LEADERSHIP ADVANCE ONLINE

The Value of Leading from the Middle

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by Glen A. Metheny

In today's competitive market, there is a leadership crisis. The increase in globalization, technology, the Internet, the mobility of talent, changing employee expectations and shrinking profit margins have shaken the corporate world (Sethi, 1999). Additionally, the current organizational setting, with its call for flexibility, innovation and quick response to change, has resulted in greater work demands and increased working hours for many employees. As well, with the development of new technologies, such as smart phones, newer laptops, and iPads, the long hours are not just being completed in the workplace in an eight-to-five setting. Such advances have increased the potential for work demands that extend beyond normal business hours (Parris, Vickers, & Wilkes, 2008). So, while such radical changes are impacting organizations, much of the burden of responsibility comes from those who function in the role of the middle manager.

Many individuals dream of climbing the corporate ladder and ultimately moving into the position of chief executive. Men and women alike leave college and enter an entry level job with the notion that ascending to the top position within an organization will one day come to fruition. Yet, for one reason or another, many individuals do not make it to the corner office. However, according to Maxwell (2005) 99% of all leadership occurs from the middle of an organization, not from the top. Yet, even with this alarming statistic, the very phrase "middle manager" evokes mediocrity (Huy, 2001). So, while such positions are looked at rather negatively, the fact of the matter is that most of us will eventually end up in middle management positions, not CEO positions. Is leading from the middle really that bad?

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According to Huy (2001), the popular press and a couple generations' worth of consultants have reinforced the mediocrity stereotype of the middle manager. Looking to introduce a change proposal? Beware of the middle manager as resistance will be present. Reengineering your business practices? Begin by getting rid of the middle manager – they are just liaisons and do not add value to the organization. However, do not throw the middle manager to the wolves just yet. Middle managers can and do make valuable contributions to the realization of radical change in an organization, sometimes so large that they go unnoticed by some senior executives. But just how important are middle managers to organizational life?

The Importance of the Middle Manager

There is no doubt that middle managers play an important role in the overall success of an organization. Sayles (as cited by Brandt, 1994, p. 30) states that "middle management is where the action will be" looking to the future. Alan Frohman, co-author of *The Middle Management Challenge*, refers to the high-performing middle managers as initiators. According to Frohman, the middle manager is not just sitting back waiting for things to happen. The middle managers have "taken up themselves to understand their company's position in the marketplace . . . They've recognized opportunities and taken it upon themselves to capture [them]" (Brandt, 1994, p. 32).

Middle managers also bridge the gap between top management and the everyday employee. They serve as a bouncing board for suggestions and ideas, as well as complaints and criticisms. They are sometimes referred to as the glue that holds companies together, bridging the gap between the top management team and lower level workers. They also serve as a buffer between top management and lower level employees (Ryan, 2008).

However, Osterman (2009) suggests that though middle managers make many important decisions, the context in which they make those decisions is not necessarily of their own making. Middle managers do not set the strategy for the organization, they do not decide which markets to enter, with whom to merge, how much to invest, or what technology to utilize. It is the CEO, or senior managers, who set agendas and in doing so shape the

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direction of the organization. Middle managers have long been seen as a target for assigning blame, have often times been considered invisible, and at times do not even seem to exist. The middle manager is seen as a group that represents a critical organizational aspect while at the same time a mystery to many organizations. Their active management is crucial yet hard to come by. They are characterized unfavorably as troublemakers who, at times, make it hard to gain momentum for organizational strategies. They are thought to be one of the main reasons that enterprise-wide change management efforts collapse, regardless of the policy. Yet, when one looks as to why company leaders speak of middle managers in such a negative light, we immediately recognize that it is their primary responsibility to implement, not create or design, strategy (Anderson & Billings-Harris, 2010). They are not considered policy makers; they are responsible for implementing the decisions from above.

With such negativity, though, do middle managers do anything similar? The answer is yes. Middle managers make decisions regarding resource allocation; mediate deals between teams and divisions within the organization, as well as between the organization and its customers; negotiate between multiple interests; and make critical decisions about trade-offs. Middle managers connect an organization's strategic and operational levels through mediation, negotiation, and interpretation (Floyd & Wooldridge, as cited by Balogun & Johnson, 2004) and are an undervalued cornerstone in the strategy process, primarily in planned extreme change (Huy, 2001). Often times, it is the middle managers rather than the top managers who have their hands on the pulse of the organization and are more connected to customers and other stakeholders. These relationships give them knowledge of what strategic issues need attention.

However, while middle managers can be a challenging group of employees to develop and keep, progress should be made to do so. In a May 28, 2008 Knowledge@Wharton article entitled "Caught in the Middle: Why Developing and Retaining Middle Managers Can Be So Challenging," author Joe Ryan noted from a 2007 survey of middle managers around the globe, that 20% reported dissatisfaction with their current organization. Likewise, that same percentage reported that they were looking for employment elsewhere. One of the primary reasons cited was lack of room for advancement (Ryan, 2008). In addition, with the recent

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weakened economy, many organizations are tightening their belts and eliminating positions, according to Jane Farran, a senior fellow in Wharton Executive Education and managing partner of the consulting firm C4 (2008). Many of those eliminated positions include that of the middle manager. Farran, though, does not view this as a good tactic. When companies have considered flattening their hierarchies in the past -- thinking that middle managers are unnecessary and an easy position to eradicate, the lasting result was not what was expected (2008). While the idea of eliminating such positions seems like a good idea in the short-term, in the long-term, organizations are losing critical strategic capabilities. Furthermore, such intermediaries play a very important role. Farran (2008) asserts that the middle managers explain strategy and the overall organizational plan so that it makes sense and is relevant for the everyday worker. At the same time, middle managers are aware of workers' needs, making their own observations of day-to-day activity and client needs, and communicating that information up to top managers.

What strategies are needed to be a more effective middle manager - approaches that will not only make middle managers more effective but also more satisfied in their roles? Frohman (as cited by Brandt, 1994) asserts that one must understand the industry in which they are working. One must ask themselves the questions: What could we be doing better to meet the customers' needs? Who else needs to be involved? Is there something else I need to be learning? By asking oneself such questions, one then must commit themselves to an implementation process that makes things happen. Sethi (1999) suggests that additional competencies must be developed. Such competencies include (a) self-awareness, (b) relationship skills/emotional competence, (c) advanced communication, coaching and influencing skills, (d) a strategic and creative mindset, (e) career management skills, (f) continuous learning, and (g) self-esteem. Middle managers also use upward influence processes to champion issues and communicate information (Floyd & Wooldridge, 1994) about potentially important strategic issues for possible inclusion on an organization's strategic agenda (Dutton & Ashford, 1993). By proposing and defining issues for top managers, middle managers provide important contributions to a firm's strategic direction, and thereby influence organizational effectiveness.

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Conclusion

In good times and bad, leadership is required at every level of the organization (Useem, 2001). Organizations should work to create career paths for individuals that do not solely rest on upward mobility. Similarly, firms should expose their managers to a larger view of the organization. This can be accomplished by encouraging, as well as permitting horizontal progress across organizational positions and to facilitate this movement by providing additional training opportunities. Simultaneously, middle managers should be exposed, through training and interaction with top management, to the overall vision and mission of the organization that communicates the firm's purpose and strategy (Osterman, 2009).

> Organizations need to understand the potential strategic value of middle management. They cannot rely solely on top managers to create successful strategies, as they are often not sufficiently in touch with changes in the market or in technology. Instead alternative strategies need to emerge from the middle up: top management's role is to recognize when a good strategy comes along and find the resources to support it. (Anonymous, 1997, p. 6)

We exist in a period where many CEOs are praised for their positions and work, and it would be foolish to underestimate the position of chief executive. Such positions are pertinent and relevant to the overall organizational performance. "But the fundamental spirit of the times is wrong. As a group, middle managers are central, indeed crucial, to an organization's success" (Osterman, 2009, p. 7). As such, middle managers should be valued and respected for what they bring to the table and contribute, and should be viewed as a resource that should be constantly developed.

About the Author

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