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GLOBAL LEADERSHIP BRIEFING | BOARDROOM INSIGHTS

The great flattening: AI is cutting middle managers. Nvidia shows the risk!

Gartner expected one in five organizations to use AI to strip out middle management by 2026. The trend is well under way, and Nvidia's leaderless week has now sharpened the debate over how flat is too flat.

By **Manasee Kurlekar** | November 15, 2026



A 2024 Gartner study forecast that through 2026, 20% of organisations would use AI to flatten their structure, eliminating more than half of current middle-management positions. That's now

happening.

Block cut 4,000+ jobs in February 2026, shrinking its workforce from over 10,000 to just under 6,000. Amazon CEO Andy Jassy has said he plans to cut middle managers who “want to put their fingerprint on everything”.

Haier’s Rendanheyi model, launched in 2005, reshaped the company around small, market-facing micro-enterprises instead of a conventional hierarchy.

The case for: fewer layers mean faster decisions, and AI can handle much of the coordination managers used to do. Haier has run a flat structure for two decades, and it’s a manufacturer, the kind of company usually built as a pyramid.

The case against is Nvidia.

At Nvidia, it was one of the flattest of structures. Huang had reportedly some 36 direct reports and eschewed one-on-one meetings, and he left no clear successor.When he left this week, nobody was ready to take over. Jensen Huang resigned as President, CEO and board member on 12 November 2026, effective immediately, and CFO Colette Kress agreed to serve as interim CEO.

> *The real fault line isn’t flat versus tall. It’s whether decisions sit with one person or are spread across the company. Haier is flat and decentralised, with every small unit running itself. Nvidia was flat but centralised: a pyramid with the middle removed and everything resting on the top. That made it the fastest company in AI, until the top left.*

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