourselves to think about the difficulties encountered whenever a new initiative is proposed in strategy, the problem of introducing the strategies to become a part of everyday life arose.

Middle managers face this problem, they are charged with the implementing of strategies, which are not always clearly defined, in a more concrete level of organizations' activities. They face problem of resources, for the routine activities still need to be done, but also the problem of really understanding strategies and adapting them to the daily actions.

As part of best business practice, one of the objectives of middle management should be continuous process improvement, so there should be an element of this work in the day to day activities. In order to engage Middle Managers in improving process performance, they need to embrace the idea of change. The more that change becomes part of the everyday activity, the more the culture of the organization becomes associated and accepting of change.