

Matrix Working

Succeeding in complex organizations

Terence Brake



tmaworld
borderless learning



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► Personal Note

When I first started training and consulting, a frequent complaint from managers and employees was that the organizational right hand didn't know what the left hand was doing. A customer might be working with a number of departments in an organization, but the departments could be ignorant of the fact. The customer often knew more about the organization as a whole than the company's functional representatives. It wasn't unknown, I was told, for a customer to play two or more sales groups in the same organization against one another to get a better deal!

Jay Galbraith tells this amazing story in his book *Designing Matrix Organizations That Actually Work*: "The ABB team said that DaimlerChrysler pointed out to them that there were thirty-seven sales forces from ABB calling on the company. DaimlerChrysler was getting thirty-seven different levels of service from these sales forces, whose members did not know each other." [1]

Now, of course, right-hand and left-hand doesn't begin to describe the complexity in many organizations. Today's businesses more often resemble the Hecatonchires – gigantic creatures in Greek mythology with fifty heads and one hundred arms.

Participants in my training sessions say things like, "I thought we were supposed to keep things simple," and "Is this just a crazy way to get people to leave the company without actually firing them?" It was no surprise that in the 1970s and 80s matrix management began to lose favor. When I was doing a literature search for this book, I lost count of how many times I came across a matrix article with 'Surviving' in the title.

In their book *In Search of Excellence* in 1982, Tom Peters and Robert Waterman declared that no excellent companies used a matrix design – it was too complex, rigid, over-engineered. In the 1990s, however, the matrix started making a comeback. Globalization and hyper-competition forced companies to

look again at leveraging knowledge and expertise across traditional functional silos. Project work, virtual collaboration, and horizontal integration were back on the corporate agenda. Very few large organizations today are without some form of matrix in their structural and cultural makeup, although networks are increasingly being looked at to generate even greater organizational agility.

Were managers and employees in those early days wrong about the matrix? No, they weren't!

The problems were not the result of the matrix structure per se, but the fact that the matrix was only seen in structural terms, and often as just a horizontal add-on to a dominantly vertical organization.

Unfortunately, add-ons don't always add on value.

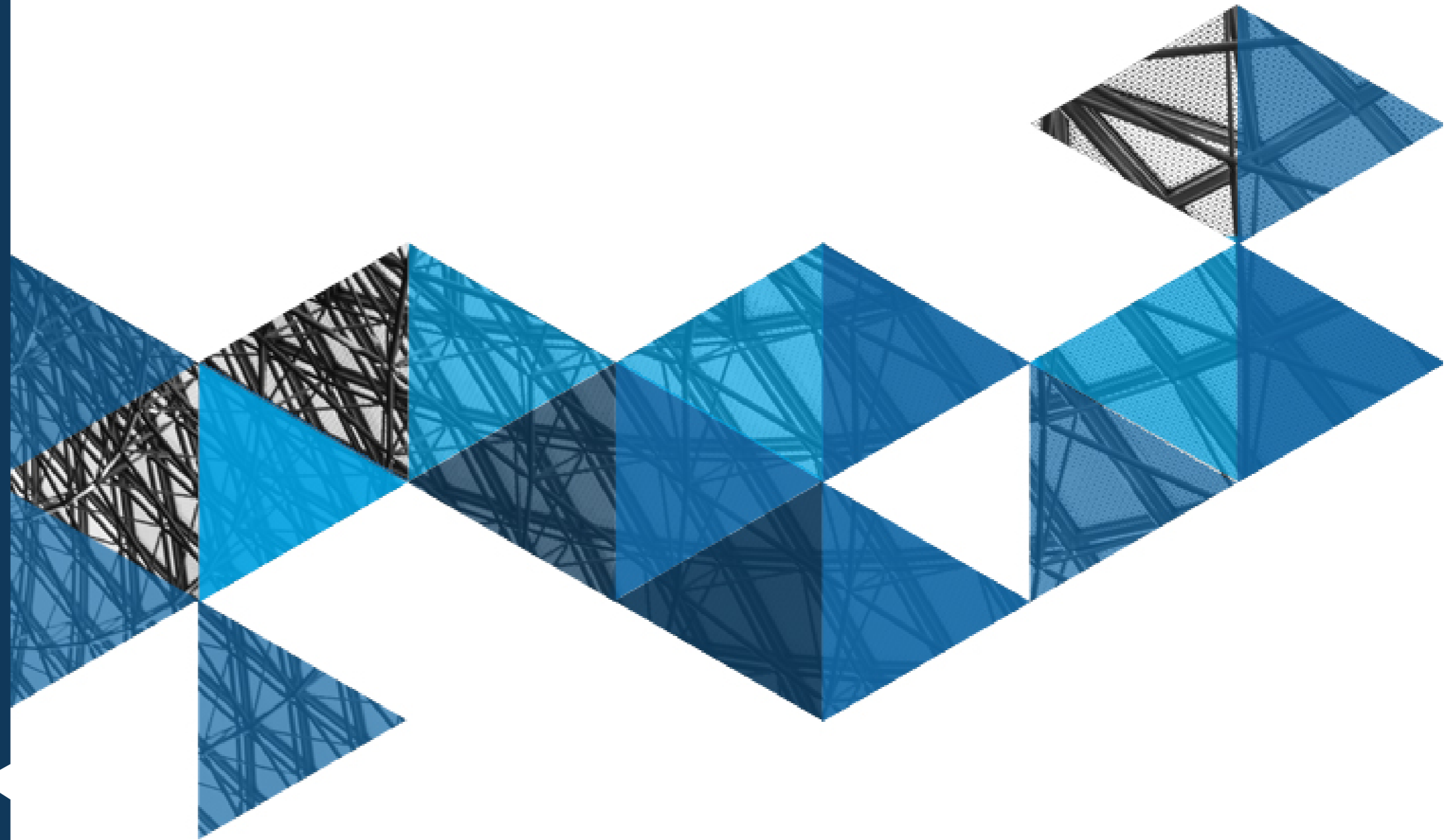
Terence Brake



► Turbulence and the Matrix Organization

“When the ground rocks, structures must flex.”

Economist Intelligence Unit [2]



Turbulence and the Matrix Organization

► The Agility Quest

“The vast majority of companies around the world today are ill-prepared or not prepared at all to succeed in an environment of continuous, unpredictable turbulence.”

John A. Caslione, Ivey Business Journal, November/December, 2009 [3]

What is a matrix organization? It is a grid-like organizational structure that blends vertical and horizontal areas of responsibility and authority to handle multiple and sometimes contradictory priorities.

Matrix structures of old typically consisted of two dimensions like function (vertical) and project or product (horizontal). They evolved into three-dimensional matrix structures comprised of global business units (GBUs), regions/countries, and global functions. Later, customers were saying, “Hey, what about us?” And so, another dimension - and even more reporting relationships - were added to the organizational labyrinth. Ongoing turbulence and change in the business environment has led some companies to create the multi-dimensional organization with six or more dimensions.

Look up turbulence on the Internet and you will find violent images of weather systems, seismic activity, or of airplanes dancing seemingly out of control in crosswinds. You will encounter words like tempestuous, disturbance, irregular, instability,

disorder, and chaos. Turbulence in economics and business has become the new normal, and it manifests itself in:

- **Hyper-competition:** competition from here, there, and everywhere
- **Hyper-complexity:** multiple businesses, geographies, brands, markets, and diverse organizational, economic, political, and regulatory environments
- **Hyper-connectivity:** multiple actors on multiple technologies sharing multiple forms of information for multiple purposes
- **Hyper-diversity:** multiple demographic/cultural groups interacting with different values, norms, perspectives, and approaches

In recent decades – given the chaotic and hyper-competitiveness of markets - organizations have been focusing on agility to gain competitive advantage.

According to Business Dictionary.com, organizational agility is:

“The capability of a company to rapidly change or adapt in response to changes in the market. A high degree of organizational agility can help a company to react successfully to the emergence of new competitors, the development of new industry-changing technologies, or sudden shifts in overall market conditions.” [4]

A McKinsey survey found 9 out of 10 executives ranked organizational agility both as critical to business success and as growing in importance over time. [5]

While the importance of agility is undeniable, many organizations still suffer from what Accenture calls “slow organizational reflexes.” These can be demonstrated in slow product development, turtle-like adoption of new technologies, or the inability to shift the right talent with the right expertise to promising opportunity-points. According to Accenture:

“An agile organization looks across the dimensions of talent, culture, organization structure and leadership and creates flexibility across all those areas. In the end, it adds up to a

Turbulence and the Matrix Organization

► The Agility Quest

workforce that can move at the speed of ideas and the speed of new opportunities.” [6]

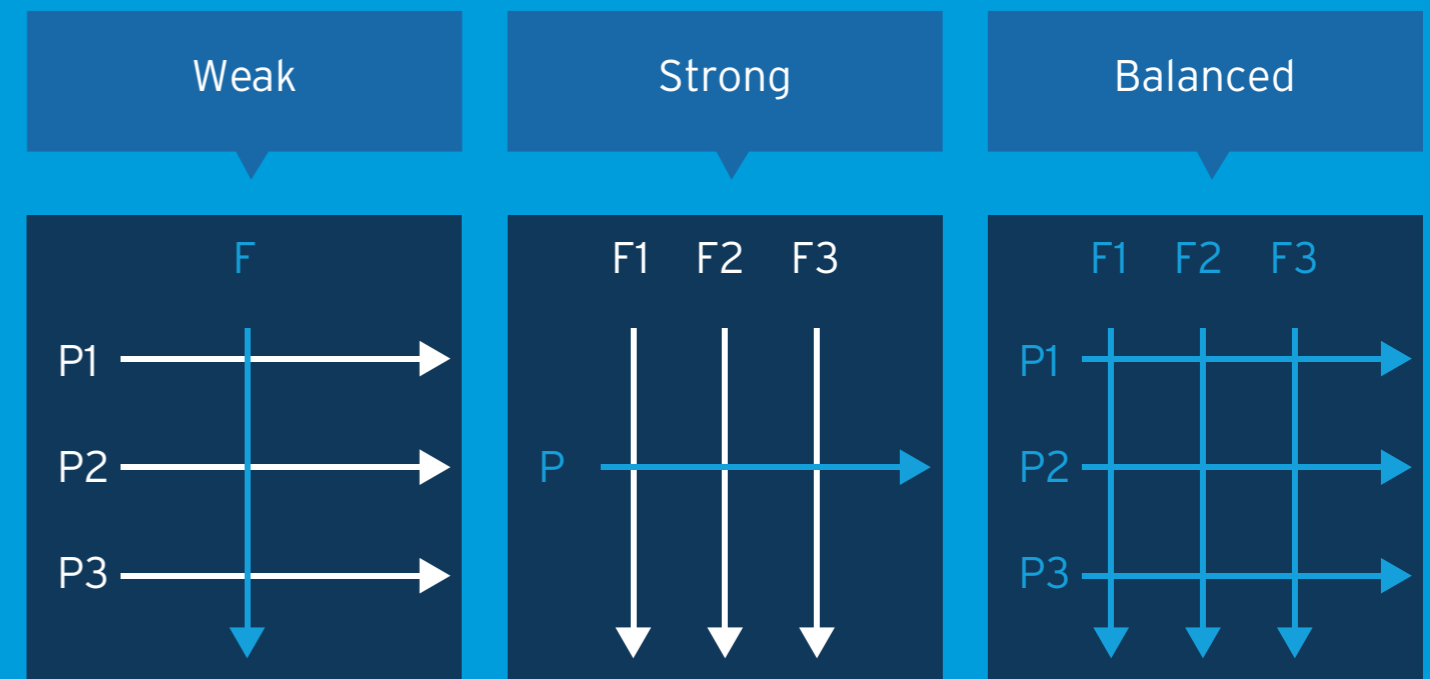
Organizational structure is only one piece of the agility puzzle; when thinking about the matrix structure with its horizontal roles and responsibilities, we must always remember that managing the ‘softer’ side of matrix working - psychological and relational factors - will be critical to success.

Your thoughts

- How are the following impacting your organization?
 - Hyper-competition
 - Hyper-complexity
 - Hyper-connectivity
 - Hyper-diversity
- What is your organization doing to increase its agility?

Matrix Types

Matrix organizations come in many shapes and sizes, but three types are usually singled out.



F = Function
P = Process/Product

Weak Matrix

In a weak matrix, a horizontally-focused project manager will have limited power and authority. His or her role – often part-time - will be to coordinate and facilitate the cross-functional aspects of a project. Functional managers maintain control over their budgets, resources and specific project responsibilities. This type is most useful when functional excellence should be foremost in achieving the matrix project goals.

Turbulence and the Matrix Organization

► The Agility Quest

Strong Matrix

In a strong matrix, the horizontally-focused project manager – typically full-time with support staff - has overall authority, including control over project budget. The role of functional managers is to provide whatever functional expertise and resources are needed. Management of a cross-functional process typically requires this kind of matrix.

Balanced Matrix

In a balanced matrix, power and authority are shared between functional and project managers. The project manager is usually responsible for defining what needs to be accomplished, creating the overall plan, integrating the contributions of the different functions, drawing up schedules, and monitoring progress. The functional managers are responsible for assigning people, and getting their part of the project done on time and to agreed-upon standards.

Organizations are complex and so may have different matrix types operating simultaneously. One client I spoke to described the matrix in her organization as a Gordian knot whose complexity was unfathomable to anyone. It would take an Alexander the Great to slice through the knot and begin the untangling.

Whatever configuration of design elements are found in an organization there is one key question to be asked: Is our organizational design driving our strategy, or is our strategy driving our organizational design? If the former is your answer, it's time for new thinking.



Turbulence and the Matrix Organization

► Matrix: The Promise and the Pain

“ It will present greater difficulties than either work-focused or results-focused design. But there are organizational problems where the very complexity of relationships makes [a matrix] the only appropriate design principle. ”

Peter Drucker [7]

How do you lead or work effectively in a matrix. One of the first things to do is to develop greater awareness of why your matrix exists. What benefits is your organization hoping to achieve? Next, where are the likely pain points so that you can be proactive in avoiding some of the likely problems?

Some Potential Benefits

Adaptability: Ability to 'rewire' the structure of the business relatively quickly

Communication: Increasing communication and cooperation across organizational silos

Coordination: Provides structures and processes for meeting complex environmental demands

Customer Focus: Targeting organizational capabilities directly on the customer

Decisions: Faster and more informed decision making in a complex business environment

Empowerment: People working more independently and interdependently

Innovation: Increased potential for creativity as functions, products, geographies, etc. intersect and cross-fertilize ideas

Knowledge: Creating and leveraging specialist knowledge across traditional borders

Mindsets: Managers and others working across silos will develop broader (global) mindsets

Opportunities: Identifying hidden opportunities and synergies across the business

Optimization: Managers focused on generating best results for the enterprise rather than pursuing success in one part of the business at the expense of others

Resources: Unlocking resources – including talent – to create value across the business

Responsiveness: Faster solutions to customer problems and demands

Speed: Cutting the time from concept to marketplace

Talent: Choosing the best people worldwide to fulfill specific project needs

Your thoughts

- Why did your organization adopt a matrix structure? What specific benefits were you hoping to achieve?
- Have those benefits been achieved?

Turbulence and the Matrix Organization

► Matrix: The Promise and the Pain

Some Potential Pain Points

Drucker was right about the matrix presenting greater difficulties. Even today – some 50 years after the matrix structure was introduced – complaints about working in a matrix abound.

While attending a recent Chief Learning Officer (CLO) conference, I kept witnessing a Pavlovian response. Everyone I met was excited and enthusiastic until I mentioned the word 'matrix'. Eyes would bulge and roll, and there was a noticeable quivering of lips and hands. If given a choice, delegates would gladly wrestle the matrix demon back into the dark place from whence it came.

While CLOs, bloggers, and publishers enthuse over the potential of networks, the everyday reality for many managers is the matrix.

How often have you heard comments like:

"I'm exhausted. This is way too complex!"

"I think that's your role, not mine."

"Can someone tell me who's in charge?"

"I seem to have the responsibility, but no authority. How did that happen?"

So, where can problems arise?

Bureaucracy: Meetings, committees, councils and reports can multiply slowing down decisions and productivity

Blockages: The increased number of communication channels can lead to information pileup

Change: While organizations need agility, matrices often suffer from constant reorganization which disrupts relationships

Competition: Battles over resources can intensify leading to higher levels of politicking and 'turf wars'

Confusion: Organizational complexity can lead to ambiguous roles and responsibilities resulting in duplication of work and increased conflict

Contradictions: Different managers in the matrix may give contradictory requests leading to what is called 'the curtain effect' – employees using contradictions to make excuses and become less accountable

Culture: The organizational culture may not have the level of collegiality and cooperation needed to support the level of interdependence needed in a matrix

Dis-empowerment and Mis-empowerment: People feeling they cannot make decisions without going through multiple channels, or they work on the wrong things because of a lack of clarity

Misalignment: Many organizations put a 'matrix overlay' over existing structures and processes meaning that what is needed for a successful matrix might not be supported fully, e. g. reward systems that continue to promote vertical versus horizontal behaviors

Turbulence and the Matrix Organization

▶ Matrix: The Promise and the Pain

Parochialism: Managers and employees can have trouble moving beyond a narrow, silo-mindset

Processes: Identification of horizontal processes can be challenging; workflows/processes, for example, often have a departmental focus

Reporting: Dual (or more) reporting lines can create conflicting loyalties as well as increased workloads on employees; the difficulty of monitoring progress can also be increased

Skills: Managers and employees unprepared to meet the challenges of organizational complexity - insufficient skill levels in handling conflict and negotiation, influencing without authority, and prioritization

What has kept some form of matrix alive in many organizations is the fact that the environment continues to intensify in volatility, uncertainty, complexity, and ambiguity.

Organizations have little choice but to rely heavily on horizontal processes and project teams whose members are pulled from different businesses, customer and product groups, functional areas, and geographies.



Your thoughts

- What are the most challenging pain points in your matrix?
- What have you tried to minimize these pain points?

Turbulence and the Matrix Organization

► The Wider Organizational Spectrum

“ Superior performance is possible only when there is a high degree of fit between the requirements of the environment and the capabilities of the firm. In increasingly turbulent environments, this fit is temporary at best. Agility is the dynamic capability that allows outperforming firms to sense and respond to their environments and to rapidly reallocate resources, build new capabilities, and, perhaps most important, jettison the assets and activities that no longer create value. ”

The Agility Factor: Building Adaptable Organizations for Superior Performance, Christopher G. Worley et al, 2014

There are a bewildering number of organizational options in business simply because there is no one best design for success: crowdsourcing, flash teams, holacratic, lattice, networked, and wirearchy to name a few of the most recent (see appendix for definitions). It is increasingly difficult to categorize a company just as a matrix. What is common is that a large organization will have several types of structure operating at the same time. Some of these structures could be long-term and relatively stable, but others could be temporary. Some structures may be overlaid over others creating complex hybrids. Why would this be the case?

A company might find it advantageous to organize itself differently for serving customers in developed (versus emerging) markets, and for global and local customers. It might organize differently to serve markets with high or low growth rates, or for different customer segments. In short, globalization and digital technologies have created **multiple** ways in which work can be done and customers served.

To cut through the complexity of organizational structures, let me simplify - there has been a shift from mechanistic and hierarchical forms to more organic forms. By 'structure' we mean how the work of individuals and teams is coordinated to achieve the goals and objectives of the organization.

Mechanistic forms are characterized by a structural command and control approach to coordination:

- Most important decisions are taken at the top or center of an organization
- Status and power are tied to formal positions
- Roles and responsibilities are clearly defined and demarcated
- Communication tends to be formal, restricted and one way – top-down, center-out
- Policies, procedures, and practices are standardized, and documented in detail

The mechanistic structure has been with us so long that many see it as the 'natural' or default way to organize. While many argue that the days of the mechanistic structure are over, it does have use in organizations driven by cost-minimization and efficiency. It fits best in an environment that is relatively stable.

At the opposite end of the organizational spectrum are organic structures or networks.

While people have always lived and worked in networks, the internet, social networking, and mobile revolutions have greatly increased the potential size, scope, and fluidity of networks. Networks can now form almost instantaneously without a centralized, controlling hand. With shared collaborative leadership – or no recognizable leadership at all – organic networks are always shape shifting.

The organic type of networked organization has been defined by Jessica Lipnack and Jeff Stamps as one:

“...where independent people and

Turbulence and the Matrix Organization

► The Wider Organizational Spectrum

groups act as independent nodes, link across boundaries to work together for a common purpose; it has multiple leaders, lots of voluntary links and interacting levels.” [8]

Organic forms are characterized by a cultural, relational approach to coordination:

- Authority and decision-making shift within fluid, decentralized structures
- Groups/ teams form and change based on continuous feedback and openness to the environment
- Status and power are tied to expertise, access to resources and participant contribution
- Roles and responsibilities are flexible depending on circumstances
- Communication is informal, open, and multi-way

- Policies, procedures, and practices emerge within collaborations rather than being pre-defined

Central to the organic network organization is the self-organizing principle – organizational success is dependent on how independent knowledge workers connect and collaborate. Social networking, flash teams, work swarms, and crowdsourcing are characteristic of the organic network.

In an interview with Business Insider, Google CEO Eric Schmidt said: “The new phrase is of course network-based organization. And we think Google is probably the best example of a network-based organization. Very flat, very non-hierarchical, very much informal in culture and ideas – ideas come from everywhere.”

Supportive of what I’ve said about network organizations taking a cultural, relational approach to coordination, Schmidt makes the point that “Google is run by its culture and not by me...Google is unusual because it’s really organized from the bottom

up. Google runs via small short-term teams that continually form, reform, and refocus. Information about who is working/thinking on what is distributed via blogs, and knowledge sharing across teams is via YouTube videos. Quality control on independent projects is via frequent peer reviews.” [9]

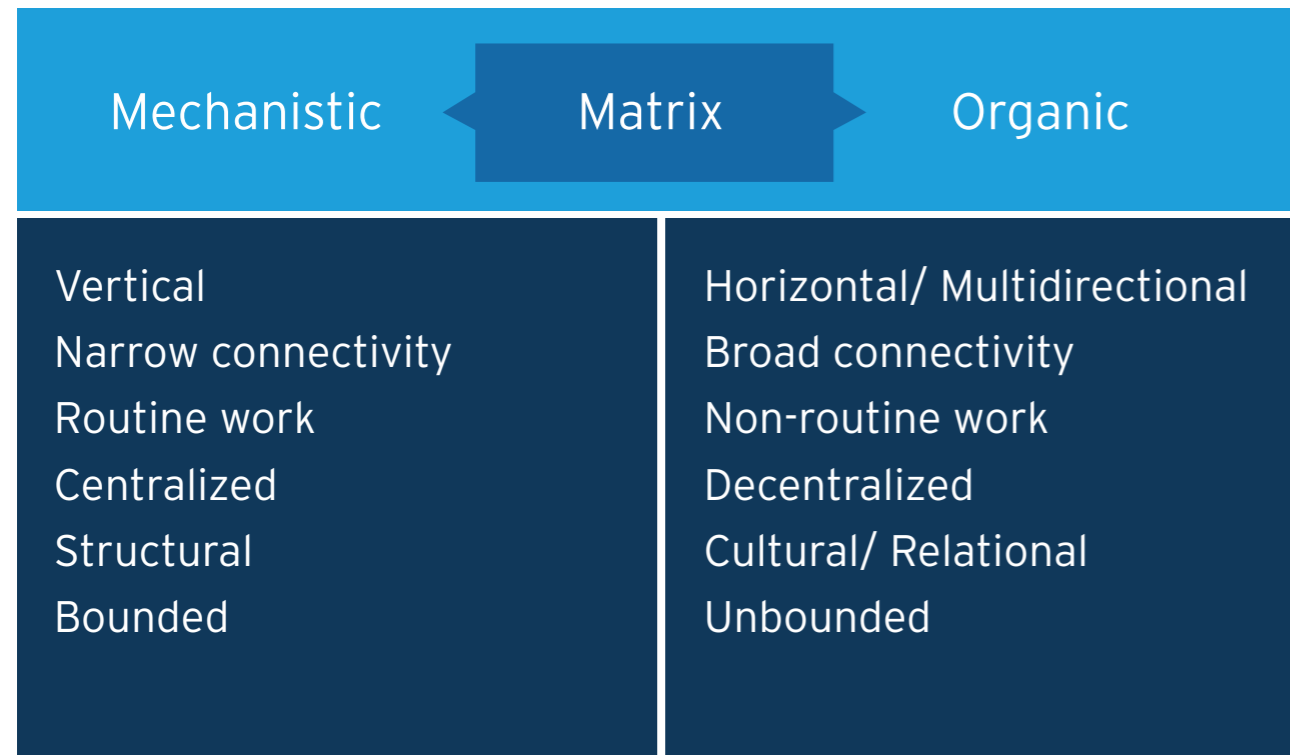
Another organic network organization is W. L. Gore & Associates, a company with approximately 9,000 associates in 50 locations across the world (and best known for Gore-Tex fabrics). Apart from a CEO, there is no formal hierarchy; not even titles are used. In an interview with Gary Hamel, Gore’s CEO – Terri Kelly – said, “We’re a lattice or a network, and associates can go directly to anyone in the organization to get what they need to be successful.” [10] People decide what they want to work on and where they can make the best contribution. Organic networks configure around shared purpose and interests rather than assigned roles and responsibilities. They rely on reciprocal patterns of communication and exchange, as well as interdependent flows of resources.

The extreme mechanistic and organic types of network sit at different ends of an organizational spectrum, but as already stated they are not ‘either/or’ organizational options.



Turbulence and the Matrix Organization

► The Wider Organizational Spectrum



The traditional vertical-horizontal matrix sits somewhere in the middle of the organizational spectrum. The problem for many organizations that have been matrixed for some time is that they have become 'clunky', convoluted, and inflexible. This is why the trend is to reinvigorate matrices by focusing much more on customer-focused horizontal processes with more organic network traits to mobilize "mind power of the workforce and tap into...underutilized talents, knowledge, relationships, and skills." [11]

IBM no longer use the term 'matrix', but global network.

3M – well known traditionally for its matrix organization - crowdsourced its strategy process to more than 1,200 employees in 40 countries, identifying nine new future markets with potential revenue in the tens of billions of dollars.

Does this mean hierarchy and structure are dead?

John Kotter of Harvard Business School believes that the organization of the future, "will have two organizational structures: a Hierarchy, and a more teaming, egalitarian, and adaptive Network. Both are designed and purposive. While the Hierarchy is as important as it has always been for optimizing work, the Network is where big change happens. It allows a company to more easily spot big opportunities and then change itself to grab them." [12]

Your thoughts

- Would it be fair to describe your organization's matrix as 'clunky', convoluted and/or inflexible?
- Could your matrix benefit from introducing or strengthening networking capabilities?



Turbulence and the Matrix Organization

Key Messages

- A matrix is a grid-like organizational structure that blends vertical and horizontal areas of responsibility and authority to handle multiple and sometimes contradictory priorities.
- In our hyper-competitive-complex-connected-diverse business environment, companies are seeking organizational agility. There are three basic types of matrix - weak, strong, and balanced.
- The complexity of relationships in many organizations makes the matrix the most appropriate design.
- On an organizational spectrum, the matrix lies between a mechanistic-hierarchical form and an organic-network form. Many matrixed organizations are trying to integrate more organic features.
- The organization of the future will most likely have two organizational structures - a hierarchy and adaptive network.

▶ Leading in a Matrix

“ The inability to manage the matrix is usually an indication of a deeper problem in the organization, whether a failure of leadership, misalignment of goals or simply a matter of dysfunctional enterprise culture typified by politics, power plays and management ‘grandstanding’. ”

Strategic Analysis Report, Leading and Managing in the Virtual Matrix Organization, Gartner Inc., 2004



Leading in a Matrix

► Decision Engineering

One of my sons enjoys competing in Spartan races. These are obstacle courses ranging between 3 and 26+ miles with obstacles like the Fire Jump, the Barbed Wire Crawl, and Herculean Hoist. One common factor seems to be mud – lots and lots of mud.

Leaders – and others - working in a matrix can feel that they spend their lives competing in a Spartan race. **Matrix mud** seems an appropriate description for the ambiguity and confusion about who, what, how, when – and most importantly why - that can make every step tortuous.

When a matrix is slowing progress down rather than enabling it, the default response is often to apply more structural thinking. Don't get me wrong. Structures are vitally important in a matrix, but they must always be subservient to competitive strategies. It is easy to become mesmerized by grand architectures of solid and dotted line reporting relationships, and lose sight of the goal to deliver value in the marketplace.

In 2010, Bain & Company published a book through Harvard Business Review Press called *Decide & Deliver: 5 Steps to Breakthrough Performance in Your Organization* [13]. Central to this approach is clarity of decision roles and rights – “People can have more than one boss, but decisions can't.” That is an important insight to be embraced if matrix mud is not to swamp progress, but it may not go far enough in enabling effective decision making in a matrix.

Matrix leaders need to concentrate attention on four enablers of effective matrix decisions. Ideally, they will attend to them as the matrix is being developed as well as when it is in motion. If we inherit a matrix we can still clear the pathways to good decisions. What are the four enablers?

- Intent
- Governance
- Culture
- Processes



► Decision Engineering

Intent

Clear **Intent** enables distributed decisions to **align** around a common purpose, and reduces uncertainty in chaotic conditions. In military planning, the term used is Commander's Intent. This is a description and definition of what a successful mission will look like:

"Commander's Intent fully recognizes the chaos, lack of complete information picture, changes in enemy situation, and other relevant factors that may make a plan either completely or partially obsolete when it is executed. The role of the Commander's Intent is to empower subordinates and guide their initiative and improvisation as they adapt the plan to the changed battlefield environment...Commander's Intent is vital in chaotic, demanding, and dynamic environments." [14]

Do people in the matrix fully understand why it exists? What are the business benefits being sought after, and for which customers? Without this understanding matrix members will most likely make sub-optimal decisions based on their narrow range of 'local' interests. Ideally, they will value the horizontal plane (e.g. project) rather than vertical (e.g. functional) one. The horizontal plane is focused externally while the vertical plane tends to be internal. Alignment around intent matters!

Some Leader Tips

DO:

- ✓ Start with a single unifying and clear intent for the matrix
- ✓ Establish unilateral commitment to over-arching intent
- ✓ Keep a clear eye on intent while recognizing that plans may need to be adapted or recreated quickly
- ✓ Promote the importance of lateral value creation, as well as vertical
- ✓ Give matrix intent an external as well as internal customer focus
- ✓ Maintain unobstructed clear 'lines of sight' with mission-critical goals and objectives
- ✓ Ensure clear and precise goal-setting, particularly in a virtual environment
- ✓ Embed and reinforce intent, goals and objectives in regular matrix routines and events

DON'T:

- ✗ Always be looking for structural solutions

Leading in a Matrix

► Decision Engineering

Governance

Governance should drive discipline in decision making. A network might be self-governing, but a matrix isn't. It needs stewards who have oversight, make policies, set priorities for resource allocation, and assign key decision rights and accountabilities. An important feature of a successful matrix is ownership – who will make the final decision(s)? While it is relatively easy on paper to map decision rights and roles, the reality is often messy, and good negotiation skills are a must. A tool like a RACI Chart (mapping the roles of participants and other stakeholders, i.e. those who are Responsible, Accountable, to be Consulted, and Informed) can help manage complexity (see Thriving in a Matrix section). Clear decision rights matter!

Some Leader Tips

DO:

- ✓ Build a guiding coalition of key stakeholders
- ✓ Minimize the number of people who need to be consulted
- ✓ Make goals tangible and measurable
- ✓ Identify critical metrics that need to be common
- ✓ Be proactive and identify potential risk/conflict areas
- ✓ Reward personal ownership of goals and roles
- ✓ Break down high-level accountabilities into smaller 'chunks'

- ✓ Hold specific people and business areas accountable
- ✓ Define clear roles and responsibilities
- ✓ Minimize overlapping roles
- ✓ Seek your own role and responsibility clarity, if needed
- ✓ Pay close attention to critical decisions and their alignment with strategic intent; offer guidance on other everyday team decisions without micro-leading
- ✓ Establish a matrix 'steward(s)'
- ✓ Commit important agreements to writing

DON'T:

- ✗ Assume there can be perfect clarity or everything will run smoothly
- ✗ Proliferate ways of monitoring and reporting
- ✗ Overcomplicate decisions
- ✗ Tolerate unnecessary escalation of decisions to senior managers
- ✗ Start a governance process and abandon it at the first sign of resistance
- ✗ Forget the customer

Leading in a Matrix

► Decision Engineering

Culture

A collaborative **Culture** enables **quality** decision making in complex situations. One benefit of a matrix is that it helps to surface and clarify the multiple stakeholders involved, and their different objectives, interests, and needs. Collaborative information, sharing and problem solving is essential to ensure a decision takes into account, for example, global and local interests. This doesn't mean that every decision needs to be the result of collaboration, but key decisions often need to take into account different cultural and market conditions.

Some Leader Tips

DO:

- ✓ Measure and reward collaborative behaviors
- ✓ Isolate and discipline uncooperative behaviors
- ✓ Ensure the skills, talents, and contributions of those in the matrix are clearly understood
- ✓ Develop a common language and understanding around terminology
- ✓ Promote networking, frequent 'checking in', and open communication
- ✓ Encourage 'working out loud' to facilitate communication and transparency
- ✓ Promote dialogue rather than argumentative debate

- ✓ Drive engagement and alignment using questions rather than commands
- ✓ Help normalize the reality of ongoing change and increased ambiguity
- ✓ Recognize that mistakes will happen in a complex matrix; don't stigmatize failure, but tell the truth faster
- ✓ Normalize the inevitability of disagreements and conflict
- ✓ Promote side-by-side problem solving rather than confrontation
- ✓ Develop communication without assumptions, e.g. stereotypes
- ✓ Be inclusive of cultural and other differences

DON'T:

- ✗ Tolerate an unwillingness to share and collaborate
- ✗ Close off discussions too soon
- ✗ Tolerate blame games and finger-pointing
- ✗ Allow job titles to stifle contributions and innovations
- ✗ Allow perfection to become the enemy of progress
- ✗ Tolerate consistent under-performance
- ✗ Encourage either/or thinking

Leading in a Matrix

► Decision Engineering

Processes

Horizontal **Processes** are what drive the **speed** of decision making across the matrix.

A key question is: where do processes and practices need to be integrated to optimize the flow of activities and resources? Planning, organizing, communicating, allocating, monitoring, sharing, etc. all require a degree of standardization. Attention must also be given to how best to use any technological infrastructure for facilitating the rapid coordination and execution of decisions. If operations are not simple, smooth and efficient, the matrix can easily sap energy and spirit. Efficiency matters!

Some Leader Tips

DO:

- ✓ Focus on a 'way of working' together rather than overly formal organizational structures
- ✓ Drive for simplification and functional/process alignment
- ✓ Set priorities clearly and regularly
- ✓ Be proactive in identifying potential blockages and solutions
- ✓ Complete RACI and other charts to make commitments explicit
- ✓ Establish clear processes (e.g. decision making, coordination) and shared practices

- ✓ Remove unnecessary layers from the vertical and horizontal axes
- ✓ Clarify 'hand-offs' of work; interdependencies
- ✓ Ensure information flows are timely
- ✓ Focus on critical information to enable decision making
- ✓ Craft meetings to facilitate decision making
- ✓ Support project/process priorities with adequate resources
- ✓ Regularly calibrate changing multiple priorities between stakeholders

DON'T:

- ✗ Over-engineer processes
- ✗ Underestimate the impact of decisions on other stakeholders
- ✗ Generate multiple projects; attempt too much at once
- ✗ Lose sight of overall objectives
- ✗ Schedule too many meetings
- ✗ Tolerate unproductive meetings
- ✗ Tolerate over-complexity

Leading in a Matrix

► Decision Engineering

In reality, a matrix is never going to be a perfectly functioning organizational machine. By its very nature it is going to be full of tensions, uncertainties, dilemmas, and ambiguities.

Think about your own organization, and identify where critical decision effectiveness in your matrix could be most dramatically improved.

Intent → *Alignment*

To what extent do decisions in our matrix purposefully align with the company's mission and strategic intent?

- Not a lot
- Occasionally
- A great deal

Governance → *Discipline*

To what extent are our accountabilities and decision rights clear and respected?

- Not a lot
- Occasionally
- A great deal

Culture → *Quality*

To what extent do the values, norms, and rewards of our organizational culture enable collaborative decision making?

- Not a lot
- Occasionally
- A great deal

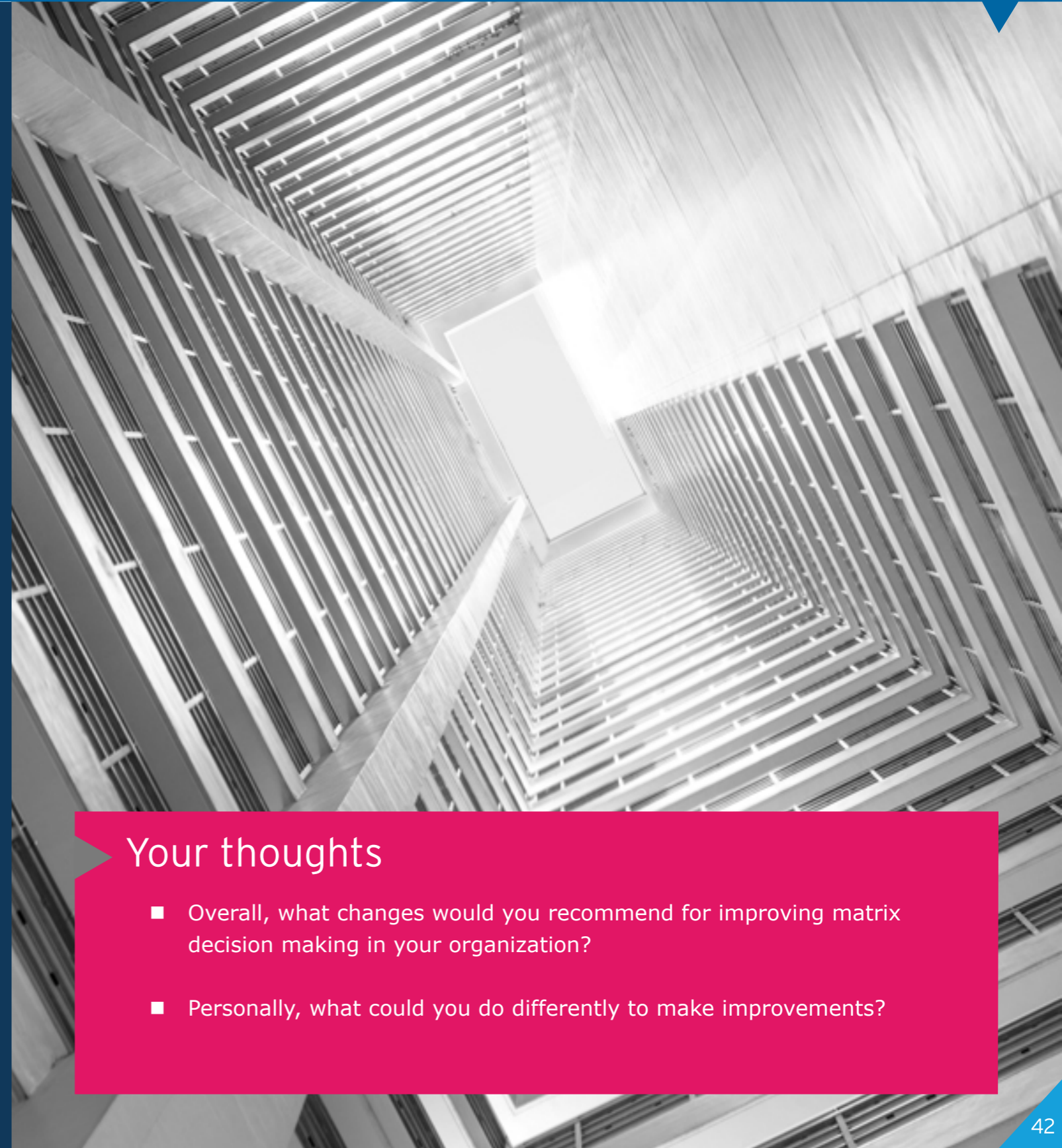
Processes → *Speed*

To what extent do our horizontal processes support the rapid coordination and execution of decisions?

- Not a lot
- Occasionally
- A great deal

Your thoughts

- Overall, what changes would you recommend for improving matrix decision making in your organization?
- Personally, what could you do differently to make improvements?



► Developing a Collaborative Matrix Culture

“ Do you know what the hardest change is in this? As any CEO will tell you, it's the culture. ”

John Chambers, CEO, Cisco [15]

Several years ago, I went to a performance of the Cirque du Soleil. The show was Love – a magical acrobatic performance woven around the music of the Beatles. The show as well as the music was not a product of cooperation (although I'm sure there was a great deal of that), but of collaboration. A truly-functioning matrix will also depend on collaboration.

What do we mean when we talk about 'collaboration'? And how does it differ from words with a family resemblance like 'cooperation', 'coordination', and even 'teamwork'. Let me start with a broad definition of collaboration:

People with different skills and perspectives co-creating 'something' that none of the individual members could have created alone.

The 'something' could be anything from new understandings about a problem or solution, a new process or product or event. As Michael Schrage says in his book Shared Minds: "... there is nothing routine about it. Something is there that wasn't there before." [16]

So how does this differ from related terms?

Cooperation: Is about saying and doing things that make working with others an agreeable and constructive experience. A group can be cooperative, however, while only producing a routine outcome. Cooperation can simply be compliance.

Coordination: Is about all the parts of a system working together efficiently – each part knows what to do, when to do it, in what order, and where the output needs to go next. It's about efficient and effective relationships between the parts, but like cooperation it may not produce anything that wasn't there before.

Teamwork: Is about working together to achieve a shared purpose, but teamwork itself doesn't necessarily reach the level of 'collaboration'. Some teams might be geared toward achieving relatively routine, non-surprising outcomes. You want the team to comply with policies, procedures and processes rather than collaborate and create.

That said, in today's complex environment in which new and unexpected challenges occur frequently, a good degree of collaborative effort is likely to be necessary in most teams.

Bringing collaboration technologies into an organization is no guarantee that collaboration will take place. Technology is a tool, but collaboration depends on behaviors, skills, and a supporting culture.

Long-term, short-term, formal, and spontaneous collaboration in physical or virtual spaces all need to be supported.

So, what can a leader do to help facilitate collaboration?

- Set collaboration expectations
- Role model expectations
- Measure expectations

Leading in a Matrix

► Developing a Collaborative Matrix Culture

A culture is a set of expectations we have of each other (“how we do things around here”). Most of the time these expectations are tacit rather than explicit, but if we want to encourage the development of a collaborative culture in our matrix we have to bring our expectations to the surface and reinforce them. Each organization should engage its people in identifying what expectations should define their collaborative culture.

How might expectations be expressed? Here are some examples that could help you promote a collaborative culture in your matrix-organization and/or team:

We expect everyone to...

- Participate and contribute
- Show equal respect to others
- Seek mutual benefit
- Reach out, network, build trust
- Create shared understandings
- Share what they know; learn from others
- Focus on their role rather than job title
- Follow through on commitments; be accountable
- Find constructive ways for handling disagreements
- Be inclusive of others
- Be flexible
- Communicate clearly and openly
- Listen attentively
- Ask rather than assume
- Seek and give help



Expectations such as these should be defined more clearly; what behaviors, for example, would demonstrate seeking mutual benefit or being inclusive? Again, the challenge is to engage people in the organization in identifying and defining such expectations. Social media makes this highly feasible.

Once cultural expectations have been adopted, leaders need to role model them continuously, and get feedback on how well they are meeting expectations. Leaders also need to ensure that a process is in place for measuring how well expectations are being met in their matrix teams, and in the matrix as a whole.

A change in culture doesn't happen quickly. As Prof. Tony O'Driscoll of Duke University Fuqua School of Business says: "Leaders need resolve, resilience and determination to affect collaborative transformation. They need to 'walk the talk' for a sustained period of time." [17]

Your thoughts

- What are the current strengths and weaknesses of your organizational culture in terms of supporting collaboration in the matrix?
- What are the primary things you could do as an organization to increase your collaborative capability?
- What actions could you take?

Leading in a Matrix

▶ Matrix Leader Profile: Three Lenses

A focus on clearing the pathways for critical decision making is a matrix leader's top priority, but what leader attributes support that responsibility?

One way to look at these attributes is by looking at matrix leadership through three lenses:

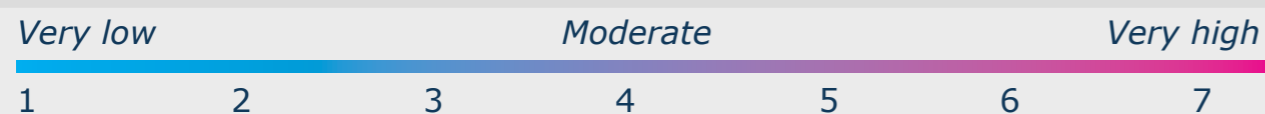
Organizational, Interpersonal and Individual.

Organizational
Lens:

What capabilities contribute to a leader achieving critical decision making effectiveness in a matrix environment?

Contextual intelligence: "Context consists of all the external, internal, and interpersonal factors that contribute to the uniqueness of each situation and circumstance." [18] Without an understanding of the context, it is impossible to make accurate interpretations, develop fitting strategies, adapt behaviors, influence others, and make good decisions. Leading in a matrix requires the ability to recognize and understand different contexts (e.g. businesses, functions, cultures), and apply knowledge appropriately in those contexts.

How would you rate your current **contextual intelligence** capability?



Digital Smarts: All technologies present possibilities and pose limitations in enabling tasks to get done and matrix relationships to be built. An email or project management software can be good for exchanging detailed information and task coordination, but offers little in terms of communication cues like tone of voice, intonation, and body language which can foster accurate interpretation of meaning. The matrix leader must choose technologies to fit the purpose. Our new technologies can push information out to one or many people, but also pull information from them (e.g. via social networks) to enrich knowledge sharing, problem solving, creativity, and innovation.

How would you rate your current **digital smarts** capability?



Integrative Thinking: The Rotman School of Management defines integrative thinking as "the ability to constructively face the tensions of opposing models and instead of choosing one at the expense of the other, generating a creative resolution of the tension in the form of a new model that contains elements of the individual models, but is superior to each." [19] Matrices are full of tensions, conflicting priorities, and dilemmas that cannot be solved with either/or thinking. Sometimes the challenge cannot be well defined or solved with existing knowledge or know-how, in which case the tension cannot be 'resolved', but only managed.

How would you rate your current **integrative thinking** capability?

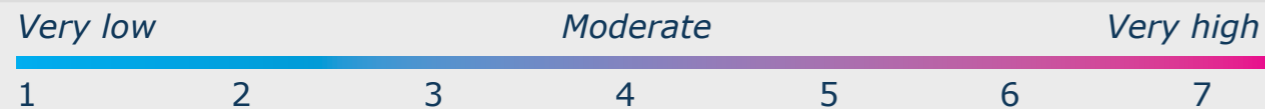


Leading in a Matrix

▶ Matrix Leader Profile: Three Lenses

Organizational Resourcefulness: Resourcefulness is the ability to make the best use of the resources we have. For a leader, this begins with gaining wide and deep knowledge of the matrix organization through, for example, formal and informal networking. Resources – including information, valuable contacts, and talent – can be hidden in the matrix, particularly when it is global. Social technologies not only help us connect and engage, but according to the McKinsey Global Institute “by fully implementing social technologies, companies have an opportunity to raise the productivity of interaction workers – high-skill knowledge workers, including managers and professionals – by 20 to 25 percent.” [20]

How would you rate your current **organizational resourcefulness** capability?



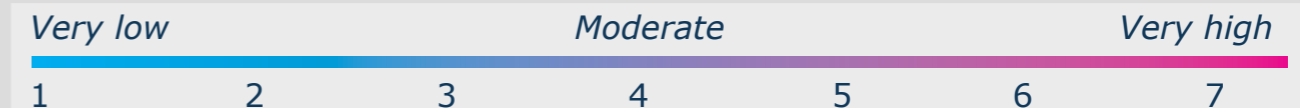
Make a note of your average score for Organizational Lens Capabilities

Interpersonal
Lens:

What capabilities contribute to a leader achieving decision making effectiveness in matrixed relationships?

Collaborative Leadership: Matrix organizations are by their very nature complex. Some decisions can be taken without input from others. Other decisions will require cooperation from others in terms of shared information, expertise, or advice. More complex decisions will require the collaboration of others, i.e. working together to achieve a goal that no one individual or group could/should have created alone. Collaborative leadership is not ‘a nice-to-have-soft-touch’ style of leadership. Creating efficient and effective collaboration across boundaries is hard work.

How would you rate your current **collaborative leadership** capability?

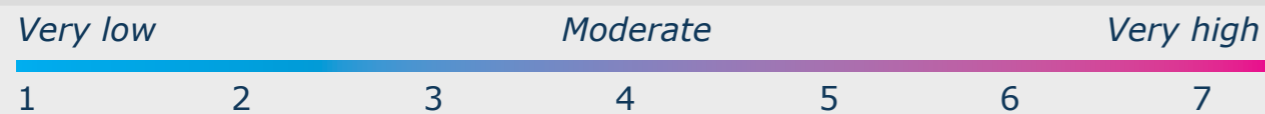


Leading in a Matrix

▶ Matrix Leader Profile: Three Lenses

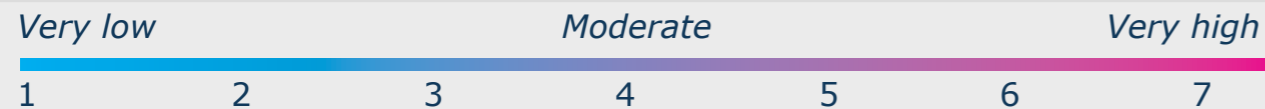
Influencing Without Authority: No matter what a matrix leader's formal position might be, he or she will be leading people over which they have no direct authority. The traditional 'unity of command' structure is being displaced. Influencing is increasingly the only option for getting things done. In complex organizations, reliance on traditional authority-based sources of influence is limiting and often ineffective. Influence is now founded on the 'softer' sources to create mutual benefits: expertise, information, the ability to build trust, and network connections. In a virtual workplace, a leader's ability to utilize new technologies effectively to create and develop relationships is also a major influencing factor.

How would you rate your current **influencing without authority** capability?



Leveraging Differences: A matrix crosses multiple boundaries. These can be between organizations, business units, and functions as well as geographies, cultures, and time zones. Cultural and other differences (e.g. cognitive style differences) in a matrix can be leveraged to stimulate new thinking and innovation. Diversity-by-design teams are being used in a number of organizations to develop new sources of competitive advantage (see Cultural Intelligence e-book in this series).

How would you rate your current **leveraging differences** capability?



Networking: A matrix leader's effectiveness is significantly influenced by the strength of his/her network connections. 'Strength' is a keyword in the above sentence – where does the strength of a network reside? According to research by the Hay Group "...the size of the network matters less than the quality and diversity of the contacts in that network." [21] Successful matrix leaders deliberately look for individuals who can help now or in the future. This includes people outside of the leader's field of expertise. An example the Hay Group gives is of a hospital CEO who built very useful connections with some airline executives. Given their experience of handling people and aircraft under difficult time pressures they were able to give the CEO great insights into the logistics of people flow and cost control.

How would you rate your current **networking** capability?



Make a note of your average score for Interpersonal Lens Capabilities

Leading in a Matrix

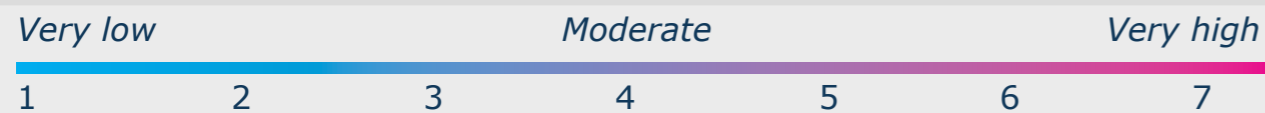
▶ Matrix Leader Profile: Three Lenses

Individual Lens:

What capabilities contribute to a leader's personal fitness in a matrix?

Adaptability: You may have heard the phrase that all failure is a failure to adapt. Charles Darwin certainly felt this way when he wrote about the survival of the species. When a person is adaptable he/she believes that they can be more effective by making changes. These could be, for example, changes in attitude, in framing a problem differently, or adjusting a communication or leadership style. Appropriate changes can be quite small. Adapting to a cultural difference for example can be as small as rephrasing a statement from a direct style to a more indirect style. Circumstances in a matrix can change frequently, and the leader must role model adaptability to shifts in schedules, roles, and priorities, etc.

How would you rate your current **adaptability** capability?



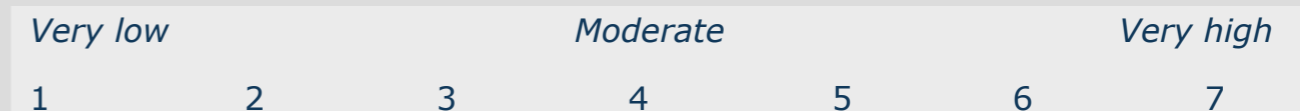
Improvisation: Matrix leaders encounter unfamiliar situations and problems for which they may not be prepared. In complex organizations, direct cause and effect relationships can be difficult to identify, and predictability becomes aspirational rather than a reality - there are simply too many interacting variables. John Kao - dubbed 'Mr. Creativity' by The Economist - said "improvisation is probably one of the two or three cardinal skills for businesses to learn in the future, and the process of improvisation must underlie how organizations formulate strategy going forward." [22] Prior to Kao's comment, Tom Peter's made the observation that successful organizations "must be "masters of improvisation." [23]

How would you rate your current **improvisation** capability?



Openness to Learning: We cannot lead in a complex organization if we are always trying to impose our habitual mental models and judgments. We must be open to challenging our own and other's assumptions. We must be willing to explore what may seem to be counter-intuitive ideas and actions, and listen deeply without pre-judgment to worldviews and approaches rooted in different organizational levels, business units, functions, professions, and cultures. An open mind is a learning mind which is so critical in a matrix that is full of uncertainty, complexity, and ambiguity.

How would you rate your current **openness to learning** capability?



Leading in a Matrix

▶ Matrix Leader Profile: Three Lenses

Resilience: Every matrix leader is going to experience setbacks and frustrations. There can be much confusion and disorientation on the matrix learning curve; there can also be as much unlearning as there is learning. Navigating successfully through conflicting priorities in a shape-shifting and high pressure environment takes self-awareness, self-belief and self-discipline. Being out of our comfort zone also calls on persistence and determination fueled by a high degree of optimism and enthusiasm. Anticipating challenges can also be helpful so that we can prepare ourselves. If we are realistic about the likelihood of mistakes and setbacks, we can better manage negative emotions that could undermine our leadership.

How would you rate your current **resilience** capability?



Make a note of your average score for Individual Lens Capabilities

Your thoughts

- What are your three highest scores across all 12 capabilities? What can you do to further strengthen these capabilities?
- What are your three lowest scores across all 12 capabilities? What can you do to improve these capabilities?
- Are the average scores for each Lens relatively consistent with one another, or does one Lens need particular attention?



Leading in a Matrix

Key Messages

When a matrix is slowing progress, the default response is often to apply more structural thinking which often introduces more complexity and confusion.

People can have more than one boss, but decisions can't. Leaders must focus attention on four enablers of critical decision making:

- Intent to create decision alignment
- Governance to drive decision discipline
- Culture to enable quality decision making
- Processes to support speedy decision making

A high-functioning matrix depends not just on cooperation, but also on a collaborative culture. Collaboration is when people with different skills and perspectives co-create something that none of the individuals could have created alone.

To facilitate collaboration a leader should 1) Set collaboration expectations 2) Role model expectations and 3) Measure expectations.

To identify the key attributes needed by a matrix leader, we can look at the role through three lenses: Organizational Lens: Contextual Intelligence, Digital Smarts, Integrative Thinking, and Organizational Resourcefulness. Interpersonal Lens: Collaborative Leadership, Influencing Without Authority, Leveraging Differences, and Networking. Individual Lens: Adaptability, Improvisation, Openness to Learning, and Resilience.

► Thriving in a Matrix

“ ...many companies today are trying to pursue strategies that far exceed the capabilities of their organizations. Christopher Bartlett of the Harvard Business School has said that companies ‘are pursuing third generation strategies using second generation organizations that are staffed with first generation human resources’.”

Jay Galbraith, *The Multi-Dimensional and Reconfigurable Organization* [24]



Thriving in a Matrix

► Beginning With a Matrix Mindset

“ The challenge is not so much to build a matrix structure as it is to create a matrix in the minds of our managers. ”

Christopher Bartlett and Sumantra Ghosal
[25]

Thriving in a matrix (whether we are leaders or not) begins with developing a matrix mindset. A mindset is a set of beliefs or ways of thinking that determines our behavior and worldview.

A matrix mindset is an **open** mindset.

According to Stanford researcher, Carol Dweck, we each have two basic mindsets, and one is usually more dominant than the other: [26]

Closed Mindset – based on a belief that our natural talents and abilities determine our ability to succeed. Those with this dominant mindset believe they can learn new things, but not that they change how intelligent or talented they are. People with a closed mindset spend a lot of energy promoting and defending themselves (convincing others they are right) rather than admitting mistakes or overcoming any weaknesses. Outcomes are either amplified if consistent with the person’s self-image, or explained away if they are not.

Open Mindset – based on a belief we can always do better. Those with this mindset believe intelligence, talent, and abilities can always be improved upon. They identify their own strengths and weakness, welcome accountability and stretch goals, listen to feedback, are curious, seek out or create learning experiences, reflect on lessons learned, collaborate easily, communicate openly, look for different perspectives and possibilities, uncover assumptions, adapt, think critically, and don’t become defensive.

A closed mindset creates many obstacles to thriving in a matrix. Its fixed view of who we are and what we can do prevents us from dealing effectively with the unpredictable and complex challenges in a matrix. Thriving in a matrix is as much a state-of-mind as it is a set of tools or techniques.



Thriving in a Matrix

▶ Beginning With a Matrix Mindset

Creating a matrix in the mind, as Christopher Bartlett and Sumantra Ghosal point out is important so that we understand the scope of the challenge, but it is a more sophisticated and comprehensive mindset that will make the difference in how effective we can be. Here are **four** essentials for a matrix mindset and they are all rooted in an open mindset.

1. Accountability

I am responsible for overcoming any limiting beliefs I might have. I don't wait for empowerment or everything to be clear in the matrix. I make things happen and continue to grow.

2. Learning

I accept the need for ongoing personal growth. Mastering a matrix is never complete, and I am open to learning from anyone, at any time, and from anywhere.

3. Adaptability

I continuously apply my learning while remaining flexible to the change, uncertainty, complexity, and ambiguity in the matrix.

4. Breadth

I understand that to be successful, I must recognize and take into account the interests and needs of multiple stakeholders from across the organization.

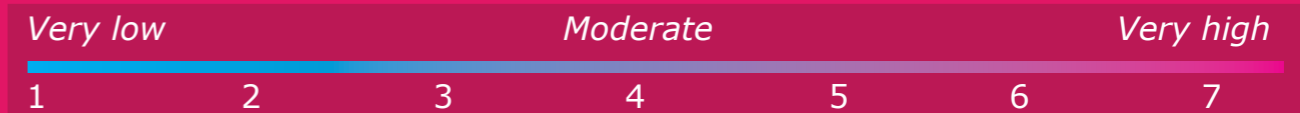
Your thoughts

How do you rate your own matrix mindset essentials?

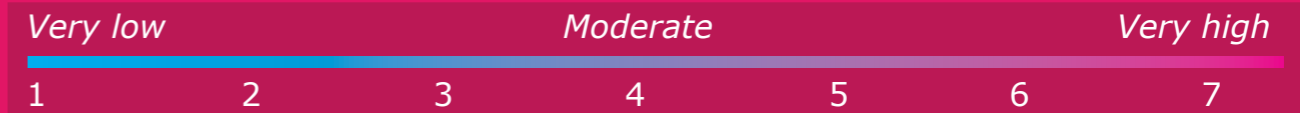
1. Accountability



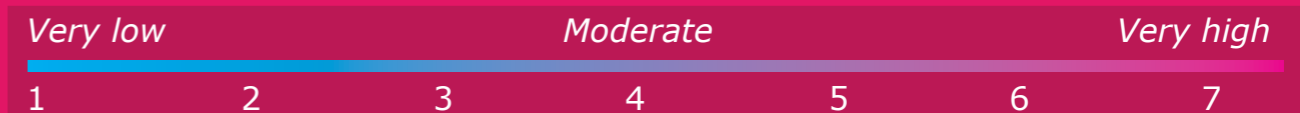
2. Learning



3. Adaptability



4. Breadth



Which mindset essential needs the most developmental work?

What can you do to increase your lowest-rated score?

► Some Common Challenges & What to Do About Them

With a matrix mindset we have a powerful ally for succeeding in a matrix, but we will still encounter specific challenges that can derail us.

No authority over others we depend upon

Everyone in a matrix – not just leaders - will find that they need to influence others without having any formal authority. Influence is informal/soft power, while authority is the formal/hard power that comes from, for example, position and control over performance reviews and compensation.

No leader, manager, or associate in a matrix has a monopoly on the knowledge and skills needed for success in the business environment. Breakthrough ideas can come from any part of the matrix at any time, but for them to surface and generate value, influencing is essential.

Taking a systematic approach to influencing might seem manipulative, but there is a clear difference between influencing and manipulation.

Manipulation is an attempt to influence by deceptive means, e.g. by hiding one's true intentions and self-interests. One of the most common mistakes we make in trying to influence others is that we frame influence as something we **do to** others rather than **with them**.

Influencing is a process, and here are the main steps:

Clarify:

Are you clear about the outcome you want? A vague request is asking the other person to second guess what we want, and typically leads to confusion, resistance, or refusal.

Understand:

Start from where others are, not where you are. Who are we trying to influence? How do they think? What are their values, needs and wants? What form of 'currency' is most likely to motivate them (e.g. inspiration, status, support)? What are they experiencing (e.g. high workloads, cost-cutting, increased demand, expanding opportunities)?

Select:

What sources of influence do you have, and which would be most appropriate in the situation? Do you have any specialist knowledge, skills, or experiences that could be persuasive? Are you able to call upon influential network connections? Do you have access to valuable information?

If we don't recognize our sources of influence, we can't make the best use of them. If the situation demands that influencing can only be done virtually, it is also important to select the best technologies for what you are trying to achieve.

“ Do what you can, with what you have, where you are. ”

Theodore Roosevelt

Thriving in a Matrix

► Some Common Challenges & What to Do About Them

Plan:

While some influencing situations may need to be spontaneous, others could benefit from some planning, although these plans should be flexible enough so that they can be adjusted to the circumstances as they unfold.

Phase 1: Final Preparation – If we have thought clearly about what we want, the people who we are trying to influence, and the sources of influence we have, we have the ingredients for answering the basic questions like what, why, who, and how. We should also gather some information on when and where.

Phase 2: Engage – Develop Interest and Enthusiasm – when we have a good understanding of those we are trying to influence – and their circumstances – we can adopt an overall style that is most likely to be effective. Does it make sense to push our ideas and expect others to follow or should we look to gain influence by appealing to data and logic? Alternatively, would a more collaborative approach make more sense where everyone contributes their ideas, or an imaginative approach where we engage people in visualizing a desired future?

What else can we do?

- Demonstrate our understanding of the world seen through their eyes
- Demonstrate authenticity, confidence, credibility, energy and passion
- Adapt quickly to what others are thinking and feeling
- Develop common ground by linking other's ideas to your own and building on them
- Show our own engagement through questioning, and exploring other's ideas in a non-judgmental way

Phase 3: Persuasion – Seek Mutual Ownership – The ultimate purpose of influencing is to gain commitment to our goals, which goes beyond compliance to mutual ownership of the goal. Being persuasive is about much more than having a dazzling Powerpoint™ presentation. Here are a few tips:

- Be transparent – most people pick up on manipulation pretty quickly
- Communicate meaning, not just facts
- Hit the right level of understanding for your audience
- Help the audience connect your message to their own knowledge, experiences, and needs
- Aim for emotional stickiness – engage positive emotions
- Propose an action to keep moving forward
- Think takeaway – do you want the audience to leave feeling more capable, optimistic, knowledgeable, willing?



Thriving in a Matrix

► Some Common Challenges & What to Do About Them

We are in the midst of an influencing revolution. Hierarchy-based influence is loosening its traditional grip as work environments become digital and flat. As networks become more pervasive, we need to talk about influence flows. The old model of influence was linear cause and effect, i.e. I cause you to make a change (e.g. feel, think or act differently). Influence is now non-linear and complex in our interconnected digital relationships. In this new environment:

“Hierarchy-based influence is replaced by better knowing who and what to listen to, when and why; a property of collective intelligence.” [27]

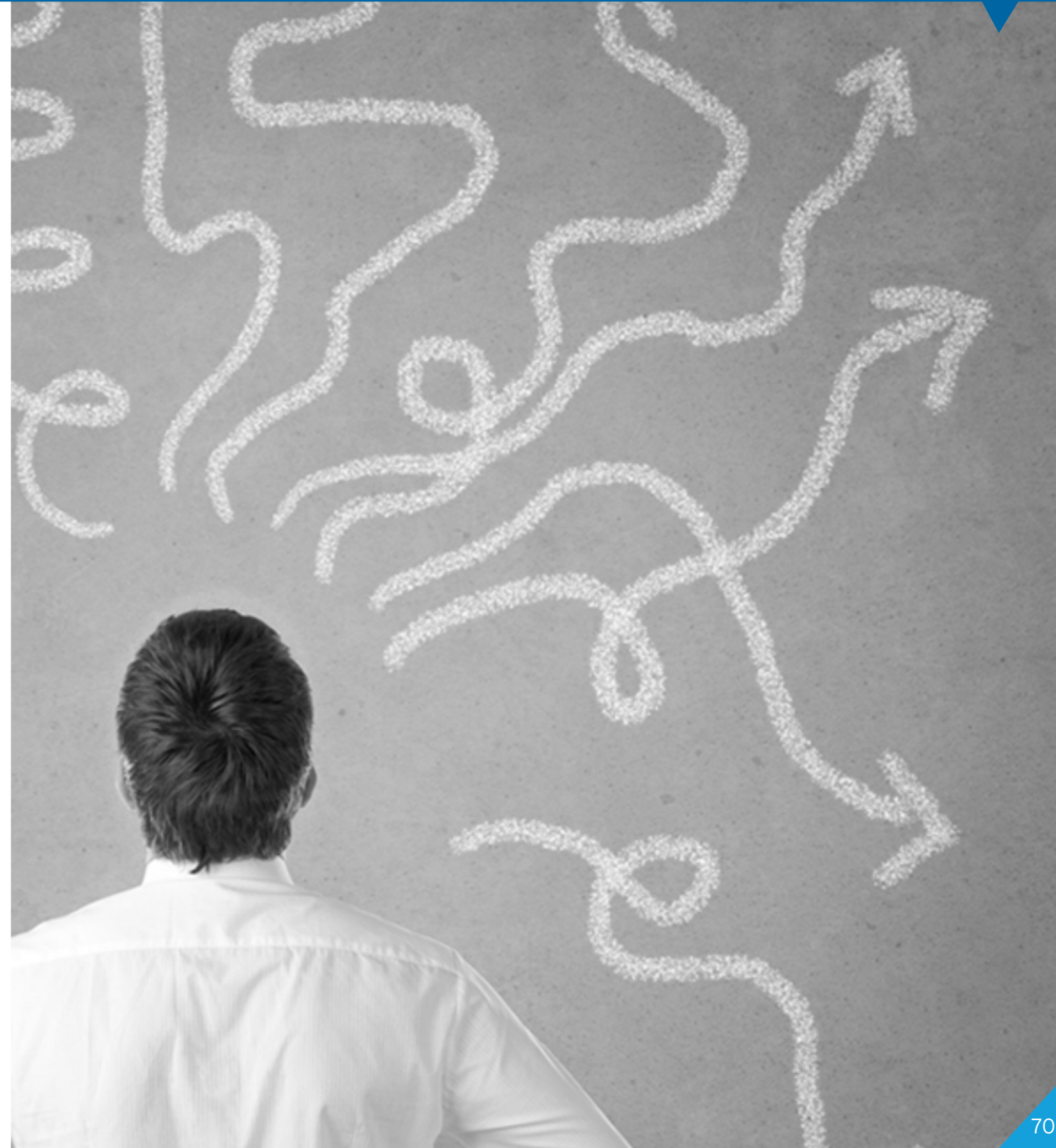
The channels for influencing are changing as digital communications become the norm in meeting work goals. This will increase the need for new influencing skill sets. The Institute for the Future and the University of Phoenix Research Institute published a report on Future Work Skills which identified New-Media Literacy as one of the top ten skills. They define this skill as the:

“...ability to critically assess and develop content that uses new media forms, and to leverage these media for persuasive communication.” [28]

Influencing in the borderless workplace is taking on new dimensions. Are we ready?

Your thoughts

- How important is influencing without authority to your success?
- Are there organizational constraints on your ability to influence without authority, and what can you do about them?
- Are there personal constraints (e.g. lack of skills) on your ability to be influential in your matrix, and if so, what can you do about them?



Thriving in a Matrix

► Some Common Challenges & What to Do About Them

Conflicting Priorities

Ideally, the likelihood of conflicting priorities will have been identified early in the matrix development process, and a consensus reached on how this will be handled. More likely, however, is the emergence of conflicting priorities as projects go forward; this is simply a fact of matrix life.

What can you do?

- Be proactive. Surface the conflict(s) as early as you can
- Understand the power relationships (as they impact you and others)
- Understand the reasoning for different priorities before blaming one another
- Be emotionally neutral; don't take conflict personally
- Promote side-by-side problem solving rather than confrontation
- Create a shared vision/purpose/objective/priority
- Use your judgment. Not all priorities are created equal

Here are two tools that can be useful in working through the challenge of conflicting priorities. The first is a Matrix Team Goals & Task Map. The purpose is to identify gaps in priority tasks to achieve matrix team goals, identify misalignments and redundancies, or differences in perceptions. If individuals, teams, or functions do this separately at first, then differences, etc. become obvious and can be addressed through negotiation.

| | A | B | C | D |
|-------------------|--------------------------------|---|---|---|
| Matrix Team Goals | | | | |
| 1 | Priority tasks to achieve goal | → | | |
| 2 | ↓ | ↓ | ↓ | ↓ |
| 3 | ↓ | ↓ | ↓ | ↓ |

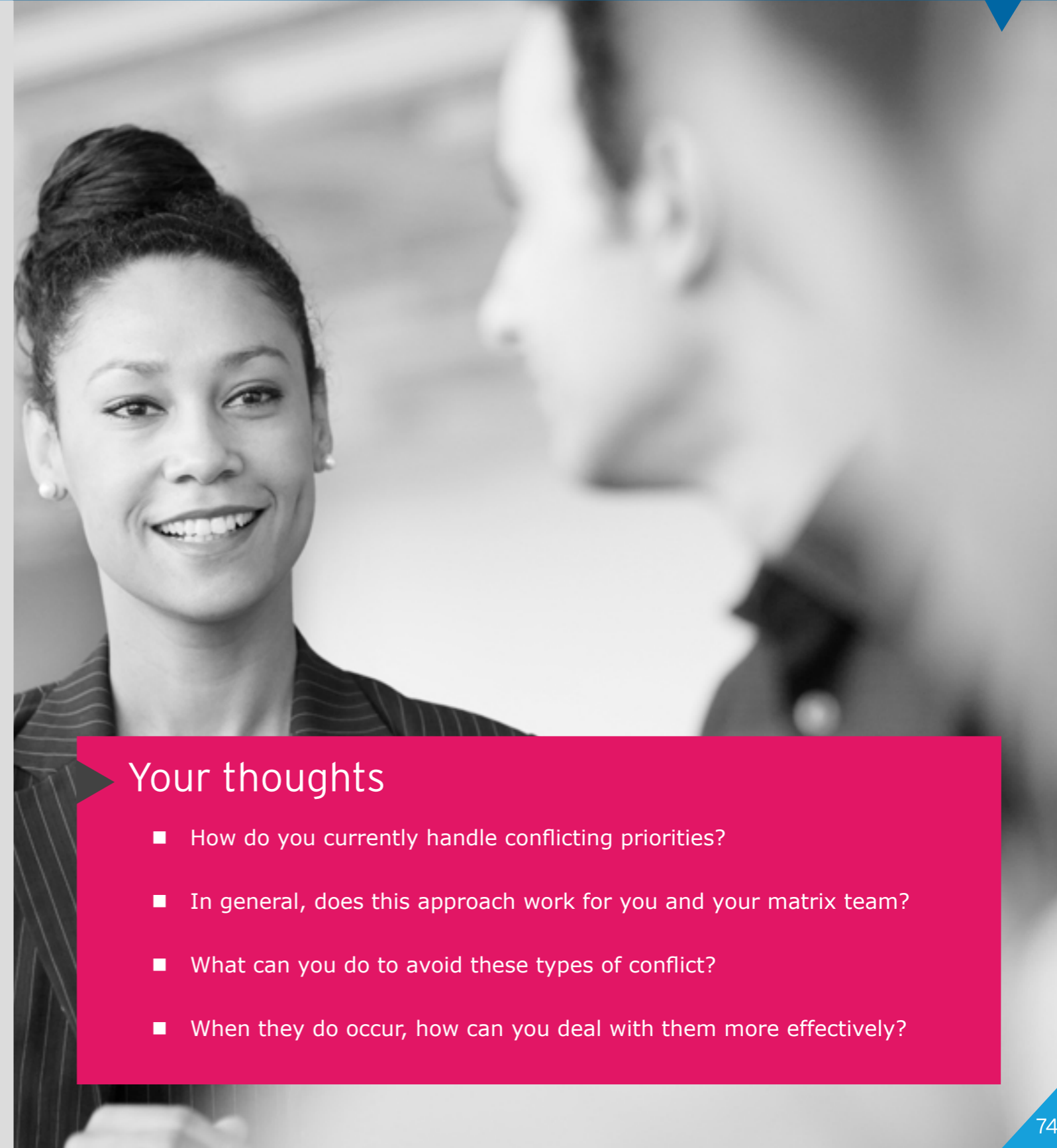
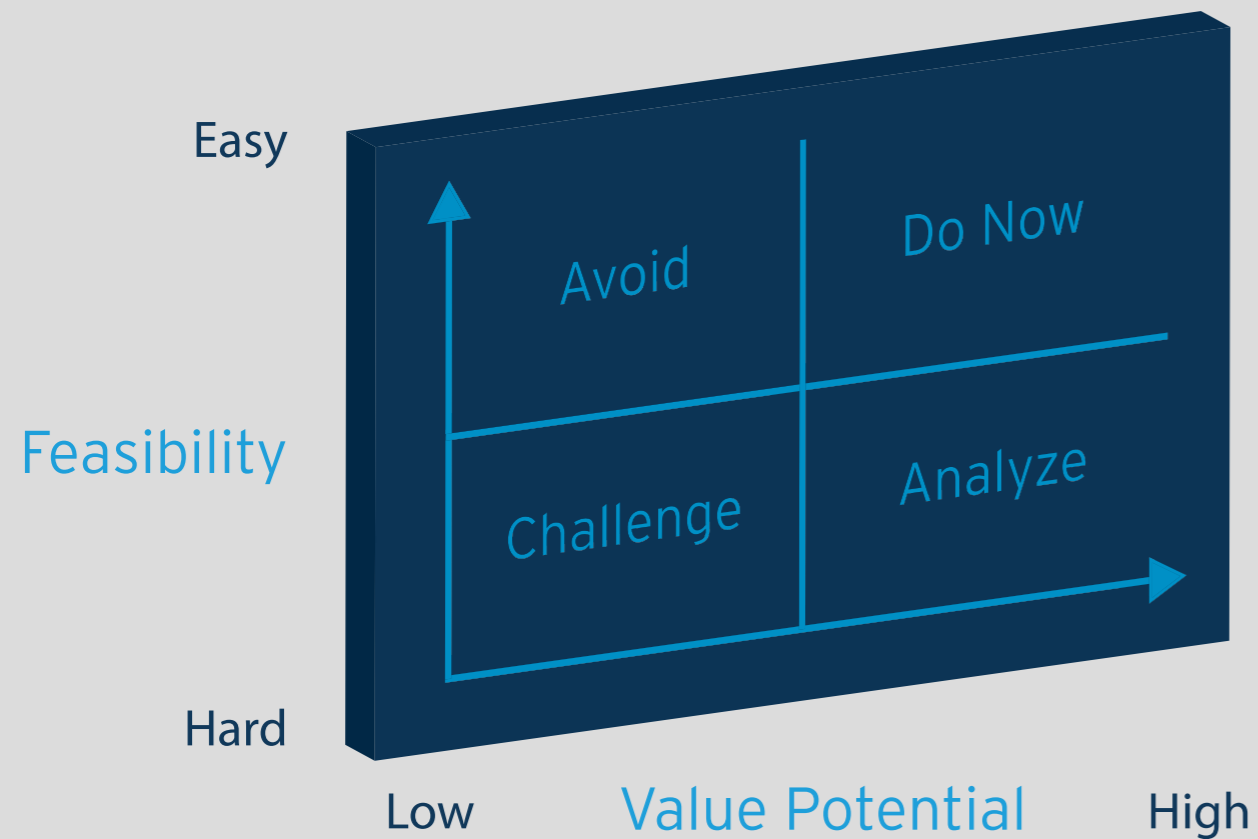
While creating such a map can take time, in the long run it can save much more time and effort.



Thriving in a Matrix

► Some Common Challenges & What to Do About Them

Another problem this map can uncover is that of different perceptions of matrix team goals. This is a more fundamental problem and must be addressed quickly. It is important for everyone involved to identify as being part of the same team. If the team does not succeed, then no one succeeds. When this is recognized, it becomes easier to sort through the priorities, because not all priorities are created equal. At this point, a **Value/ Feasibility Grid** becomes useful. Even when using the tool there will be differences in perception about value potential and feasibility, but the grid does at least provide a shared platform on which to develop consensus.



Your thoughts

- How do you currently handle conflicting priorities?
- In general, does this approach work for you and your matrix team?
- What can you do to avoid these types of conflict?
- When they do occur, how can you deal with them more effectively?

Thriving in a Matrix

► Some Common Challenges & What to Do About Them

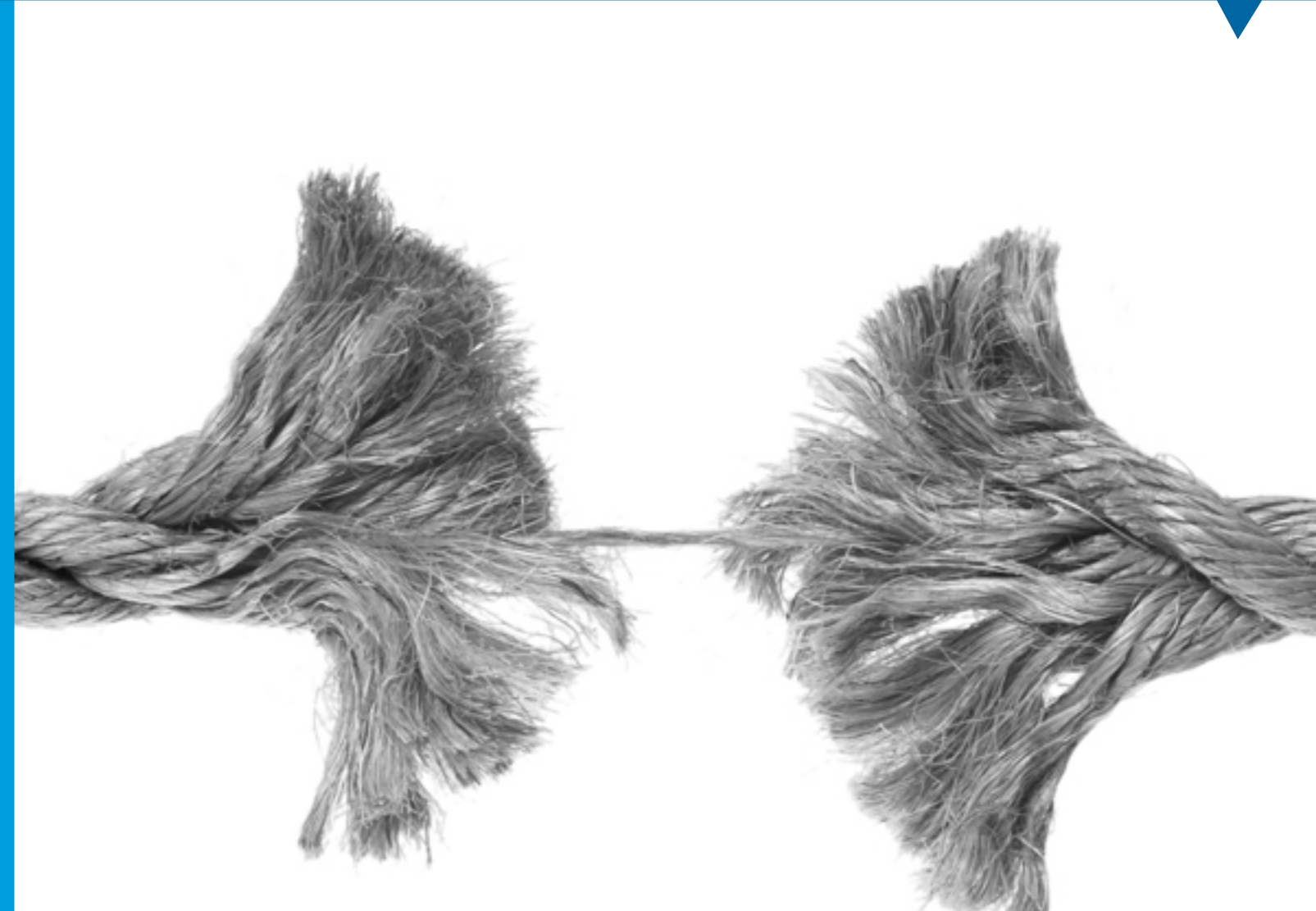
Conflicting loyalties

The challenge of conflicting loyalties in a matrix is caused when people over-identify with reporting lines and power and control rather than with the team. As mentioned above, if the team fails, everyone fails. Attention, above all, must be paid to the matrix team. Conflicting loyalties are usually a sign that team identity is not strong enough.

One of the best ways to create a team identity is to create a Matrix Team Charter as well as share project management tools and groupware. A Team Charter describes in one document the core information and guidelines useful to the team. In a Matrix Team Charter this could include (although the actual content will depend on the needs of the team):

- Purpose
- Goals and objectives
- Membership
- Roles & responsibilities
- Stakeholders
- Reporting relationships
- Communications plan
- Processes
- Decision making
- Resources and support
- Shared operating agreements and norms (e.g. use of technologies)

Again, creating such a document takes time, but results in greater clarity, efficiency, and effectiveness.



Your thoughts

- Do you over-identify with certain reporting lines, and why?
- Do your conflicting loyalties negatively impact your work or the work of your matrix team?
- What actions on your part could help increase your team identity?

► Some Common Challenges & What to Do About Them

Role and responsibility confusion

A complex matrix will always have areas of confusion, but we can minimize them. One common tool is the RACI chart. While it has various forms, the essentials are the same. The purpose of the chart is to clearly map expectations for those involved in meeting project objectives.

| | | |
|---|---------------------|--|
| R | Who is Responsible? | The person who is assigned the work |
| A | Who is Accountable? | The person who makes the final decision and has the ultimate ownership |
| C | Who is Consulted? | The person who must be consulted before a decision or action is taken |
| I | Who is Informed? | The person who must be informed that a decision or action has been taken |

An actual RACI Chart would look something like the one below:

| | Individuals/Teams/Functions | | | |
|-------------|-----------------------------|---|---|---|
| Objective 1 | R | A | C | I |
| Objective 2 | I | C | A | R |
| Objective 3 | C | A | R | I |

Variations on the RACI include:

- RASCI – the S stands for Support
- RASI – Consulted is taken out and replaced with Support
- RACI – VS – the V stands for Verifier and S for Signatory
- RAPID – Recommend, Agree, Perform, Input, and Decide

If your role is not clearly defined, then remember the accountability quadrant in the matrix mindset; don't wait for clarity, but take ownership for its creation. Meet with your matrix leaders and seek clarity and consistency. This might mean you need to get them negotiating with each other about your role. Don't be passive. As circumstances change, you might need to bring them together again. It is better to be a pest than wasting your time and energy (i.e. being mis-empowered).

The exact form of a RACI depends on the context and needs of the matrix team and its stakeholders. Whatever form the RACI takes, it will always be important to include who is ultimately accountable for making critical decisions? As was discussed in the Leading in a Matrix section, it is very easy for decision making in a matrix to become extremely cumbersome and slow. This makes it paramount that information-sharing in a matrix is continuous and highly efficient.

Your thoughts

- Are you clear about your role(s) and responsibilities?
- If not, what action(s) should you take?
- What tool(s) could be particularly useful for you and your team?

Thriving in a Matrix

► Some Common Challenges & What to Do About Them

Distractions

“Distracted from distraction by distraction.”

From Burnt Norton, in *The Four Quartets* by T.S. Eliot, 1936

If T.S. Eliot thought the 1930s were an age of distraction, what would he think now?

I confess, I’m addicted to the distractions offered me on my iPad. I exist much of the time in a state of what is sometimes called continuous partial attention brought on by cognitive overload. Web pages flip and float before my eyes as emails and messages ping their demands for my attention. Yet, I must focus because I’m a writer, and writing demands concentration. I have to put my brain into another state – a disciplined mindful state in which nothing else exists in this time and space except for the task of communicating through writing – what Isaac Asimov the science fiction writer called “thinking through my fingers.”

Did you know that employees at Google are taking courses to help sharpen their attention skills? Some researchers have estimated that distraction costs billions of dollars a year in lost productivity.

Focus and communication are always difficult at work, but particularly so in a matrix with its multiple vertical and horizontal intersections and touch points. There are two challenges created by distraction: personal and organizational.

The personal challenge is to become more mindful and focused. Daniel Goleman, of Emotional Intelligence fame, says that we must become more aware of the three types of focus we apply at different times: **Inner Focus**, **Other Focus**, **Outer Focus**.

The inner focus is our ability to listen to our deepest self – who are we, what are our values, and why we do the work we’re doing? A focus at this level puts us in touch with what is meaningful; why something has value?

Other focus is what enables us to connect with what others say, do, and feel through their words and non-verbal language.

Outer focus is our ability to look at the world around us and take in what is relevant to our work.

Steve Blank, an entrepreneurship professor, has expanded on this work. Those who can focus inwardly, he says, can function well in turmoil. They have the “composure and focus to do triage in real time.” [29] Obviously, this focus helps in the sometimes chaotic nature of the matrix.

Those with other focus are able to pick up on not only what is being said, but also on what is not being said. The words may say one thing, the body language says another.

Those with outer focus pick up on signals from the world around them. The environment in which a matrix exists is in constant change, and the matrix – and those in it - must be agile in responding to those changes.

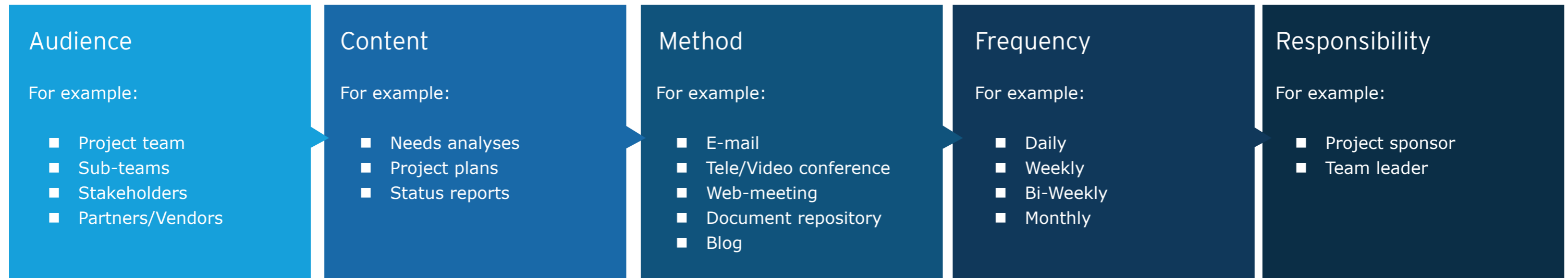
With those three types of focus, we are better able to steer away from what is unimportant and what is irrelevant.

If the personal challenge is greater mindfulness and focus, the organizational challenge is discipline, particularly in our matrix communication. Unless planned for, team communications can become overwhelming and de-motivating, or sporadic and de-motivating.

Thriving in a Matrix

► Some Common Challenges & What to Do About Them

We don't need to add to the uncertainty in a matrix, and so the matrix team as a whole must have a formal communications plan in which expectations are clear. A communication rhythm should be established to manage the generation, flow, and delivery of strategic information. At a minimum, the communications plan should address:



While formal communications are a must for matrix team cohesion and coordination, informal communications between team members are just as critical. The ongoing challenge is **agility**, and as mentioned earlier in the book, the drive is toward more organic forms of organizing and communicating. Instant messaging, social technologies (like Yammer, Facebook, Twitter and their internal corporate equivalents) have created multi-directional and spontaneous communication opportunities that increase the flow of information and knowledge, and support mass collaboration.

Social media can add agility to a matrix by enabling collaborative community development rather than vertical-horizontal matrix team development. Becoming a social organization creates opportunities for ad hoc collaboration rather than the more formalized and channeled collaboration within the matrix.

CEMEX – a \$15 billion global building materials suppliers and cement producer with some 47,000 employees across 100 countries – is placing collaboration and innovation through social media at the center of its organizational evolution. Their Shift collaboration platform (as in shifting the way we work) was designed to engage the whole company in discussion and action around the company's strategic initiatives. A social media worldwide collaborative community was created around each one of the initiatives:

- Sustainability
- New market strategies and channels
- Fuel and energy efficiency
- Creating a twenty-first-century company
- Global transformation of collaboration practices [30]

Thriving in a Matrix

► Some Common Challenges & What to Do About Them

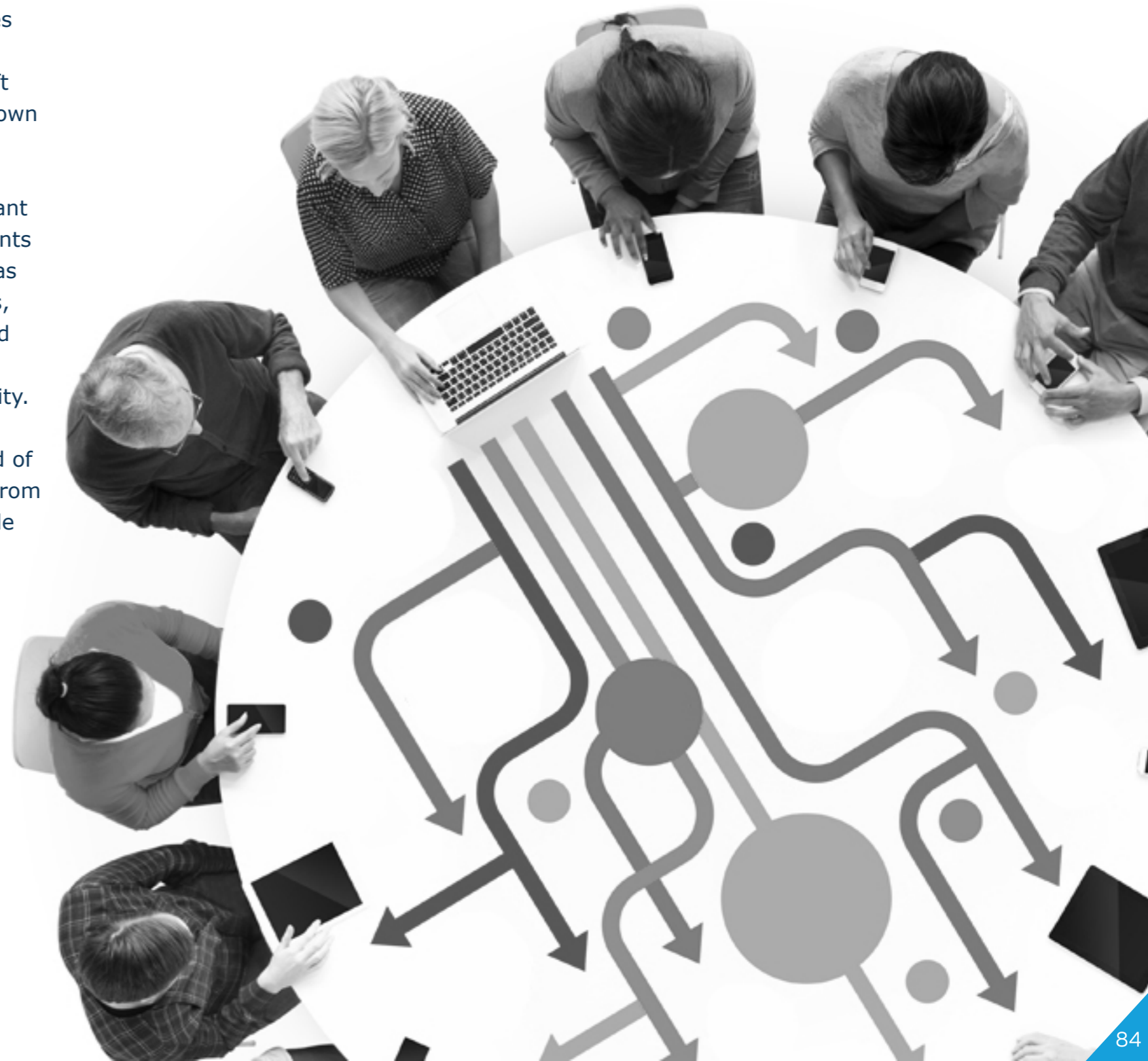
Shift takes the best features of social networks – wikis, blogs, discussion boards, RSS, tagging, jams, real-time collaboration tools, video creation and access – and closes the gaps between geographies, functions, generations, and organizational levels. Best practices are documented and included in CEMEXpedia – a part of Shift. Shift launched in April, 2010 with 2,000 members. One year later, participation had grown to 20,000 employees, and today almost every employee participates.

Every community is open to every employee; you just need to explain why you want to contribute. Each community is sponsored by a business executive who represents the community in the 'formal' organization, and a technology executive who acts as steward of interactions and outcomes. When a community reaches a critical mass, it takes on responsibility for defining its mission, as well as long-term planning and implementation. About 450 grassroots communities have emerged beyond those initially defined, including a group of electricians and a health and safety community.

Shift is a social network with a business focus; one that is designed for a new kind of workforce – mobile, global, and empowered. Shift has enabled a transformation from a "hierarchical structure, to one where anyone can reach any colleague, both inside and outside the network and tap into their knowledge and expertise." [31]

In one example, Shift has enabled 150 people in 20 countries to share Value Propositions. Each country can access all the propositions and prioritize them in terms of feasibility and potential value.

What has happened in CEMEX is not only the rapid communication of ideas, but the creation of a radically different organizational culture. The payoff according to CEMEX is lower cycle times, faster time to market, and real-time process improvement.



► Self-Leadership

“ Example is not the main thing in influencing others. It is the only thing. ”

Albert Schweitzer

You may have noticed that when people are about to leave a room and they turn and say “And by the way...” or “Just one more thing...”, that is often the most important thing they want to say. And, so it is here in this e-book.

As organizational designs become more complex, traditional leadership models in their pure form (e.g. command and control) become dysfunctional; in light of this, much has been written about the need for more collaborative, facilitative, and shared leadership models. While we continue to explore these models of leadership, we must also pay attention to developing leadership behaviors and mindsets in general – particularly self-leadership.

Self-leadership, in my view, is the intentional process of influencing our own feelings, thoughts and behaviors to fulfill our potential, and increase the positive impact we can have on the world around us. Self-leadership is not self-absorption; it involves **looking inwardly to contribute outwardly**. As self-leaders, we take personal responsibility and accountability for being effective in our complex environment.

How does self-leadership show itself?

- Self-analysis to identify strengths and developmental areas
- Self-balance to avoid being overwhelmed by perceived chaos and complexity
- Self-control of feelings thoughts and behaviors in challenging circumstances
- Self-direction and focus in the face of uncertainty and ambiguity
- Self-discipline when there is no easy answer to “Who’s in charge?”
- Self-education when formal learning opportunities are unavailable
- Self-efficacy when feedback on personal capabilities is absent or rare
- Self-goal setting to stretch current capabilities
- Self-help when no other help is available
- Self-motivation when other motivators are ineffective or non-existent
- Self-observation of functional and dysfunctional feelings, thoughts and behaviors
- Self-talk to identify ongoing lessons learned from experience

Thriving in a Matrix

► Self-Leadership

How can we develop self-leadership for our increasingly demanding world?

- Practice self-observation: It is not an easy skill, but very necessary. We need to understand why, when, and under what conditions we demonstrate certain behaviors or feel certain feelings. With this understanding we can increase our self-control when the conditions arise.
- Set personal stretch goals and track your progress. Take note of what psychological or environmental factors facilitate or inhibit you from achieving those goals.
- Monitor how your beliefs help or hinder. We all have beliefs – whether conscious or not – that place limits on us, e.g. “I’m no good at handling conflict,” or “That’s too difficult for me.” Challenge these beliefs every time they come to the surface and create a new thought pattern or more positive image of your capabilities.
- Take accountability for everything you do or say. Ask for feedback often, and be open to change.
- Practice servant leadership whereby you take responsibility for serving internal and external customers or solving problems that no one else is addressing. You will think very differently when you do.



Thriving in a Matrix

Key Messages

Thriving in a matrix begins with developing a matrix mindset. The four essentials for a matrix mindset are: Accountability, Learning, Adaptability, and Breadth.

Common challenges when working in a matrix include: No authority over those we depend on. Influencing is a four step process:

- Clarify what we are trying to accomplish
- Understand who we are trying to influence and their situation
- Select appropriate sources of influence to be persuasive
- Plan for impact and employ the plan to create mutual ownership

Conflicting priorities

- Use tools such as the Matrix Team Goals & Task Map and Value/Feasibility Grid as shared platforms for identifying gaps and developing consensus.

Role and responsibility confusion

- Use a tool like the RACI chart to clarify who is responsible and accountable, and who needs to be consulted and/or informed.

Conflicting loyalties

- Help build team identity by creating a Matrix Team Charter containing essential team information

Distractions

- Filter out personal distractions and understand what is most important through strengthening inner, other, and outer focus. From an organizational point of view, help reduce uncertainty and distractions by creating a formal communication plan detailing audience, content, method, frequency, and responsibility. Support more organic forms of communicating by leveraging social media.

Self-leadership

- Self-leadership by all matrix members is critical for organizational and personal success. Self-leadership is the intentional process of influencing our own feelings, thoughts, and behaviors to fulfill our potential, and increase the positive impact we can have on the world around us.

► Wrap up

Yves Morieux and Peter Tollman of the Boston Consulting Group (BCG) show in their book *Six Simple Rules: How to Manage Complexity without Getting Complicated* how many company leaders have created organizational labyrinths that damage employee engagement, productivity and innovation. [32]

According to BCG, organizational complicatedness multiplied by a factor of 35 between 1955 and 2010. In 1955, companies typically committed to between four and seven business performance requirements - what must be delivered to provide value, e.g. selling high quality products or delivering a globally consistent service. Today the number of performance requirements committed to is between 25 and 40, and many are contradictory, e.g. delivering a globally consistent service while taking care of local needs.

Comparing many organizational structures to labyrinths is accurate and compelling. According to Greek mythology (which is where I began the book), the first labyrinth was built by Daedalus to hold the Minotaur - a half-man, half-bull creature. Daedalus himself barely escaped his own creation - one of the many stories expressing the idea that we can be too clever for our own good. Whether this is true of the matrix organization is debatable, but in our attempt to serve many different interests we have created structural, procedural, and process labyrinths, and there is no end in sight.

The matrix organization was devised to handle complexity, but too often

the theory and the reality are very distant from each other. Huge amounts of time are spent in complicated and cumbersome coordination activities and navigating the structure.

One thing is clear: we cannot assume that solutions to matrix complexity will be solved by a magic algorithm descending from above. Much of the time we will need to collaborate, improvise, experiment, and continuously improve. More organic, network structures are being experimented with to reduce some of the complexity, but for the time being some form of matrix will exist in many large organizations.

Complexity - like rust - never sleeps. It just seems to keep spreading and causing us trouble. As our organizations seek agility by adding complexity, we must individually seek greater influence. Without influence and self-leadership we are always at the mercy of creeping complexity.



Terence Brake



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► Appendix: Some Recent Organizational Design Terms

Crowdsourcing

The term was first used in 2006 by Jeff Howe and Mark Robinson in an article in Wired magazine. "Simply defined, crowdsourcing represents the act of a company or institution taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call. This can take the form of peer-production (when the job is performed collaboratively), but is also often undertaken by sole individuals. The crucial prerequisite is the use of the open call format and the large network of potential laborers."

<http://en.wikipedia.org/wiki/Crowdsourcing>

Flash Teams

Online services like eLance and 99Designs provide access to freelancers in specific skill areas. When a broader range of experience and knowledge is needed on a team, the concept of a 'flash team' comes into play. This is the creation of a team with different skills to solve a complex problem in an accelerated way. For example, a social network like LinkedIn could be used to bring a team together to work on a problem, each member having a different skill set.

http://hci.stanford.edu/publications/2013/FlashTeams/FlashTeams_CrowdConf2013.pdf

Holacratic

Holacracy is a distributed authority system based on the principle that work should be organized around tasks rather than functions. The term Holacracy is derived from the Greek word holon, when a whole is part of a greater whole. The form does away with job titles and managers and instead distributes responsibility among self-governing circles. Tasks are delegated to circles of people who are free to self-govern provided they get the task done, and meet the requirements of the upper circle that delegated the task to them. At the time of writing, Zappos is in the process of becoming a holacratic organization.

<http://qz.com/161210/zappos-is-going-holacratic-no-job-titles-no-managers-no-hierarchy/>

Lattice

A form of adhocracy. The guiding principle is 'unmanagement'. Every associate must deal with every other associate one-on-one. Teams organize around opportunities and leaders emerge. Associates are hired for general work areas. They are guided by sponsors (not bosses). Associates

commit to projects which match their skills. Everyone can earn the credibility to define and drive projects. The most famous example of a lattice is Gore.

http://www.gore.com/en_xx/aboutus/culture/index.html

Network

An organization adopting social networking technologies with which knowledge workers create, share, and leverage information. Self-directed teams can form over the network as well as communities of interest or practice. 100 percent networked organizations are relatively rare.

http://www.mckinsey.com/insights/organization/the_role_of_networks_in_organizational_change

Wirearchy

A "dynamic two-way flow of power and authority, based on knowledge, trust, credibility and a focus on results, enabled by interconnected people and technology." Jon Husband.

<http://wirearchy.com/>

Wirearchy shifts command and control to "champion and channel – championing ideas and innovation, and channeling time, energy, authority and

resources to testing those ideas and the possibilities for innovation carried in those ideas."



► About TMA World

Break Barriers and Accelerate Borderless Innovation

Globalization and digital technologies are transforming the workplace. Your people can now work with anyone, anywhere, at any time – across continents and cultures, making their working world Borderless. Equip them with the skills and tools to be free of geographical, cultural and organizational barriers - responding quicker, solving problems faster, and taking advantage of opportunities both big and small. Boundless, Borderless, Breaking Barriers!

TMA World is the only company equipped to help your people understand and master the Borderless working environment - cultivating their ability for seamless collaboration and innovation with proprietary tools and training initiatives.

Because Your World isn't just Global, it's Borderless

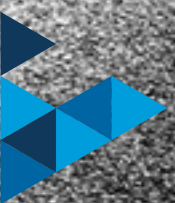


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