

Effective Team Management in Matrix Organizations

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Projects are typically part of an organization larger than the project. Even when the project is in the organization the project will still be influenced by the organization or organization that initiated it.

“During the 1960s and the 1970s, many companies adopted the matrix structures as a means of reconciling the coordination needs of business, functions and geographical areas.” (Grant, R.M 2005). Matrix organizations assign employees to multiple bosses from different divisions or teams in the belief that greater coordination amongst the firms functional and production department can result in great output.

Matrix organization frequently uses teams of employees to accomplish work, in order to take advantage of the strengths, as well as make up for the weaknesses, of functional and decentralized forms. While matrix structures have benefits they do come with factors that need to be taken into account. “Matrix structures over formulize such relationships, resulting in excessive corporate staffs and over-complex systems that slow down decision making and dull entrepreneurial initiative” (Grant, R.M 2005). Matrix structures have been to be shown to be a barrier in cost efficiency and cost control. The need to intertwine decentralized decision making with multiple dimensions of coordination gives rise to complex issues of organizational design within the multibusiness company Given that almost all multibusiness companies are structured around some form of matrix; even companies that are based on product divisions tend to have a geographical organizations through country managers who coordinate taxation, government relations and legal affairs with teach country, and functional heads responsible for coordination and best practices transfer in manufacturing, marketing, and other functions across the corporation.

Matrix structures come in various forms as depicted in Table 1-1 which shows 3 variations (weak, balanced & strong) structures. Each has its own unique characteristics and unique challenges. Arguably one may be easier to maneuver in then others depending on one’s personality when managing a project but they all have challenges that will be faced. The most challenging is the weak matrix for the project manger where the functional manager has more authority over the team but the project manager still needs to achieve his or her deliverables.

Table 1-1. Organizational influences on projects (PMI. 2008)

Project Characteristics / Organization Structure	Functional	Matrix			Projectized
		Weak Matrix	Balanced Matrix	Strong Matrix	
Project Manager's Authority	Little or None	Limited	Low to Moderate	Moderate to High	High to Almost Total
Resource Availability	Little or None	Limited	Low to Moderate	Moderate to High	High to Almost Total
Who controls the project budget	Functional Manager	Functional Manager	Mixed	Project Manager	Project Manager
Project Manager's Role	Part-time	Part-time	Full-time	Full-time	Full-time
Project Management Administrative Staff	Part-time	Part-time	Part-time	Full-time	Full-time

Topping the list of challenges common to each variation are: power struggles with functional managers and project managers, confusion with team members as to which direction to take when given two distinctly different decisions by both managers and an abundant amount of seemingly pointless meetings with not all members present at all times. “One of the other "symptoms" of this management type is a switch from actual leadership to management-by-policy. This shields managers from bad decisions, which track back to a number of people and wherein blame avoidance becomes an art form. Compensation drifts to being based on how long you've been in the job and who you know coupled with strange rules that actually penalize over-achievers.” (Enderle, R. 2005).

Negotiation

Negotiating is a way of life in a matrix organization as you are working with equals sharing the same resources & team members. Perhaps you have less authority than other party you are working with or are responsible for deliverables of a team which you have no control over, all the more reason to seek win-win negotiations. “Always make sure both parties feel as if they have won. This is win-win negotiating. Never let the other party leave feel as if he or she has had advantage taken of them” (PMI. 2008).

The following skills and behaviors are useful in negotiating successfully:

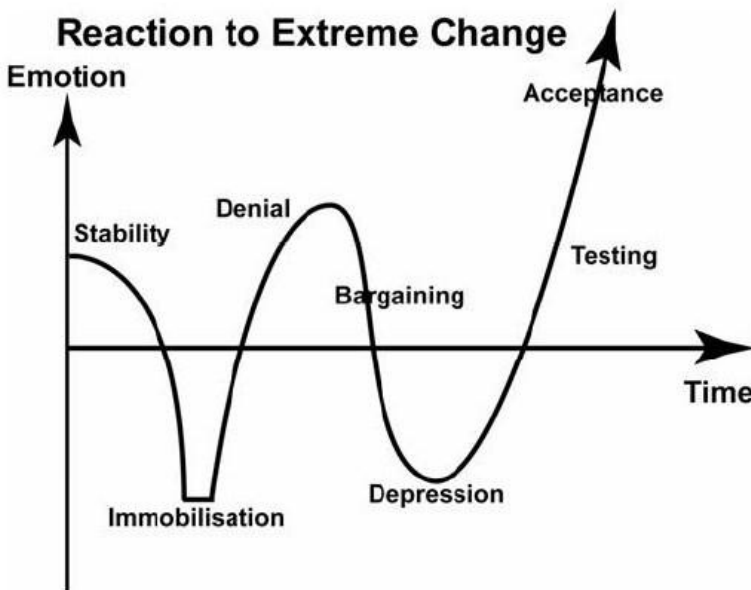
- Analyze the situation and the context of the request.
- Separate both party's needs and wants.
- Focus not on the positions but on the issues at hand.
- Ensure you do a particularly good job at listening and articulating.

Culture

Organizational politics are enviable in a project environment due to the diversity of the backgrounds, norms and expectations of the people involved with the project. A politically savvy individual as a project manager or even as a team member can reduce pressure and ensure objectives are met. "Ignoring or avoiding project politics and inappropriate use of power and lead to difficulty in managing projects" (PMI. 2009). By understanding and capitalizing on cultural differences the project management team is closer to obtaining a mutual win-win atmosphere. Differences can not only be within the company but from outside stakeholders, suppliers or vendors. Getting to know the team on some sort of personal level can go a long way in a successful communication plan.

Uncertainty and change in a project is fairly common amongst some groups and individuals that are directly or indirectly affected by the project or change being put in place. In a matrix environment a team member may be receiving two different requests from management and have to adapt to this environment. Cultural norms dictate how staff behave and act. When faced with extreme change the following chart shows how reaction is formed and progressed. Understanding this progression as a normal pattern a project manager can anticipate how to better help a team member adjust.

Table 1-2 Employees reaction to extreme change (Turner et al. 2002)



Team Dynamics

Respecting time and only participating in value-add discussions can go a long way to maintaining relationships in a matrix environment. Running an effective meeting consists of several major points that are critical to your success rate.

- Be clear on the meeting objective or purpose.
- Follow an effective meeting agenda that includes: the propose, action items amongst the standard date time and location with member list. Distribute this before the meeting if possible.
- Try to obtain input on the agenda from members and update the agenda as appropriate.
- Identify who should attend and if they can make the date proposed.

Having a well organized meeting in any matrix structure is more vitally important. Team members from various teams need to be coordinated to everyone can attend, at times this may not be possible and is a challenge a project manger faces. Team members may not have answers and the project manager must anticipate this via meeting requests and come prepared with the missing individual(s) information ready for the team.

Influencing People

Obtaining buy-in is crucial to getting everyone on the same page as the project progress in its various stages. Considering key stakeholders such as the project sponsor or owner of the process is not good enough. Creating a stakeholder plan of the individual(s) needs and wants can help as a reminder when discussing pressing issues or looking to get cooperation on a key issue which faces resistance.

Table 1-3 Stakeholder Buy-in Plan (Federico, M., Beaty, R. 2003)

Name of stakeholder/group:	
Specific influence objective:	
How to increase (or reframe) benefits to this stakeholder:	
How to reduce (or reframe) "cost" or inconvenience to this stakeholder:	
How to deal with any current or anticipated conflict with this stakeholder:	
Plan for direct influence:	
Plan for indirect influence:	
Implementation considerations (including timing and communications approach):	

Understanding one's motives and interests can help you fill out this plan. Considering: money, resources, fairness, saving face, reputation, prove value in the organization, control over events or departments, concerns about a relationship can all provide assistance when you have to influence many people to get cooperation from a project. Past situations with a member or manager can be very helpful in how to deal with a complex or fragile situation that one may face.

The key principle that makes one influence strategy more appropriate than another is a combination of:

- The situation
- You and your capacity to influence
- The person you're trying to influence

Conflict Resolution

Conflict is inevitable in a project environment and is a natural forceful search for alternatives. The most common sources of conflict in matrix organizations come from fixed level of resources (people, facilities & technology), schedules, work styles and priorities. Communication plan and roles, ground rules and group norms can reduce the level of conflict a group has. A certain level of conflict is healthy for maintaining high quality and creativity.

Different opinions can lead to better decision making and allow for cohesive teams. Facilitation from the project manager becomes important when the differences become a negative factor to the team. Conflicts should be addressed in private direct approach, not in front of the team which can embarrass the individual(s).

Six Techniques for Resolving Conflict

Withdrawing / Avoiding: Retreating from an actual or potential conflict situation.

Smothering / Accommodating: Emphasizing areas of agreement rather than areas of difference.

Compromising: Searching for solutions that bring some degree of satisfaction to all parties.

Forcing: Pushing one's viewpoint at the expense of others; often only win-lose solutions.

Collaborating: Incorporating multiple viewpoints and insights from different perspectives; leads to consensus and commitment.

Confronting/ Problem Solving: Treating conflict as a problem to be solved by examining alternatives; requires a give-and-take attitude and open dialogue.

(PMI. 2008)

Confronting / problem solving is the most advantageous solution a project manager can use to resolve a situation. This enables a win-win solution. Compromising although it sounds like a great solution can often lead a less than optimal result.

“It is important to recognize that a project structure needs to be optimal for the task that they must perform...The maturity of the organization with respect to its project management systems, culture, style organizational structure and project management office will influence the project” (PMI. 2008). Selecting and working with a various matrix structure has unique benefits as well as concerns that need to be addressed and those inherent risks minimized. A paradigm shift in management thinking is needed to be successful in a matrix organization. Project managers must be flexible and attentive. Management of relationships and engagement of important stakeholders are critical in these dynamic environments. This environment places great stress on project managers to read politics and stakeholder’s requests as well as the signals they send and receive.

This paper recognizes that the project manager may not have formal power (such as in a weak matrix structure) but still needs to influence people and outcomes; through building alliances of support. It is necessary to understand the formal structure, informal structure and environment the project manager works in. Being politically perceptive is vital to success in this type of environment.

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