

# THE WALL STREET JOURNAL.

## Careers: News & Trends

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## More Companies Go Without COOs

*Chief operating officers are becoming an increasingly rare breed.*

The percentage of large companies with a second-in-command fell to 40.7% last year from 41.8% in 2010, a low amid a downward trend that has persisted for at least a decade, according to an annual study by executive-recruiting firm Crist|Kolder Associates. In 2000, that percentage stood at 47.5%.

In many cases, companies are eliminating the position entirely and informally shifting the responsibilities onto the chief executive or chief financial officer, says Matt McGreal, who heads the corporate governance practice at Crist|Kolder.

Bristol-Myers Squibb Co., for example, promoted its operating chief to the CEO seat without filling the COO position.

The trend is largely driven by the Sarbanes-Oxley Act of 2002, which required CEOs and finance chiefs to sign off on quarterly financial reports, according to Mr. McGreal. In order to vouch for their companies, these two executives have become more involved in the operational and strategic elements of the business, rendering the COO irrelevant, he says.

Still, Mr. McGreal expects the decline will "level off" because the COO position continues to be a crucial feeder for the corner office.

Among CEOs that were hired internally last year, more than half came directly from the operating chief chair, according to the study, which analyzed roughly 670 Fortune 500 and S&P 500 companies.

-- Leslie Kwoh

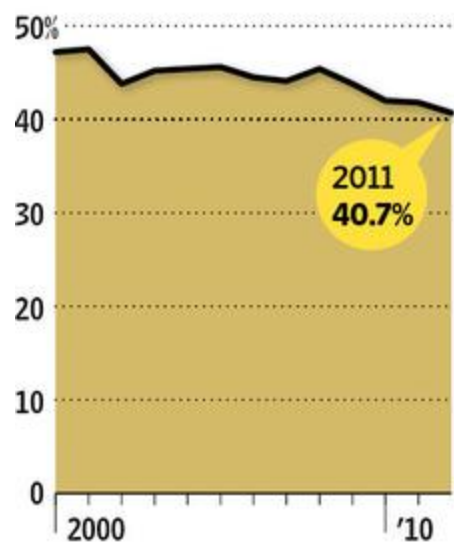
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## COOs on the Decline

The percentage of big firms with a chief operating officer fell to a record low last year.



Source: Crist|Kolder Associates