

The Tight White Collar

How many of you in the past five years have outplaced middle managers? Trained remaining middle managers to take up the slack? Nursed anxious managers through a merger?

Rerouted a professional's career path away from middle management? Lost your own job in a middle management squeeze?

Although the Bureau of Labor Statistics reports that the total number of executive, managerial, and administrative jobs in the public and private sector has grown by 2.8 million in the past five years, it also reports that 782,000 people in that same category and time period lost their jobs. Outplacement firms confirm this trend with reports of increased business from middle managers. Philadelphia-based Right Associates handled 20 percent more middle manager outplacements in 1986 than in 1985.

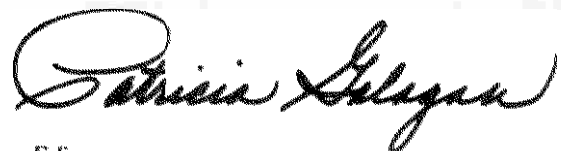
Most of the layoffs appear to be happening at big companies. American Telephone and Telegraph reportedly let go 11,500 managers last year. Roger B. Smith, chairman of General Motors Corporation, said in January that his company planned to eliminate 25,000 middle managers this year and 15,000 more next year. The Xerox Corporation has reduced total employment about by about 20 percent, yet chairman David T. Kearns, in a recent *New York Times* article, predicted more layoffs. "At least another third" of the

jobs in management and administration "should and can come out," he said.

The tightening white collar pinches human resource development along with other specialized functions in a large company. The irony is, of course, that the competencies of HRD are rarely needed more than during times of stressful and dramatic change, and it is hard to argue that the disappearance of several thousand managers from a single company is not stressful and dramatic.

When companies prune managerial talent to a small core, they tend to expect much more of the survivors who may suddenly reveal developmental gaps and critical training needs. Executive searcher Alan Cox points out that "corporations develop executives who become better and better at less and less" and that few companies prepare executives for general management. Why do so few companies anticipate the training needs of managers with new, expanded roles?

It is surely time to think more about the middle managers left wearing the shrinking white collar. Their training needs will affect HRD budgets, programs, and staffing. More importantly, perhaps, their training or lack of it could make the difference between growth and mere survival, because any company's ability to adapt to change is no more swift or sure than its learning delivery system.



Editor