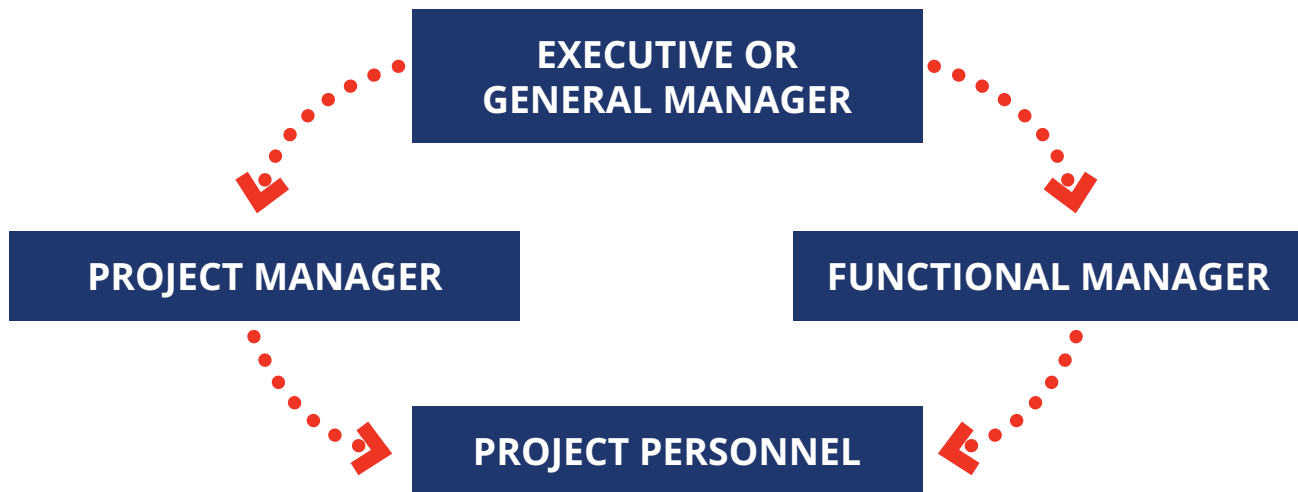


# The Matrix Organization

## What is a Matrix Organization?

A matrix organization is defined as one in which there is dual or multiple managerial accountability and responsibility. In a matrix there are usually two chains of command, one along functional lines and the other along project, product, or client lines.

The matrix organizational form may vary from one in which the project manager holds a very strong managerial position to one in which he plays only a coordinating role. To illustrate the organizational principles, a matrix will be considered first in which there is a balance of power between the project and functional managers. The matrix is designed to be temporary and a particular organizational structure lasts only for the finite life of the project.

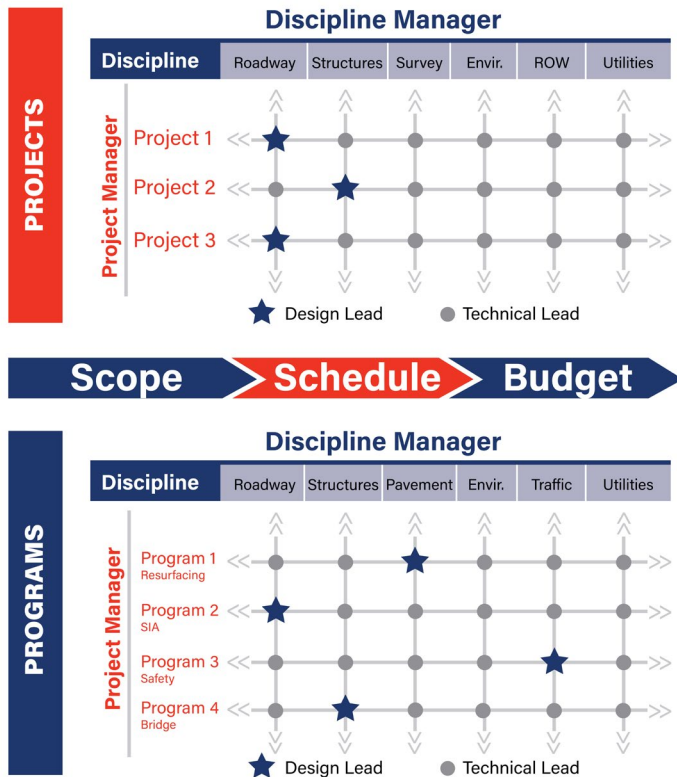


*Figure 1. The basic unit of the matrix organization*

## Why the Matrix?

The matrix developed as a natural evolution of organizational structures in answer to a very definite real-world need. The need was for an organizational form capable of managing the recent very large and very complex programs, projects, and problems, and for managing limited resources. The conventional hierarchical management organization could not cope with the added complexity and the enormous amount of information that had to be processed, and conventional management theory was of little help in solving these new and unique problems.

The primary reason for adopting the matrix in a large organization can be pinpointed in the fact that functions and skills are fragmented throughout the organizational structure. Individual functional departments have great difficulty in solving very large problems because of a failure to view the total system and a tendency to sub-optimize or solve the problem within their particular discipline.



**Figure 2. Simple matrix organization**

## Does the Matrix Work?

The term “matrix project organization” refers to a multidisciplinary team whose members are drawn from various line or functional units of the hierarchical organization. The organization so developed is temporary in nature, since it is built around the project or specific task to be done rather than on organizational functions. The matrix is thus built up as a team of personnel drawn from both the project and the functional or disciplinary organizations. In other words, a project organization is superimposed on the conventional functional hierarchical organization.

If the multidisciplinary need is there, and if project management is necessary, then the matrix is a viable organizational solution.

If everyone involved in the matrix is “a believer,” and every effort is expended to make it work, the matrix will work and will result in outstanding project accomplishment. It only takes one uncooperative disciplinary manager dragging his feet to make the whole project fail.

The matrix does not require that all business decisions be hammered out in group meetings. Group decision-making should be done as often as necessary, and as little as possible.

## Balance of Power

At the heart of the operation of the matrix is the balance of power. It should be possible to divide the authority and responsibility equally between the project and functional managers. The secret of the successfully functioning matrix can thus be seen to be not just a pure balance of power, but more a function of the type of interface relationships between the project and individual functional managers.

## Summary

The matrix has permitted project management to be effective not only for very large projects but small projects as well and has been extremely valuable for solving multidisciplinary problems.

The matrix will function and result in very improved project productivity if top management gives its unwavering support and if functional management and the project personnel accept the matrix as a “way of life” which can only be of great advantage to the company in improving output and profit.