Managing the matrix

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Published: 03 July 2015

Omar Zein looks at the problems of managing projects in a matrix organisation, and presents some ideas to help make the matrix work. This article is a companion to Omar's Guest Editorial: Culture, leadership and the matrix organisation.

There are numerous studies that have analysed the problems presented by the matrix organisation and suggested solutions. The vast majority of these were performed in the US during the 1970s and 1980s. This short article presents an overview of some conclusions to these studies, and lists key factors that help make the matrix organisation work.

The findings can be grouped under the following headings:

1. Misalignment of goals
2. Ambiguous roles and responsibilities
3. Unmanaged structure

1. Misalignment of goals

At first, it may seem incorrect to relate ‘misalignment of goals’ to the matrix organisation, because the problem arises from the involvement of various functions in a single project, bringing together misaligned functional goals and objectives. It would seem sensible to assign this problem to the very existence of the functional focus despite how fundamental and necessary that focus is, and instead to note that the matrix has ‘reduced’ the overall misalignments that would have been far more significant in a purely functional organisation. But that is an incorrect assumption, despite how logical it may seem.

Cross-functional projects in a functional organisation do not suffer from misalignment of goals, but rather from *disagreement on goals*. That is, a functional department may be too focused on its own local goals to perceive the goals of a different department as priority. This may stop the project progressing altogether in a functional organisation until a clear top management command is given to all involved to adhere to the project’s communicated goals; and in a functional organisation, such a top management command is dutifully accepted.

The issue arises when the functional organisation finds itself having to repeatedly implement cross-functional projects, varying in all sizes, duration and scope. But having to involve the top management for each project in order to ensure the collaboration of all involved functions becomes impractical. This can be remedied, within the strong project matrix, by the ‘head of project management’ who plays a mediator and negotiator role between the functions involved whenever a conflict becomes apparent. However (and this is where the subtleties make all the difference to our understanding of the matrix dynamics), there are two key elements to consider:

1. The 'head of project management' is not more senior than the functional managers (nor should they be; the idea is to give equal weight to projects and processes), whereas, typically, the top management that dictated the important project in a functional organisation, is more senior. Indeed, it is often the CEO
2. While in the functional organisation the project goals were accepted by all functions once they had been dictated by top management, in a matrix organisation they are often presented by the 'head of project management' as advantageous within the various functional areas, and in turn, negotiated

Often heads of project management find themselves having to present a win–win scenario to the functional heads involved in order to gain their support. In the end, each function focuses on those aspects of the goals that are more important to its own context, and this in turn results in a goal misalignment across the project.

Notably and as compared to one another, neither the functional nor the matrix organisation emphasise higher stress an overall alignment towards the *organisational goals* derived from its very vision and strategy. Stressing the alignment that shifts the focus away from the local departmental and functional needs towards the overall organisational needs is not a structure-dependent outcome and it must be addressed as a separate solution.

2. Ambiguous roles and responsibilities

Although arguably of lesser negative impact than misaligned goals, ambiguous roles and responsibilities is surely the most evident and repetitive problem resulting from the matrix organisation and, as any project manager in the matrix will tell you, the most frustrating.

It is absolutely no fun having to frequently remind various stakeholders of their responsibilities in the project or having to stress and re-assert your own.

More worryingly, in key research by California State University on the challenges of the matrix, only 23 per cent of top management questioned perceived an ambiguity in roles and responsibilities as opposed to 87 per cent of mid-level management. If anything at all, this huge discrepancy is stark proof that the matrix in itself is no tool for better communication; communication that becomes even more crucial with the ambiguity that the matrix brings about.

Common problems arising from this issue are:

- Tensions between employees arising from conflicts of perceived roles and responsibilities
- Confusion arising from having more than one boss
- Not knowing who to ask for information
- Not knowing where the authority lies
- Decisions take very long to make

3. Unmanaged structure

When a project management office (PMO) is established, it is never as a one-off setup that is then left to run by itself. An efficient PMO has a PMO manager, and part of their responsibility is to periodically verify that the PMO is performing at its maximum possible efficiency. Metrics and indicators are often used to measure the impact of a PMO and find out where it maybe modified and updated to make it perform an even better job. The PMO manager has the overall responsibility of overseeing the quality of the support it provides to its assigned projects.

Ironically, and despite the matrix being a structure of more complexity and impact than a PMO, it is very rare that it is given the management attention that a PMO is. It is too often assumed that the matrix will run itself and all its dynamic responsibilities will naturally find their place across its members. As a result, a matrix organisation faces the risk of becoming old and non-reflective of the realities it represents, as well as falling victim to political forces making subjective interpretations of the matrix that fit their local needs. Many matrix organisations disintegrate with the concerned organisation finding itself operating within a dysfunctional structure.

The main cause of this irony is that, while a PMO has the role of implementing clear processes and procedures alongside its informational support (reports, documents, plans and so on), the matrix is mainly about *fluid* roles and responsibilities and does not in itself define processes or procedures. This makes it particularly tricky to pin down what makes a matrix organisation efficient for a specific organisational need (and how to measure it), and requires a very mature level of management seniority as well as comfort and ease with high levels of ambiguity.

The study by the California State University identified the figure of ‘matrix guardian’ as an essential role to the matrix integrity and success. The matrix guardian is typically a dedicated top management executive with responsibility over the matrix performance, often a role taken up by a member of the board who is nearing retirement. The study noted that the two highest-performing matrix organisations within their research employed a ‘matrix guardian’.

Solutions?

There are many that have been proposed. Here is a brief outline of the key suggestions:

1. Communication, communication, communication

Not only with regards to project objectives, plans and progress, but more so with regards to the organisational strategy and how the project outcome will result in achieving goals which fit that strategy because, for the matrix to function efficiently, the whole spectrum of project stakeholders must understand the bigger picture and retain focus on the wider objectives of the project. This is the only way to avoid the misalignment of goals without falling victim to negotiating mid-way solutions between departments as if they were not part of the same organisation.

Enterprise-level training for young and middle management is a good start to get people aligned towards a common purpose.

2. Clear roles and responsibilities, and authorities!

When it comes to roles and responsibilities, the choice is yours: from RACI (responsible, accountable, consulted and informed) to RASIC (responsible, accountable, supporting, informed and consulted) and all points in between! The important thing is that, as a minimum, details of those who are 'responsible' (people who do the work) and 'accountable' (people accountable for the work) are made clear to all stakeholders for each and every defined piece of work. Furthermore, it is futile to make anyone accountable if they do not hold the authority over the area they are accountable for, be it a task, a work package, a decision or whatsoever.

3. Skilled leadership

Each time a project manager pulls rank within a matrix, they lose some influence. Instead, being able to lead and influence people through good interpersonal skills that do not ignore other people's points of view is key. Both skilled leadership and good management are always important, but if I were to simplify for the sake of clarity, I would say that project management in the functional organisation emphasises authority and management skills, whereas in the matrix, it emphasises influence and leadership skills.

4. Appoint a matrix guardian

This most important advice has been far less quoted than the others. Indeed, I only spotted it once in the California State University study. It may be that it is less quoted because it is not a decision anyone other than the CEO can make, while the other advice can be applicable at lower levels. Nevertheless, I chose to add it to this brief list because of its crucial significance.

Further reading

"Managing effectively in a matrix", by Ruth Malloy, *Harvard Business Review*, August 10, 2012.

"Problems of Matrix Organizations", by Stanley M. Davis and Paul R. Lawrence *Harvard Business Review*, May 1978.