Ideal Ratio of Managers to Staff

Many companies have flattened their organizations and eliminated manager positions, but adding more staff per manager may not be a good solution. The appropriate ratio depends on the work being done, level of staff and other considerations. There is no ideal, one-size-fits-all ratio that works in all organizations. But, there are typical ratios for types of jobs and factors to weigh in making determinations.

Typical Ratios

A management to staff ratio is calculated by dividing the number of managers in a company or department by the number of employees working in it. Typical staffing ratios range from 4-to-1 for direct reports to a regional vice president or senior manager, to 20-to-1 in an administrative area. For most areas, approximately 10 workers per manager is common.

Span of control is a big determinant, even within the same department. If employees have been in their jobs a long time, the work is easily understood or there is little variation in the type of work, a larger span of control is possible. For example, the information technology department at a large corporation may have one manager over 20 programmers who all do similar work on existing systems, but one HR systems manager may only have four people working on a new time-keeping and payroll system because of the complexity, testing and meetings involved.

Type of Work Performed

The work performed should dictate the management-to-staff ratio, not a companywide formula. Technologically complicated processes may require a smaller management ratio since there is a greater need for interaction and coaching. But, a call center doing low-level tasks at the same company could have a 15-to-1 ratio since the manager wouldn’t get involved in most calls. For example, a factory with hundreds of employees assembling products could have a high ratio and fewer managers to oversee more employees since the staff would largely do the same thing and individual progress doesn’t need to be reviewed regularly because of the limited interaction. Virtual workplaces and geographic distance also allow for higher ratios. Managers are not spending a lot of time training and coaching teams that work autonomously and everyone enjoys access to the information they need to get work done.

The Case for Larger Ratios

Larger ratios are best when managers are experienced and comfortable in their position. They need to be clear in their directions, to reduce one-on-one time with so many employees, and good at cutting through roadblocks. Managers with larger spans need to be speedy decision makers. Or, they need to be willing to delegate authority and not second-guess or override employee decisions.

The Case for Smaller Ratios

Smaller ratios allow more coaching, direction and mentoring. They support new managers, who need to have a small team so they can grow into their role. Getting rid of middle managers also frustrates staff who may then feel there is no room for advancement. Smaller ratios can enhance effectiveness by ensuring that managers aren't pulled too many ways. Focused managers with small teams often enjoy more time for communicating with their staff, which can help with employee engagement and retention. That communication is critical in matrixed organizations where more time is required to adequately align efforts between departments.

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