

Growing (and Shrinking) Functions at the Top of Corporate Organizational Charts

Confronting challenges that are rapidly evolving and others that are newly emerging, the world's largest companies have understandably adjusted their C-suites to align their executive management teams for organizational success amidst these challenges.

Over the past four years, we have carefully observed some profound and significant changes in C-suites at the world's 500 largest revenue-generating companies, as measured in the [2021 edition of the Global Fortune 500](#).

C-suites at these companies are defined as direct reports to the chief executive officer (N-1 to CEO) and their respective direct reports (N-2 to CEO). Four years ago, on January 1, 2018, there were, on average, 28 executives in this N-1 and N-2 category compared to 29 such executives on January 1, 2022.

Four years ago, on January 1, 2018, we identified and listed 37 [executive functions](#) that were then being managed by over 50 executives at the world's 500 largest companies.

Four years later, on January 1, 2022, we again identified these functions and found that some executive titles at these mega-sized companies had expanded considerably while other had shrunk just as considerably.

In the table below, we identify the respective growth or reduction in these executive titles over the past four years (between January 1, 2018, and January 1, 2022):

Growing and shrinking C-suite functions

1	VP Recruiting	+ 131%
2	VP Talent, Talent Development	+ 97%
3	VP Health, Security, Environment, Quality	+ 43%
4	VP Distribution, eCommerce, Retail, Channel	+ 28%
5	VP Procurement	+ 22%
6	VP Compliance	+ 17%
7	Management (N-2 to CEO)	+ 17%
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31	General Management (N-1 to CEO)	- 22%
32	VP Communication	- 24%
33	VP Control	- 25%
34	VP Tax	- 25%
35	VP Local (Houston, Paris, Mexico...)	- 27%
36	VP Country (UK, Italy, Germany...)	- 34%
37	VP Digital (Online, Media, Community...)	- 47%

Doubling and halving

Over the past four years, as corporate transformational challenges emerged requiring new skills with remote work environments, compensation, retention, and corporate culture development, the world's 500 largest companies doubled their number of **recruiting** and **talent management** executives.

Seasoned human resource executives have been in high demand with VPs of Recruiting and VPs of Talent Development growing more than any other executive function (131 percent and 97 percent, respectively) over the past four years.

Meanwhile, these same companies cut in half their number of **dedicated digital executives**, which were in high demand four years ago in 2018 when dedicated experts were sought to leverage the promise of social media and to draw on the high-profile digital successes at companies like Google, Apple, and Amazon that could be replicated.

In 2022, the digital function has now been broadly embraced with scores of talented and dedicated digital teams in place at the world's largest companies.

But the need for C-suite executives dedicated to this function has diminished as these teams have blossomed to meet the opportunities and challenges associated with our digital age.

Indeed, the C-suite role of **VP, Digital** was the executive function that diminished the most over the past four years, falling 47 percent during this period.

Growing and shrinking

VP Compliance or **VP Health, Security, Environment and Quality** in the Global Fortune 500 have increased as climate, purpose and transparency have grown in magnitude and complexity for all stakeholders, including employees, investors, regulators, and customers.

VP eCommerce or **Distribution** have also grown over the past four years as eCommerce, whether conducted directly or through partners, has become a necessity in most industries.

As companies focus on their core business by subcontracting satellite activities, the same has proven true with the **VP Procurement** function, which also has grown.

Coordination roles such as **VP Country**, **VP Local** or **VP Communications**, on the other hand, have been reduced over the past four years as organizations have flattened.

Functions such as **VP Tax** or **VP Control** have also fallen over the past four years as software automation has eased the demand for C-suite-level executives dedicated to these functions.

Keeping up

In each of the Global Fortune 500 companies we follow, with roughly 208 executives at each of these 500 giant global corporations, we detected significant turnover with approximately 125 executive moves annually over the past four years, totaling executives who join, quit, or are promoted at these mega-size companies.

To receive our monthly email on executive organizational changes at the Global Fortune 500, please [click here](#). Did we mention it's free?