

| | ADVANTAGES | DISADVANTAGES |
|-------------------------------|--|---|
| The pure project organization | Very flexible, as at any given time, the organization only needs to have the projects that are currently needed. | Insufficient communication may occur between the projects. |
| | Promotes willingness to change as employees become accustomed to changing organizational type. | Employees become insecure because projects are temporary, and they do not have a permanent affiliation with a department. |
| | | Difficult to manage resources and fights may break out between project managers. |
| | | The project manager must find replacements if employees leave/resign. |
| The matrix organization | Effectively ensures horizontal information sharing and breaks down barriers. | The project manager must find replacements if employees leave/resign. |
| | The project manager does not have to find replacements if employees leave/resign. The department assigns a new employee. | Difficult to manage resources and "fights" between the line manager and project manager may occur. |
| | Flexible, as cross-functional projects can be created quickly, and can be closed down when the task is completed. | |

FIGURE 3.25
Advantages and disadvantages of the pure project organization and the matrix organization, respectively.