

Companies are Losing Middle Managers

MIDDLE MANAGERS ARE LEAVING companies at about twice the rate of senior-level executives, primarily due to the best job market in the past few years, according to surveys by ClearRock, an executive coaching and outplacement firm headquartered in Boston.

The demands placed on middle managers are greater than they were several years ago. About 40 percent of middle managers are supervising a larger number of employees than before the recession.

“Today’s middle managers are doing the work of vice presidents and higher levels of years ago due to the cutback in managerial levels over the years,” says Annie Stevens, managing partner for Clear Rock. “Many organizations are taking steps to hold onto their older middle managers through flexible schedules and other means while they educate the next generation of middle managers.”

A total of 168 companies responded to ClearRock surveys on middle management issues, including retention and staffing. According to the surveys:

- Thirty-two percent of companies reported an increase in turnover among middle managers, with 50 percent citing the better job market as the primary reason for losing middle managers. Twenty-five percent of companies reported an increase in turnover among senior-level executives, with 30 percent of them attributing this to the better job market.
- One-quarter of survey respondents (25 percent) said middle managers are receiving more preparation for their increased

duties. Three-quarters of middle managers are receiving either less management training and coaching (25 percent), or the same amount (50 percent), as in previous years.

- Twice as many organizations say their efforts to retain middle managers (20 percent) have been less successful than their efforts to retain senior-level executives (10 percent).
- More than one-third of organizations (34 percent) have implemented new or revised retention programs to try to retain middle managers, while 31 percent have revised their programs to retain senior-level executives.

“Middle managers are generally not receiving adequate management training and coaching to handle the larger numbers of employees they are managing today,” added Greg Gostanian, managing partner for ClearRock. “They are leaving organizations that do not invest in them. Their own career development—receiving coaching, mentoring, other management training, and opportunities for promotion—ranks right up there with their desire for higher pay and better benefits.”

Middle managers say their top competency include communication (70 percent), strategic thinking (67 percent), and leadership (64 percent).

The BIG Number...

32%

Number of companies surveyed that reported an increase in turnover among middle managers in 2005.

Top Ways Organizations are Trying to Retain Middle Managers

