

LDX3

Engineering leadership in 2026: The great, great flattening





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He/Him
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This is our third Engineering Leadership Report

We wanted to learn:

- **How exactly have organizations been changing?**
- **What have those changes meant for your role?**

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The Great *Flattening.*

Capital that once funded headcount is now funding GPUs. The org chart underneath is changing shape – and the titles printed on business cards may be the last thing to go.

BY SHAUN WARMAN

READING TIME • 7 MIN READ

FILED: 05 MAY 2026



81,747

TECH WORKERS LAID OFF • Q1 2026

\$725B

2026 AI CAPEX, TOP 4 HYPERSCALERS
• +77% YOY

275,000

AI-RELATED JOB POSTINGS OPEN IN
THE U.S.

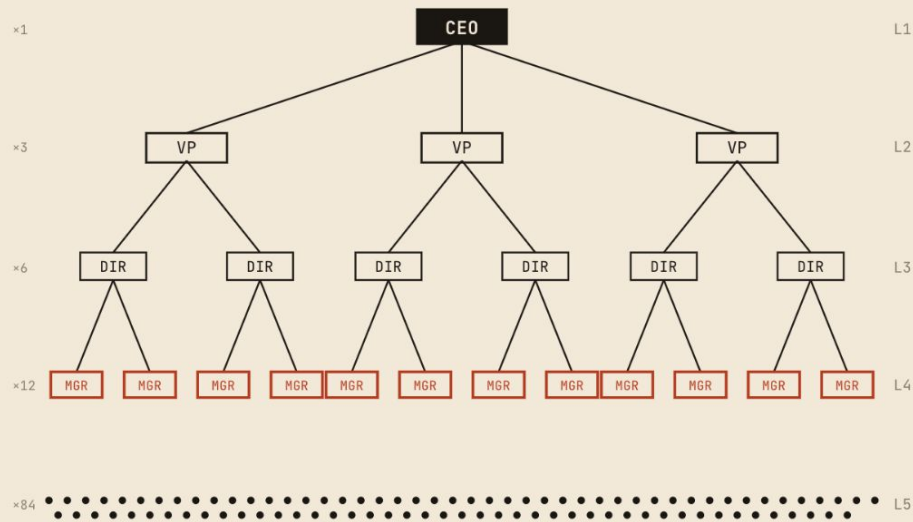
~50%

OF Q1 CUTS ATTRIBUTED TO AI &
AUTOMATION

BEFORE · 2022 →

The Pyramid

Five layers · 1:7 span · 32% of headcount in management



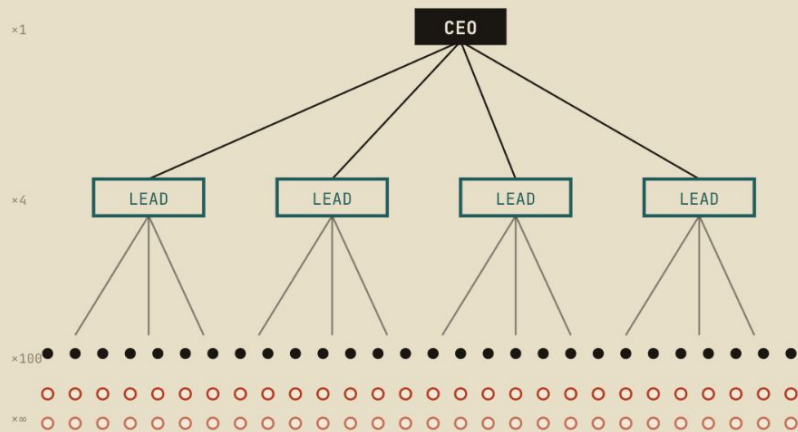
Span of control · 1 : 7

■ Leadership / IC ■ Management layer

← AFTER · 2026 →

The Plateau

Three layers · 1:25 span · ICs paired with AI agents



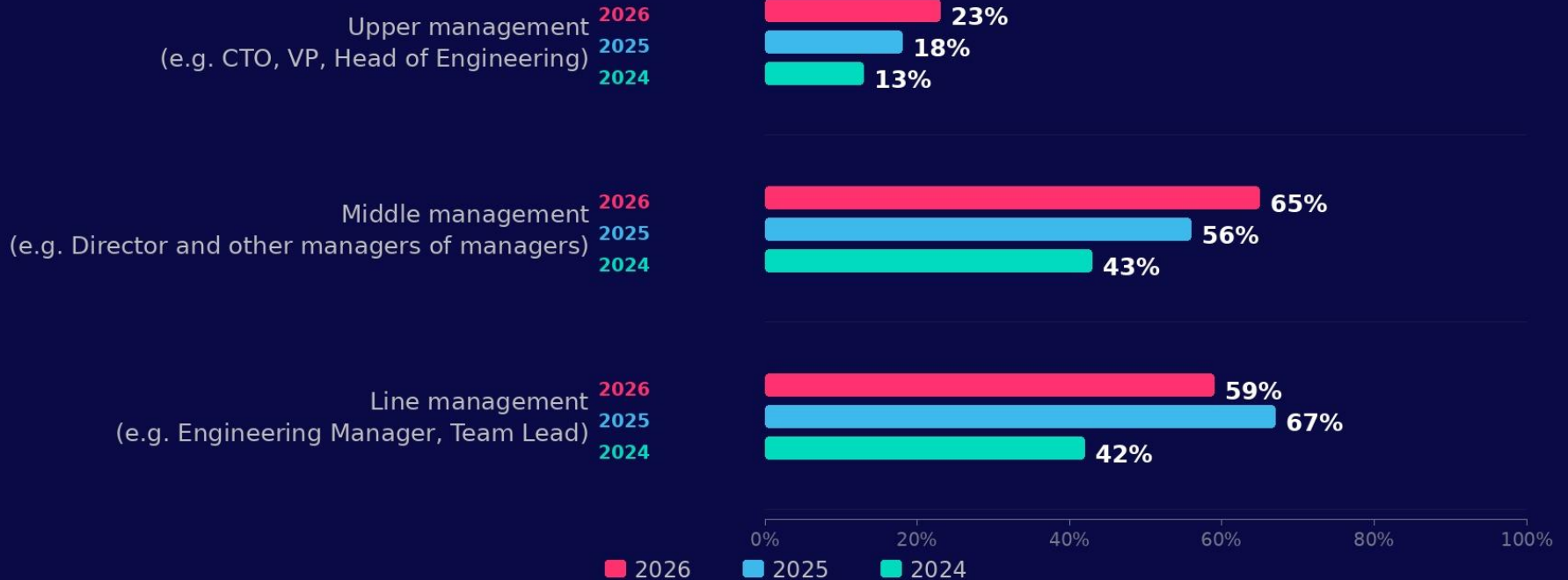
“Three layers between intern and CEO.”

— Mark Zuckerberg, Meta internal memo, 2025

Span of control · 1 : 25

■ Human IC ■ AI agent ■ Lead / staff IC

If the number of managers has decreased, which levels were significantly impacted?



AI

Block's massive AI-driven layoff is a warning

Jack Dorsey strikes again

By Chris Stokel-Walker



Change management

Airbnb CEO says people managers have no future

Brian Chesky's blunt verdict on middle management is landing hard – and Australia's readiness gap makes it urgent

AI

The latest tech layoffs have all the hallmarks of AI washing

Looking closer at the latest Block and Atlassian layoffs.

By Kelli Kordecki

Meta Lays Off 8,000 Employees, as A.I. Casualties Mount

Employees have signed petitions against being tracked by A.I. and were trying to figure out who had been let go on Wednesday, as the Silicon Valley giant tries to transform into an A.I.-first company.

Cloudflare CEO Prince says builders and sellers are safe but AI is coming for the measurers

 Matthias Bastian [in](#) May 22, 2026

Atlassian cuts 1,600 jobs as AI reshapes tech skills

AI is changing the tech industry's skill mix.

By Chantal Kapani

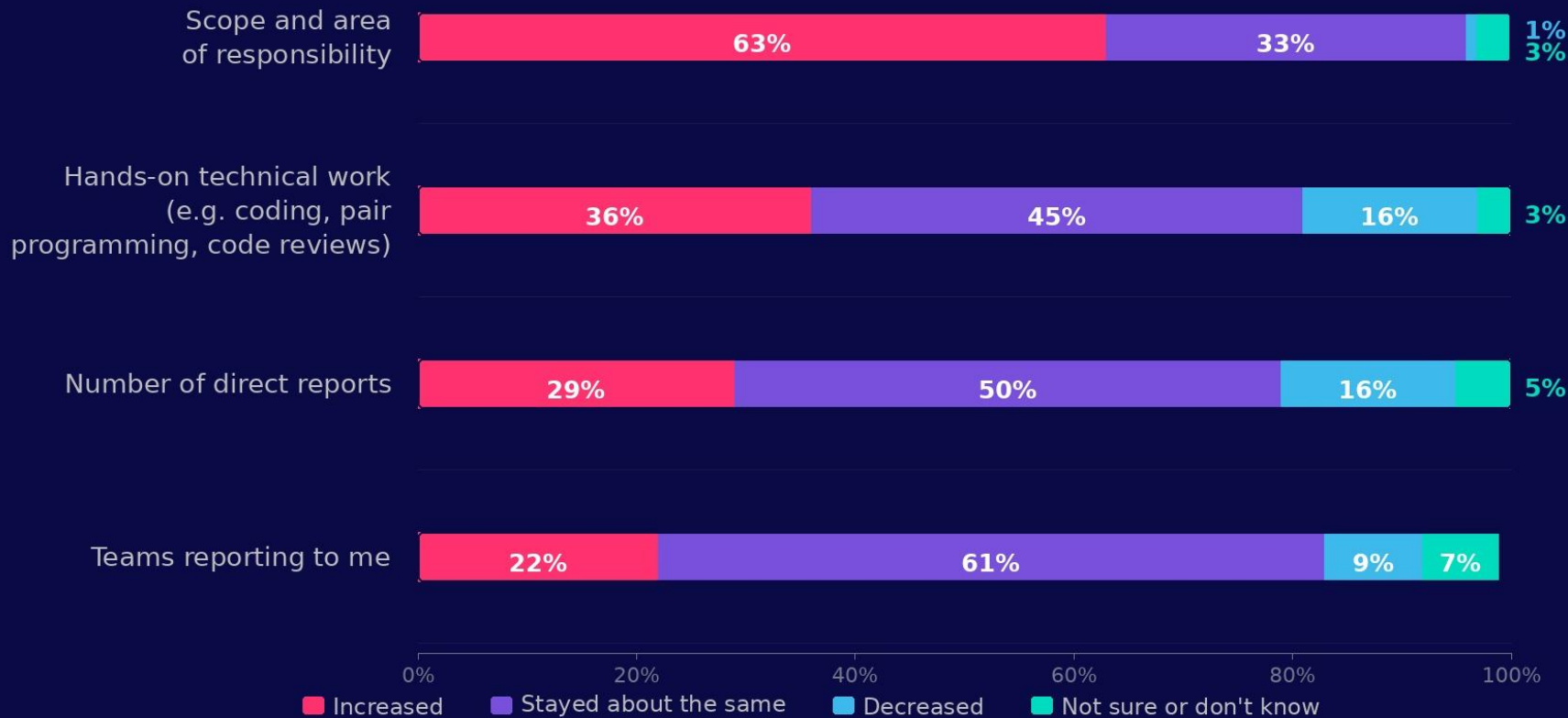
Coinbase flattens management and trims workforce in AI-driven restructure

The pure manager's days are numbered.

By Chantal Kapani



How have your roles and responsibilities changed over the past 12 months?



Are you working more or less hours each week than this time last year?

Software Engineer (e.g. junior/senior/full stack developer)



Manager of Engineers



Advanced Engineer (e.g. Staff, Principal, Distinguished)



Manager of Managers



Tech Lead (no people management)



CTO or Equivalent



More About the same Less

The Player-Manager

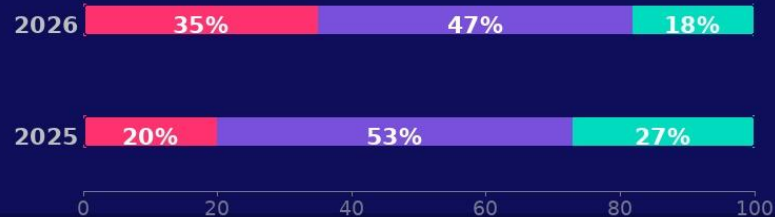


How have your (hands-on technical work) roles and responsibilities changed over the past 12 months?

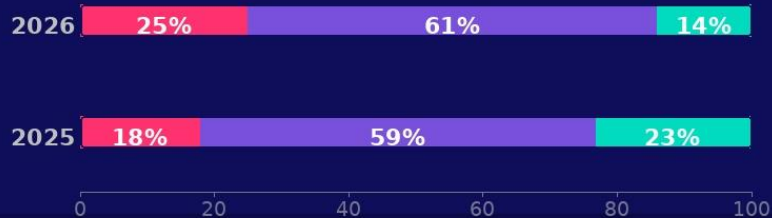
Software Engineer (e.g. junior/senior/full stack developer)



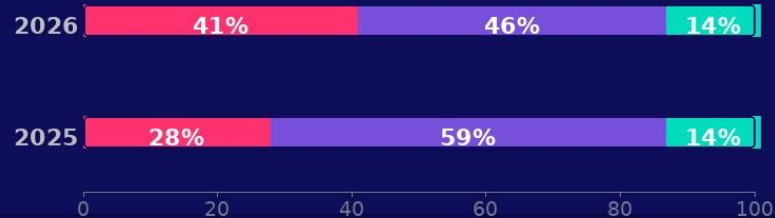
Manager of Engineers



Manager of Managers



CTO or Equivalent



Increased Stayed about the same Decreased

Have you considered transitioning back to an individual contributor role in the last year?

Manager of Engineers

2026 34% 50% 17%

2025 30% 53% 17%

0 20 40 60 80 100

Manager of Managers

2026 29% 61% 10%

2025 14% 74% 13%

0 20 40 60 80 100

CTO or Equivalent

2026 34% 50% 17%

2025 30% 53% 17%

0 20 40 60 80 100

Yes, and I am still considering it Yes, but I decided against it No



Docplanner

Job Description

Docplanner is fostering the reinvention of product development, specifically transforming how we approach coding with AI. We are looking for an Engineering Director who will lead this transformation from the front lines, while owning the Patient Engagement area.

This isn't a traditional management role. It's designed for a leader who remains deeply hands-on in the code and pioneers AI-enabled development practices, with the role intentionally weighted toward Lead Through Code ($\approx 75\%$) and Drive Transformation & Technical Leadership ($\approx 25\%$).



Sarah Drasner ✓

@sarah_edo



📣 After nearly 5 fulfilling years leading Core infrastructure organizations for Google, I'm thrilled to share that I've taken on a new role!

I'm going back to IC work as a Distinguished Engineer- my new role is in Chrome as Area Tech Lead, AI Web Ecosystem! 🌟

The rise of AI is driving a fundamental sea change in web architecture. While this era promises immense innovation, it demands rigorous focus on security, privacy, and user observability. AI is a technology. It must be integrated with the same deliberate care as the major technological shifts that preceded it.

In this new role, I'll be working alongside world-class colleagues to redefine the web platform for an AI-first runtime. My mission is to architect a composable web that enables safe, standardized, and mutually beneficial interactions between creators, users, and AI agents.

With this transition, I am moving from leading large organizations back to the IC track. I've swung this "managerial pendulum" several times in my career, and I'm energized to return to deep technical work at a moment that so clearly demands it.



Ethan Evans · 2nd

Former Amazon VP, sharing how I succeeded so that you can...

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Some people are leaving management to return to IC roles. I'd like your opinions on this trend because I am divided about it.

Frustrated by lack of growth and promotion, under pressure to flatten orgs, and told that hands on AI skills are essential, I hear from many managers who are considering switching to IC roles.

Some company and business leaders are advocating this change, but I am unsure if that is rally great advice or if it is trendy and self-serving. Right now there is great popularity behind a trend to flatten organizations. This trend is cyclical and at least in the past has come and gone at various times. Are leaders recommending the IC path because it helps them flatten the org, or do they really see a benefit for the employee, not just themselves?

There is no doubt that getting hands on with emerging AI tools is a good idea. AI is the disruptive technology of this generation.

There is also no doubt that the profession of managing humans will be durable. Groups of humans have had people in coordinating hierarchies back throughout all human history. This trend is unlikely to evaporate even with AI.

I can argue either side of this change - that clinging to an outdated concept of a management career path is the worst kind of naive hope, and that jumping into an IC role without any actual plan for where that ends up is a blind gamble.

“

“Given that most leaders come from an IC path, and now that AI tooling makes it so much easier to contribute, I’m not surprised leaders are getting more hands on, especially when it comes to building prototypes and internal tooling,” – James Stanier, CTO at Nordhealth

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The LeadDev

Engineering Leadership Report 2026

How engineering leadership is evolving,
and what it means for the future of the role.



**Pre-register for the report at:
bit.ly/eng-leadership-26**





THANK YOU!

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