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The Benefits of a Flat Team Structure

MITIMCo is the division of MIT that invests the Institute's long-term financial assets. Gains from our activities help support MIT's research into cancer, alternative energy, robotics, and countless other fields of study.

One of the unusual things about MITIMCo is that our global investment team is organized into a flat, generalist structure. All investment team members have the same job description, the same title, report directly to our CIO, and work across the entire range of investment types and geographies. Investment decisions are made by small groups of 3–4 people and all team members are free to determine on their own how to spend their time. Everyone on the team is expected to both lead new investments and participate as a supporting team member on others. Our structure is more akin to a venture capital partnership than a typical hierarchical and siloed investment office. For our structure to work, we must maintain a small, tight-knit investment team of 15 people or less.

Our structure has several very important benefits. Most importantly, we believe our structure makes it easier to recruit exceptional people. Because of our generalist structure, we offer new employees the freedom to explore across the entire investment landscape and the opportunity to work closely with all members of the team. Because we lack hierarchy, we offer new team members the responsibility to find, evaluate, and lead new investments. We find that our team structure helps filter in self-starters who contribute to MIT's mission as early as possible.

Second, resource allocation is flexible and opportunistic. If an asset category, sector, or region becomes overpriced and unattractive, team members can shift their focus elsewhere. If an arena becomes particularly appealing and presents many opportunities, team members can add focus to that area. In this way, capital flows to the best opportunities rather than being allocated according to organizational constraints.

Finally, our structure promotes fair compensation. Our system makes it very transparent as to who is finding, leading, and executing on compelling new investments. Long-tenured staff cannot coopt the achievements of newer staff, nor can they rely on work done many years ago to earn their paycheck.

