



# **Matrix-Based Organization Models**

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# Matrix-Based Organization A

	Function 1	Function 2	Function 3
Geographic Area 1		X	
Geographic Area 2			X
Geographic Area 3	X		

Note

–Special Projects will be spread across all members of the team

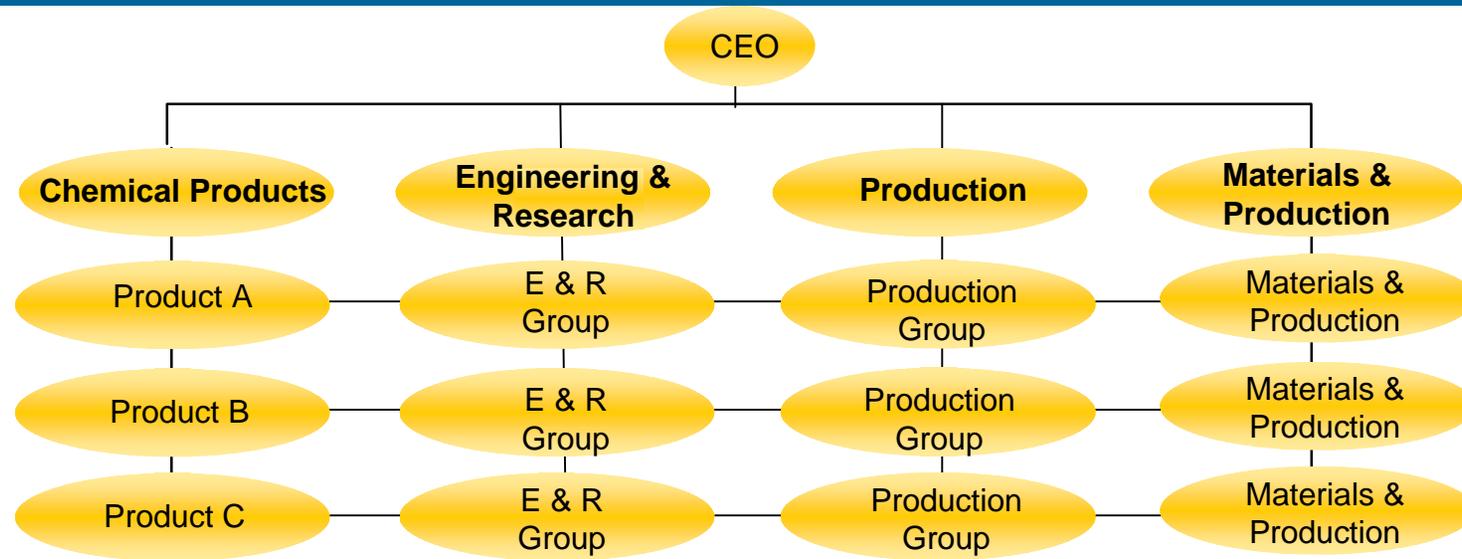
## Advantages

- Fosters teamwork
- Succession Planning
- Opportunity outside Transportation Management
- Customer/Transportation Management focus

## Disadvantages

- Non traditional reporting relationships
- Decision making can be slow

# Matrix-Based Organization B



## Advantages

- Offers great flexibility
- Reinforces professional identity and development
- Encourages interfacing of activities across departments
- Creates strong problem-solving or goal focus
- Results in clear and visible project objectives
- Uses staff resources efficiently
- Creates vertical and horizontal information flow
- Conducive to innovation

## Disadvantages

- May result in higher overhead costs because of doubling the managers
- Increases potential conflict between functional and project managers
- Results in ambiguity for employees in reporting relationships
- Increases complexity
- Reduces economies of scale
- Difficult to measure costs
- May slow decision-making process down