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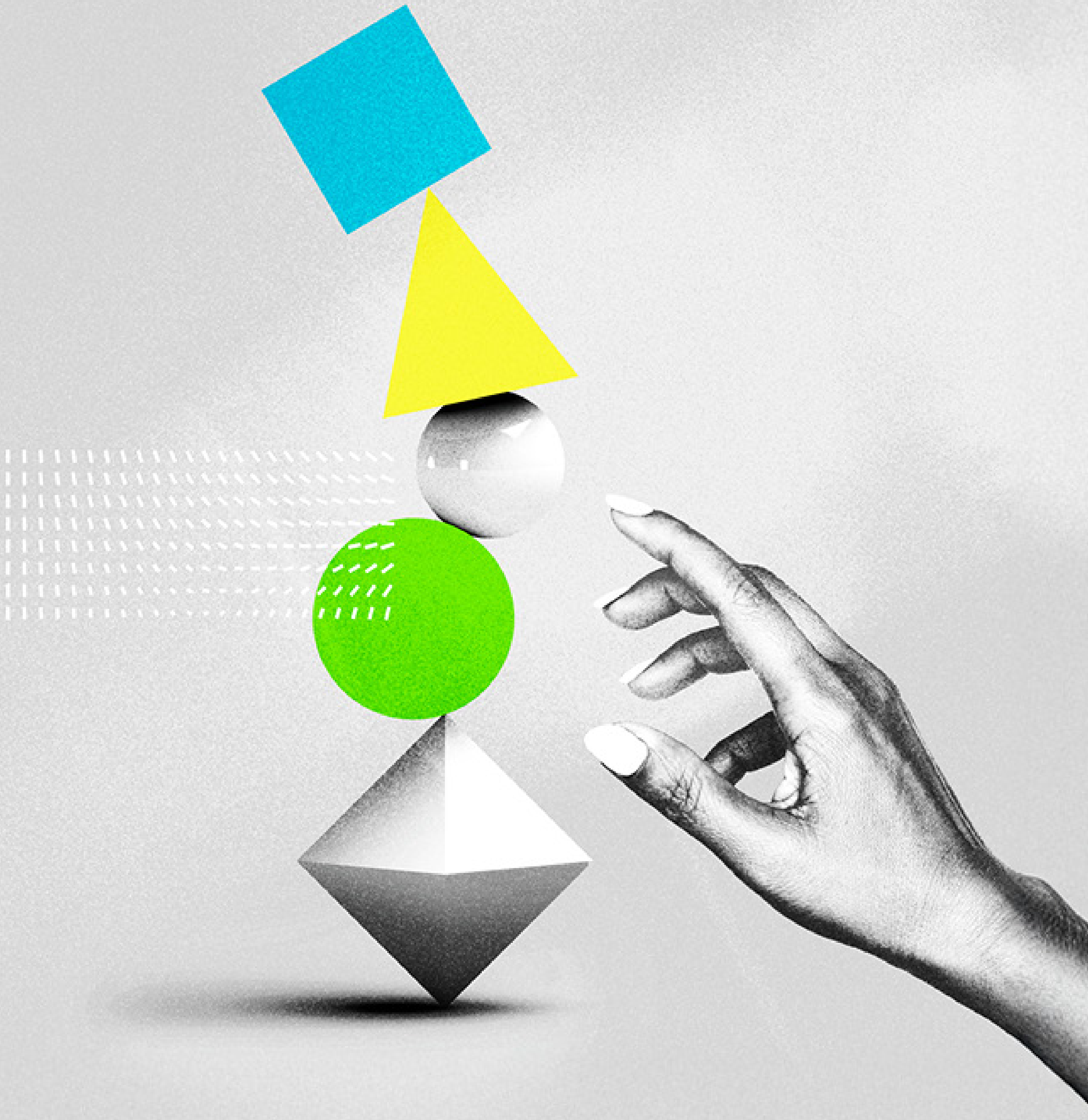


# Middle East
# Human Capital Trends 2026

# Have organizational functions outlived their functions?

*Why the future belongs to organizations that organize around outcomes, not silos*

**—By Saly Wehbe**

For more than a century, organizations have been built around functions. Human Resources manages people. Finance manages money. Technology manages systems. Operations manages delivery. The model is familiar, efficient, and deeply embedded in how most organizations operate. It is also increasingly under pressure.

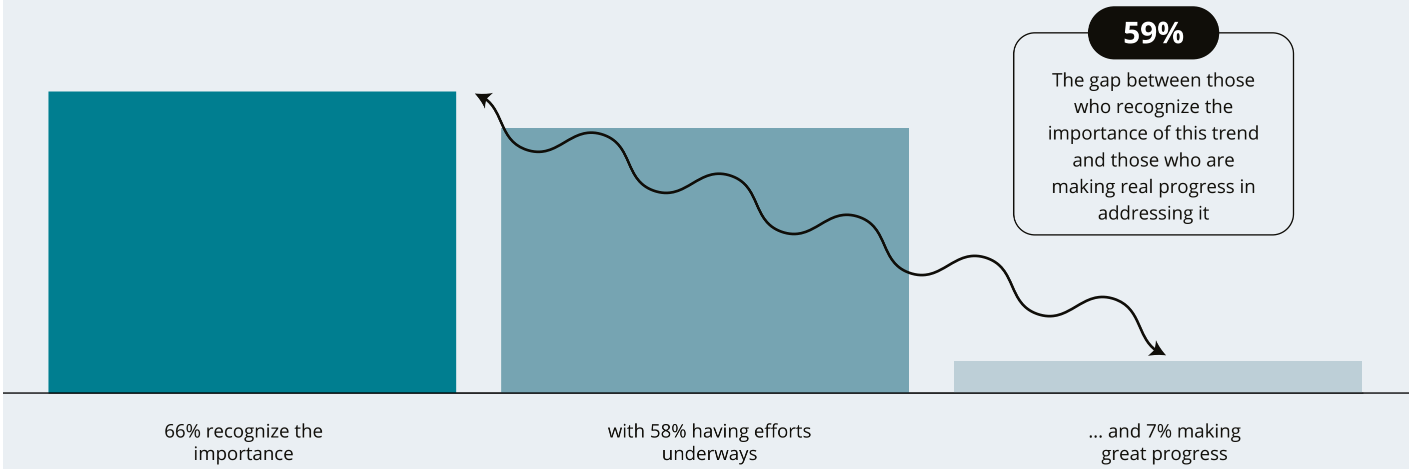
Today's most important challenges rarely fit neatly within a single function. Artificial intelligence affects technology, workforce capability, governance, and risk simultaneously. Customer experience depends on coordination across marketing, operations, digital, and frontline teams. Sustainability, innovation, and transformation initiatives require expertise from across the organization.

Yet many organizations continue to rely on structures designed for a different era: one where work was more predictable, decision-making was slower, and departments could operate largely independently.

However, paradoxically, as organizations become more interconnected, functions are becoming more fragmented. And as leaders demand greater agility, many organizational structures are inadvertently slowing it down. Globally, 66% of C-suite leaders say it is very or extremely important to move beyond traditional functional silos, yet only 7% report making significant progress in doing so.[1] The question is no longer whether organizational functions will evolve but instead what they will evolve into.

**Organizations say it's important to push the boundaries of traditional functions, but only 7% are making great progress toward doing**

Percentage of respondents answering the questions, "How important is pushing beyond the boundaries of traditional organizational functions (e.g., HR, finance, IT) to address cross-disciplinary challenges and drive higher overall outcomes?" and "Where is your organization on its journey to address this issue?"




Source: Analysis of Deloitte's 2026 Global Human Capital Trends survey data.

## From functional excellence to enterprise outcomes

The debate about organizational functions is often misunderstood. The challenge is not that functions no longer matter—deep expertise continues to be critical. Indeed, organizations still need finance professionals, HR specialists, technology experts, legal advisors, and operational leaders. The complexity of modern business arguably makes specialist knowledge more valuable than ever.

The challenge is that expertise alone is no longer enough. Many of today's opportunities and risks sit between functions rather than within them. Innovation happens at the intersection of disciplines; customer journeys cut across departments and AI initiatives require collaboration between technology, risk, legal, operations, and workforce leaders. Strategic outcomes increasingly depend on how effectively functions work together rather than how efficiently they operate independently.

As a result, leading organizations are beginning to rethink not just what functions do, but how they contribute to value creation. Across the GCC, three shifts are beginning to emerge:

1. Organizing around outcomes rather than activities
2. Integrating capabilities around shared priorities
3. Preserving expertise while increasing organizational flow

Together, these shifts offer a blueprint for moving beyond traditional silos while retaining the strengths that functions provide.

## Rethinking how functions create value

### Organize around outcomes, not activities

Traditional functions are often optimized around activities. HR manages recruitment and development. Finance manages budgeting and reporting. Technology manages systems and infrastructure.

While these responsibilities remain important, they can unintentionally create barriers when success depends on multiple functions working together. Leading organizations are increasingly shifting their focus from activities to outcomes. Instead of asking which function owns a particular process, they are asking what outcome the organization is trying to achieve and which capabilities are required to deliver it.

Saudi Aramco provides a strong example of this shift in practice. As one of the world's largest integrated energy companies and a key contributor to Saudi Arabia's Vision 2030 ambitions, Aramco operates in an environment where major strategic initiatives require close coordination across multiple disciplines.

Rather than relying solely on traditional functional silos, the organization has adopted an integrated service line model that brings together capabilities across strategy, technology, human resources, finance, legal, and corporate services. Executive Vice Presidents lead these service lines and work collectively to support enterprise-wide priorities.[2]

The significance of this model is not simply structural, rather it reflects a broader recognition that delivering strategic outcomes increasingly requires functions to collaborate as part of an integrated system rather than operate as independent centres of expertise.

### Integrate capabilities around shared priorities

As organizations become more digital, the pace of decision-making continues to accelerate. Customers expect seamless experiences and new products delivered into their hands faster. Emerging risks and opportunities require quicker responses.

In such an environment, the traditional, sequential handoffs between functions can become a competitive disadvantage. The most dynamic organizations are responding by integrating capabilities around shared priorities from the outset, something that Emirates NBD illustrates well.

Operating in one of the region's most competitive banking markets, the UAE bank has embraced agile ways of working through cross-functional squads that combine expertise from product, technology, marketing, operations, and customer experience teams.[3,4]

These squads are organized around customer outcomes rather than functional boundaries. The result is faster decision-making, shorter development cycles, and greater responsiveness to changing customer needs. Importantly, this approach does not eliminate functional expertise. Instead, it creates new mechanisms through which expertise can be applied collaboratively and effectively to deliver the desired results.

### Preserve expertise while increasing flow

One of the biggest misconceptions about organizational redesign is that breaking down silos requires abandoning structure altogether. In reality, the most successful organizations strike a balance.

They preserve deep expertise while creating greater flow of information, talent, and decision-making across organizational boundaries. This distinction matters.

Organizations still need clear accountability, governance, and professional standards. Particularly across the GCC's regulated industries and public sector institutions, these foundations remain essential. The challenge is ensuring that expertise does not become isolated from the broader organization.

Qatar Airways demonstrates how to achieve and maintain this delicate balance while operating in a highly competitive global industry. To succeed consistently, the airline depends on operational excellence, customer experience, technology, and commercial performance working in concert. Rather than treating these capabilities as separate domains, Qatar Airways has increasingly integrated them around shared operational and customer outcomes.[5]

Technology is embedded within operational decision-making. Customer experience considerations are incorporated from the outset rather than introduced later in the process. Different functions remain accountable for their areas of expertise, but they contribute toward common objectives. The lesson from Qatar Airways is simple but powerful: organizations do not need fewer functions. They need functions that flow more effectively together.

### Conclusion: From functions to flow

Ultimately, the debate about organizational functions is not a debate about structure. It is a debate about value creation.

The functional model helped organizations achieve scale, consistency, and specialization for more than a century.

Those strengths remain important. But today's most significant opportunities and challenges increasingly sit between functions rather than within them.

Across the GCC, leading organizations are already beginning to respond. Whether through integrated service lines, agile cross-functional teams, or operating models built around shared outcomes, they are demonstrating that organizational effectiveness depends not only on the quality of expertise, but on how effectively that expertise is connected.

Building more adaptive organizations requires leaders to:

- **Organize around outcomes:** Focus structures, teams, and resources on the results the organization is trying to achieve rather than the activities individual functions perform.
- **Integrate capabilities:** Bring different disciplines together around shared priorities to accelerate decision-making and improve responsiveness.
- **Increase organizational flow:** Preserve deep expertise while enabling information, talent, and ideas to move more freely across traditional boundaries.

The future belongs neither to rigid silos nor to completely boundaryless organizations.

It belongs to organizations that can combine the depth of functional expertise with the speed and adaptability of cross-functional collaboration.

## Research Methodology

Deloitte' s 2026 Global Human Capital Trends worked in collaboration with Oxford Economics to survey more than 3,000 business and human resources leaders across multiple industries and sectors in 15 countries. In addition to the broad, global survey that provides the foundational data for the 2026 Global Human Capital Trends report, Deloitte supplemented its research with surveys of 6,000 workers, managers and executives to uncover where there may be gaps between leader and manager perception and worker realities. The survey data is complemented by more than 50 interviews with executives and subject matter experts from some of today's leading organizations. These insights helped shape the trends in this report.

## Endnotes

1. Deloitte (2026), Global Human Capital Trends Survey, https://www.deloitte.com/us/en/insights/topics/talent/human-capital-trends.html
2. Saudi Aramco (2024), Organizational Structure and Corporate Governance, https://www.aramco.com/-/media/publications/corporate-reports/reports-and-presentations/2024/fy/sections/ara-2024-governance-english.pdf
3. Emirates NBD (2024), Corporate Governance Report, https://www.emiratesnbd.com/en/about-emirates-nbd/corporate-governance/corporate-governance-reports
4. The Banker (2018), Emirates NBD's new digital lead brings a fintech mindset, https://www.thebanker.com/content/7af26b5c-6e21-530d-9cca-d922bfdae527
5. Qatar Airways (2024), Annual Report, https://www.qatarairways.com/press-releases/en-WW/assets/233926/

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