



August 31, 1995

Los Angeles County  
Metropolitan  
Transportation  
Authority

TO: MTA BOARD MEMBERS AND ALTERNATES  
FROM: FRANKLIN B. WHITE  
SUBJECT: CEO GOAL #2, ...MTA ORGANIZATION CHART

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## PURPOSE

Attached is the MTA organization chart in accordance with CEO Goal #2 which provides "...By August 1995, present to the Board an organizational chart which identifies a management structure with a business orientation, that places responsibility, accountability, decision-making and authority at appropriate levels of management."

## DISCUSSION

The chart was initially developed in May and included in the Fiscal Year 1995-96 "Proposed Budget" book, which described the organization structure of the MTA and displayed that structure in various charts at appropriate points in the budget presentation. The organization charts are consolidated and included here.

The budget document describes the organizational relationships, and the responsibility assigned to each of the functional units. Additionally, the budget included a number of goals for each of the functional units. These goals, while varied in level of specificity, will continually be refined so that they become bench marks from which organization, and executive, performance is measured.

The MTA management structure represented here fully allocates responsibility, authority, and accountability through the executive officers and directors. Span of control is under continuous review. Through organizational decisions taken over the past six months, considerable consolidation and streamlining of the duplicate functions of the two former public corporations (RTD/LACTC) has occurred and is reflected in our current organization.

## THE FUTURE

Our organization continues to evolve. With the assistance of consultant efforts such as the Arthur Andersen report on construction management, additional resources are being allocated to construction. The arrival of our new executive officer for construction, Stan Phernambucq, will no doubt usher in other organizational changes as he looks carefully at this areas of responsibility. Given that our structure will and must continue to evolve,

## **MTA BOARD MEMBERS AND ALTERNATES**

### **CEO Goal #2**

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it is important to have a set of principles to guide such change. The following principles have been identified as most important in guiding our continuous improvement process:

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### **PRINCIPLES FOR CONTINUOUS IMPROVEMENT IN THE MTA ORGANIZATION STRUCTURE**

1. The organization structure should be *effective*: a) providing clear and functional lines of responsibility, authority, and accountability; b) empowering employees to use initiative and encouraging that decisions be made at the lowest possible level, consistent with appropriate internal controls and accountability standards; c) maintaining high standards of individual performance and holding each employee accountable for everything he/she does or fails to do.
  2. The organization structure should be *efficient*: a) allowing for a "lean" structure that minimizes bureaucracy and levels of management; b) ensuring effective and open lines of communication so that organizational performance can be monitored, measured, and reported; c) expanding or contracting as appropriate to meet business needs and fiscal realities.
  3. The MTA leadership must continuously evaluate organizational performance. This will be accomplished through a continuous improvement program with organizational goals and a goal-reporting process.
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### **SUMMARY**

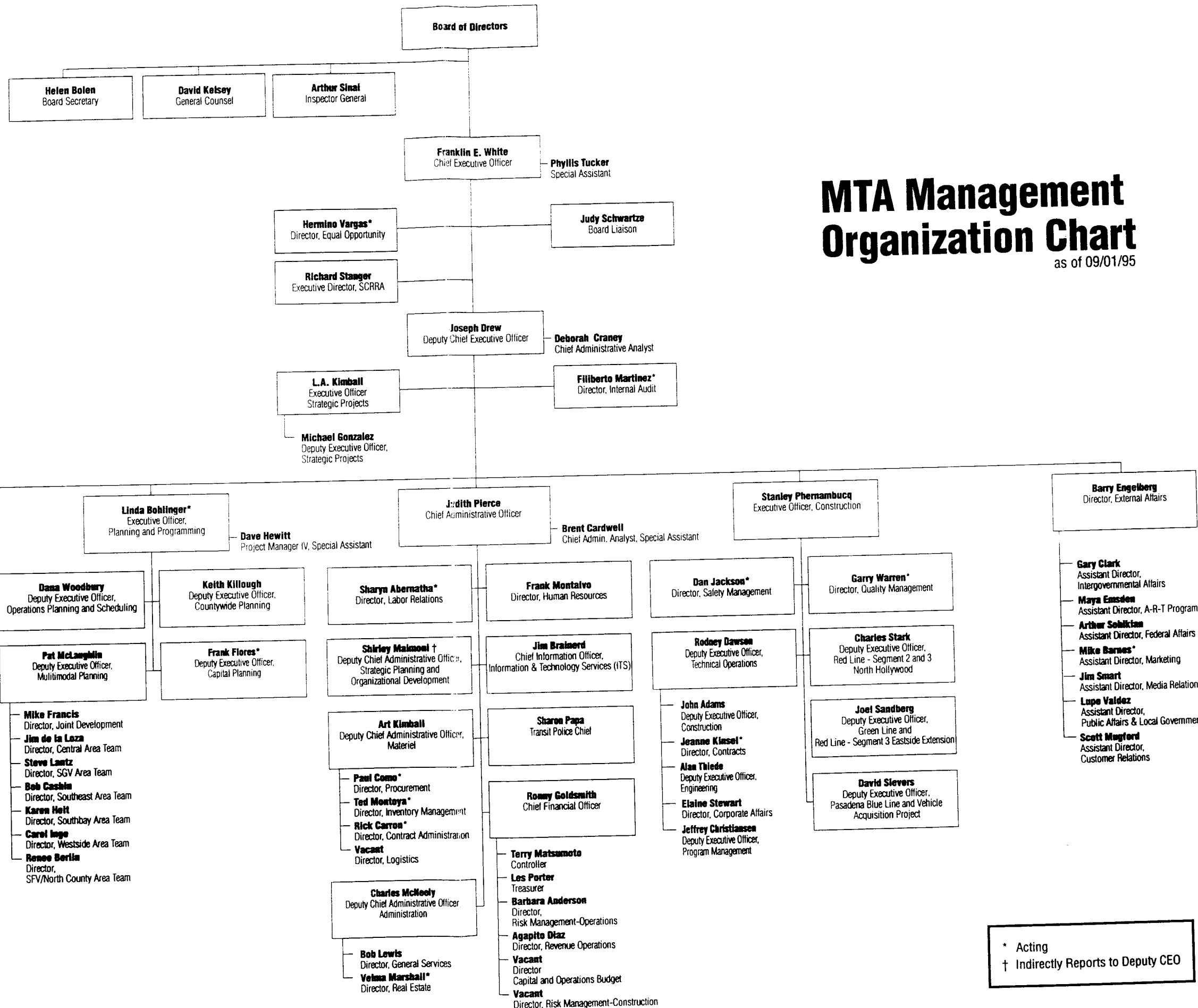
Continued attention to both the structure of our organization and specific internal performance is critical to our success. The organization chart defines relationships, not performance. Aggressive efforts are being made to develop a wide range of organization performance reports which will give the leadership at all levels clear indication of our performance. As the need arises, adjustments in the organization structure will be implemented.

Attachment



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# MTA Management Organization Chart

as of 09/01/95

\* Acting  
† Indirectly Reports to Deputy CEO