A LEADER’S GUIDE TO MATRIX MANAGEMENT

LOUIS ROWITZ, Ph.D.
DEFINITION

Matrix structure is an organizational structure that assigns specialists from different functional departments, units or silos to work on one or more organizational goals or projects.
ADVANTAGES OF THE DESIGN

- HIGHLY FLEXIBLE AND RESPONSIVE
- DRAWS ON TALENS WHEREEVER ITS FOUND
DISADVANTAGES OF DESIGN

- LACK OF CONTROL
- COMMUNICATION DIFFICULTIES
- DIFFERING SKILLS OF TEAM LEADERS
- RESISTANCE TO THE DESIGN BY ESTABLISHED HIERARCHY
- DIFFICULT TO SHARE POWER
- CREDIBILITY PROBLEMS
DUAL CHAIN OF COMMAND

- MULTIPLE BOSSES
- PROJECT AND FUNCTIONAL MANAGERS
- INDIVIDUAL AND TEAM BASED ISSUES
VERTICAL STRUCTURE; THE UNANSWERED QUESTIONS

- WHO ARE THE EXTERNAL PARTNERS
- WHO ARE THE CUSTOMERS
- WHAT PRODUCTS ARE INCLUDED
- HOW DOES WORK GET DONE IN REALITY
- WHAT ARE THE BUSINESS PROCESSES AT PLAY
- WHO IS ACCOUNTABLE FOR RESULTS
THE ORGANIZATIONAL DILEMMA

 HOW DOES THE ORGANIZATION DO ITS WORK IN BOTH THE VERTICAL AND HORIZONTAL DIMENSION
## COMPARISON OF THE VERTICAL AND NEW MATRIX STRUCTURES

<table>
<thead>
<tr>
<th>ELEMENT</th>
<th>VERTICAL</th>
<th>NEW MATRIX</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIMARY DIMENSION</td>
<td>VERTICAL</td>
<td>CROSS-FUNCTIONAL</td>
</tr>
<tr>
<td>GOVERNANCE</td>
<td>FUNCTIONAL</td>
<td>THROUGH STEERING COUNCILS</td>
</tr>
<tr>
<td>ALIGNMENT</td>
<td>VERTICAL</td>
<td>HORIZONTAL (ACTIVITY OR GOAL-BASED)</td>
</tr>
</tbody>
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## COMPARISON 2

<table>
<thead>
<tr>
<th>Optimization</th>
<th>Functions</th>
<th>Business Processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direction</td>
<td>Based on authority</td>
<td>Based on goal alignment</td>
</tr>
<tr>
<td>Performance management</td>
<td>Depends primarily on boss's viewpoint</td>
<td>Deprimarily on 360 degree feedback from teams</td>
</tr>
</tbody>
</table>
## COMPARISON 3

<table>
<thead>
<tr>
<th>STANDARIZATION</th>
<th>WITHIN FUNCTIONS</th>
<th>ACROSS ENTERPRISE</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEPLOYING STRATEGIC PLAN</td>
<td>DOWN THROUGH FUNCTIONAL UNITS</td>
<td>DOWN THROUGH STEERING COUNCILS</td>
</tr>
<tr>
<td>GOALS</td>
<td>INDIVIDUAL FOR EACH FUNCTIONAL AREA OR SILO</td>
<td>SHARED ACROSS UNITS</td>
</tr>
</tbody>
</table>
## COMPARISON 4

<table>
<thead>
<tr>
<th>MANAGEMENT APPROACH</th>
<th>DIRECTIVE COMMAND AND CONTROL</th>
<th>COLLABORATIVE</th>
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</thead>
<tbody>
<tr>
<td>LEADERSHIP APPROACH</td>
<td></td>
<td>DEMOCRATIC AND DELEGATORY</td>
</tr>
<tr>
<td>METHODOLOGIES-</td>
<td>DIRECTIVE</td>
<td>COLLABORATIVE</td>
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## COMPARISON 5

<table>
<thead>
<tr>
<th>ACCOUNTABILITY</th>
<th>REACTIVE</th>
<th>PROACTIVE</th>
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</thead>
<tbody>
<tr>
<td>STRUCTURE</td>
<td>LINEAR</td>
<td>SYSTEMIC</td>
</tr>
<tr>
<td>PROJECT MANAGEMENT</td>
<td>DUAL REPORTING</td>
<td>DUAL REPORTING TO PROJECT SYSTEM</td>
</tr>
</tbody>
</table>

- **Reactive** vs **Proactive**
  - Structure: Linear vs Systemic
  - Project Management: Dual Reporting vs Dual Reporting to Project System
MAPPING THE HORIZONTAL

OVERALL STRATEGIC PLAN

PORTFOLIO 1  PORTFOLIO 2  PORTFOLIO 3  STEERING
PROJECT STEERING COUNCILS

- THE PROJECT PORTFOLIO REPRESENTS THE AGENCY’S INVESTMENT IN THE FUTURE
- PSC IS A CROSS-FUNCTIONAL UNIT SO THAT ENTIRE PORTFOLIO OF PROJECTS OR GOALS CAN BE MANAGED
- PRIORITIZE PROJECTS AND TIE TO BUDGET
- GOAL IS TO CREATE A PORTFOLIO OF COMPLETED PROJECTS
MANAGEMENT OUTPUTS

- GOALS ALIGNED WITH CUSTOMERS AND PARTNERS
- PROCESSES ALIGNED WITH CUSTOMERS
- CAPACITY IN LINE WITH THE STRATEGIC PLAN
- RESOURCES DEPLOYED EFFECTIVELY
- PERFORMANCE IMPROVEMENT IMPLEMENTED AS NEEDED
MANAGEMENT OUTPUTS 2

- CREATE STANDARDS AND USE COMMON METHODOLOGIES
- DEVELOP TEAMS THAT PRODUCE RESULTS
- PROMOTE ORGANIZATIONAL LEARNING
LEADERSHIP OUTPUTS

- COLLABORATIVE LEADERSHIP
- CREATION OF AN INNOVATIVE PORTFOLIO
- SHARED LEADERSHIP
- HIGH PERFORMING TEAMS
- WORKING INSIDE THE ORGANIZATION AND WITH EXTERNAL PARTNERS
RESOURCE MANAGEMENT

- BUDGETED CAPACITY PLAN
- PSC SELECTION OF NEW PROJECTS
- PRIORITIZATION OF ENTIRE PORTFOLIO
- ALLOCATION OF RESOURCES
- CAPACITY BOTTLENECK
- NOT STARTING NEW PROJECTS
TIPS FOR LEADERS

- ACCEPT UNCONDITIONAL ACCOUNTABILITY
- GET CLEAR COMMITMENT UPFRONT
- CREATE TEAM OWNERSHIP
- IDENTIFY POLITICAL RISKS AND COUNTERMEASURES
- CONCENTRATE ON RELATIONSHIPS ONCE PROJECTS ARE DETERMINED
TIPS 2

- CONSTANTLY SOLICIT FEEDBACK
- RECOGNIZE AND CELEBRATE THE ACCOMPLISHMENTS OF THE TEAM