Musical Chairs?

The trend in boardrooms is to nix a seat--COO.

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By Chris Penttila

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Where did the COO go? It's a question you might ask looking at today's organizational charts.

In 1999, there were 249 COOs at large, publicly traded companies; by 2005, the number had dropped to 204, according to Crist Associates, a Hinsdale, Illinois, recruiting and succession planning firm. General Motors, IBM, Motorola and Procter & Gamble have all nixed the COO position in the past few years.

The COO is a casualty of changing corporate pecking orders. CEOs feel growing pressure from Wall Street to understand all aspects of their businesses, so they're leaning heavily on CFOs and shedding COOs to get closer to the action. The result: "The CFO's status is elevated from a finance person to a strategic partner," says Scott Simmons, vice president of Crist Associates.

COOs also face stiffer competition from other executives for promotions. CEOs "might feel they've got good potential successors in executives [other than the COO]," says Scott Kingdom, global managing director of industrial markets for Korn/Ferry International in Chicago.

Tweaks go past the top three jobs. Some companies are adding chief experience officers, who keep top-level managers on the same page in crafting customer experiences. Chief information officers, meanwhile, are actively creating business strategy instead of solely managing IT.

Changing your organizational chart, however, puts pressure on other executives to pick up the slack. "Surround yourself with smart people," Simmons says. "But make sure you know what's going on inside and outside your company."