00 - Understanding organisational structure

Where is this course?

- Google Career Certificates - Project Management

My Notes

> My notes for this overall course will be laid out by module in the course, and have subheadings in order to differentiate between different topics/videos that are presented in the courses. I'll add in any extra notes/resources that I use where necessary, and hope it will be helpful for anyone looking!

## Overview of Classic and Matrix structures

> ⓘ **Organisational Structure - Definition**
>
> The way a company or organisation is arranged or structure

- Organizational Structure and Culture
  - Organisational Structure
    - Sense of who reports to who
    - Who does what
    - Map where you fit in, who you should communicate to, and how often to communicate with them
    - Organisational Heirarchy
      - Generally mapped using a Reporting chart or Organisational chart
        - *Reporting Chart*
          - Details who reports to who, and goes up that chain
    - Classic Structure
      - Functional or top-down structures
        - CEO -> Directors -> Direct reports -> Direct reports -> etc.
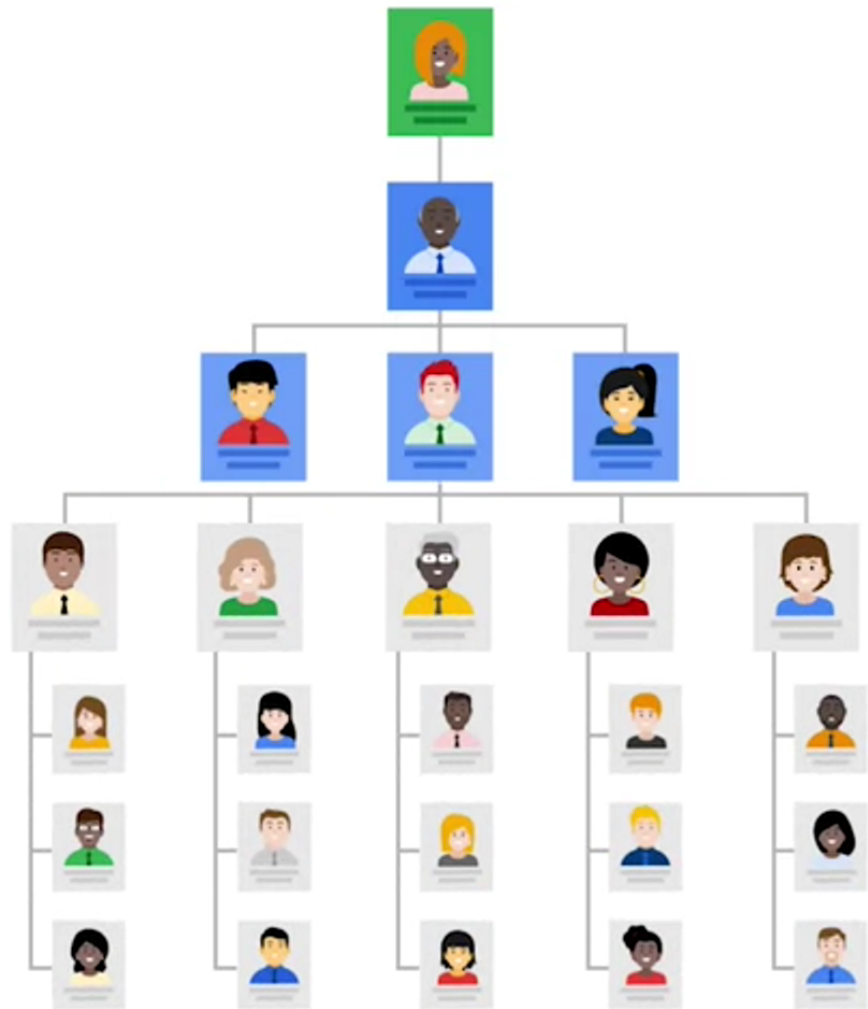
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- Each manager generally oversees teams which have a specific function
    - such as marketing, accounting, human resources
- Take example of the army

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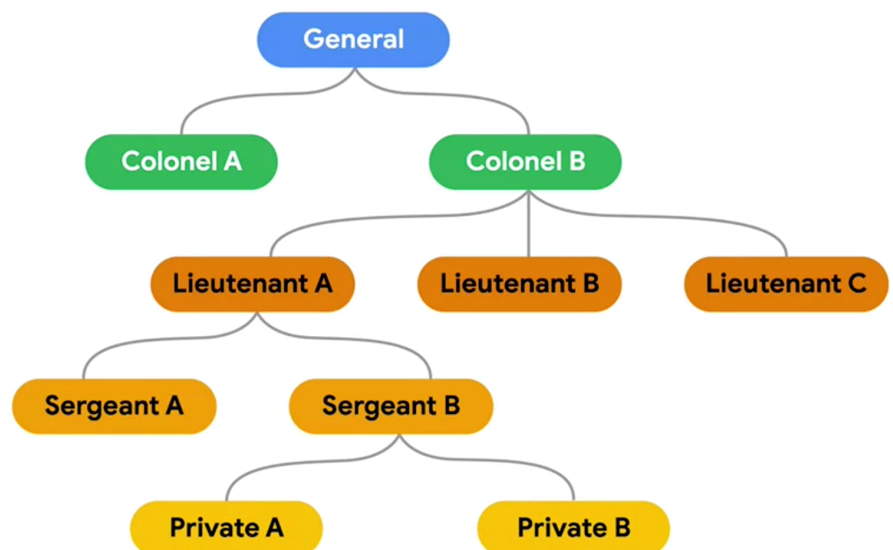
- Having a strict hierarchy, where you report up the chain of command
  - If a similar structure is evident where you are working, you would probably end up speaking with your manager (i.e. the person above you), and with peers (same kinds of projects)
- Matrix Structure
  - Grid
    - People above you, although people adjacent to you, who also expect to hear from you about different projects
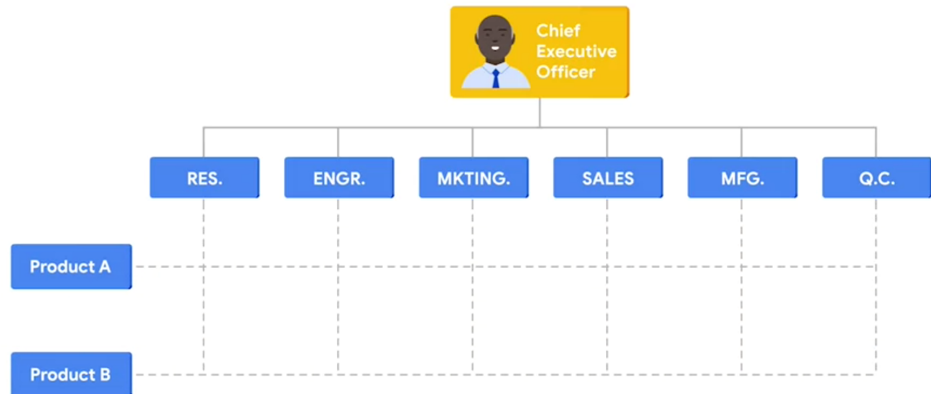

    - May not be direct bosses, although important to give any information that you have gained to them, as they can inform changes to your work

A project manager's role within different organisational structures

- Organisational Structures
  - Classic Organisational Structure
    - Top-down heirarchy system
      - CEO has direct authority of several department managers
      - Department manager has direct authority over several other sections of employees
      - Communication is needed both up and down the ladder
      - Authority comes from the top, and filters to the bottom
      - Requires reporting up the chain
      - Will generally stay within their own chain of command, and rarely go outside of it for teams, or guidance
      - Have to report to functional managers
  - Functional Organisations

- Organisation is divided into departments based on function
- Each department is led by a functional manager, and employees are grouped depending on the functions of their role
- Classic Organisational Structure Org chart

Classic Org Chart
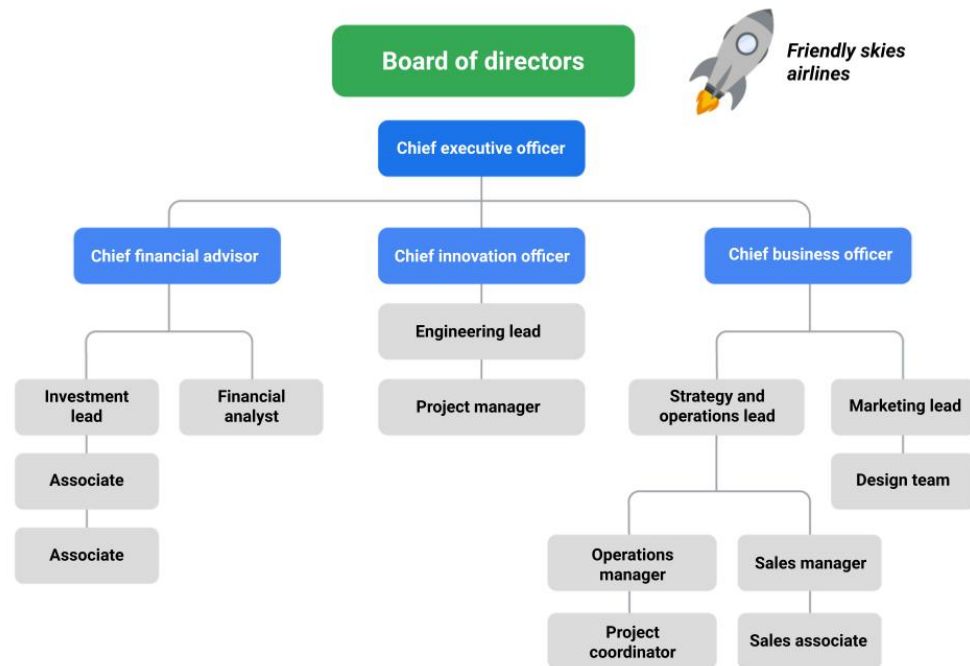
- Matrix Organisational Structure
  - The Matrix Organizational structure article (PMI)
  - Employees generally have 2 or more managers
  - People above you, as well as those in adjacent departments
    - Have to communicate and progress and work with as well
  - Functional areas cross paths, and the responsible manager for each area generally has the most authority
  - In the below diagram, think about how you have to go left for a manager there, and those next to you are adjacent, as well as up, where you have the board and CEO
  - Matric Organsiational Structure Org Chart

Matrix Org Chart
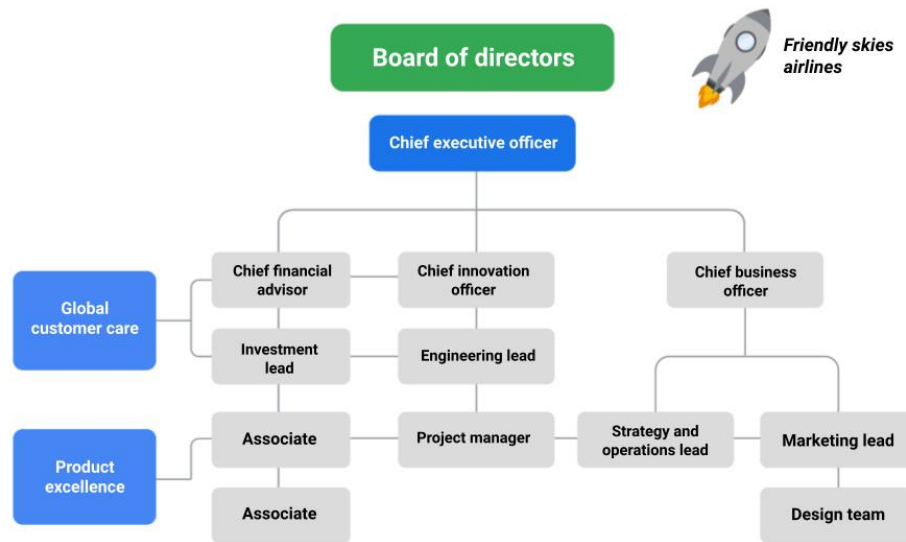
# How organisational structure impacts project management

- **Impacts on project management**
  - Accountability, and who to report to

Classic   **Matrix**
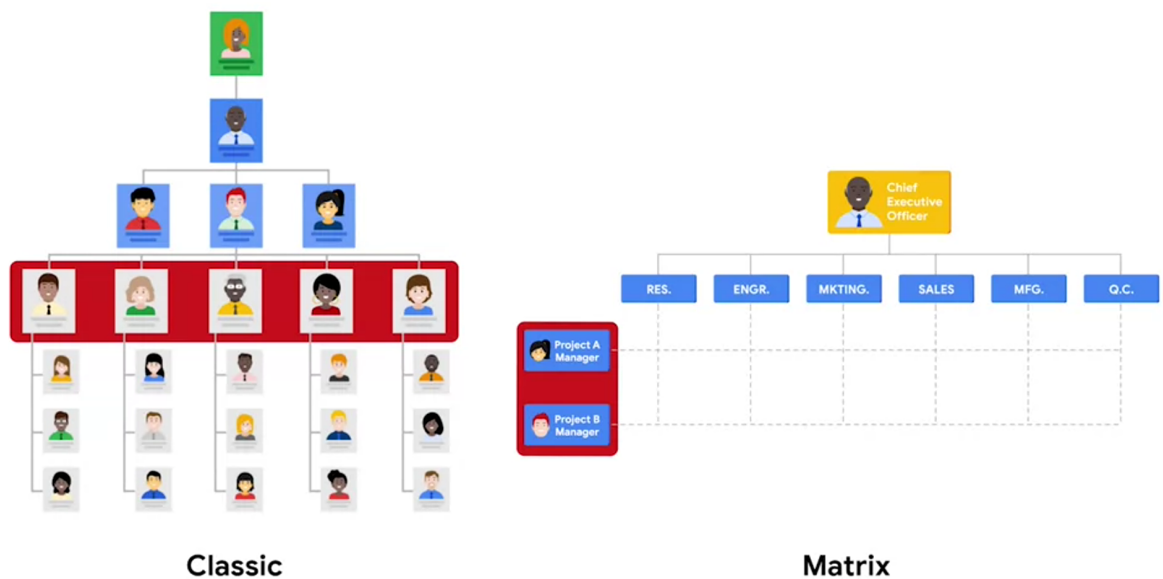
  - Vital to understand who you are responsible to work for
  - Who the members of your team reports to
- Can identify how you manage a project
  - *Is able to define how much authority you are able to get as a project manager*

- How many changes you can make on an organisational level
  - such as changing vendors, or staff
- *Resource availability*
  - Knowing how to access the people, equipment and budget needed for a project
- **Classic Structure**
  - Less authority, and tighter scope
  - Need to rely on getting approval from appropriate managers
  - These people are also in charge of people on your team, and have the resources you need
  - Depend on the managers in your organisation to approve resources
    - The amount of resources and budget for project is decided by the managers
  - Chain of approval
    - Budget increase example
      - Report to manager
      - Manager reports to their management chain
    - Traditional top-down arrangement of authority and resources
- **Matrix Structure**
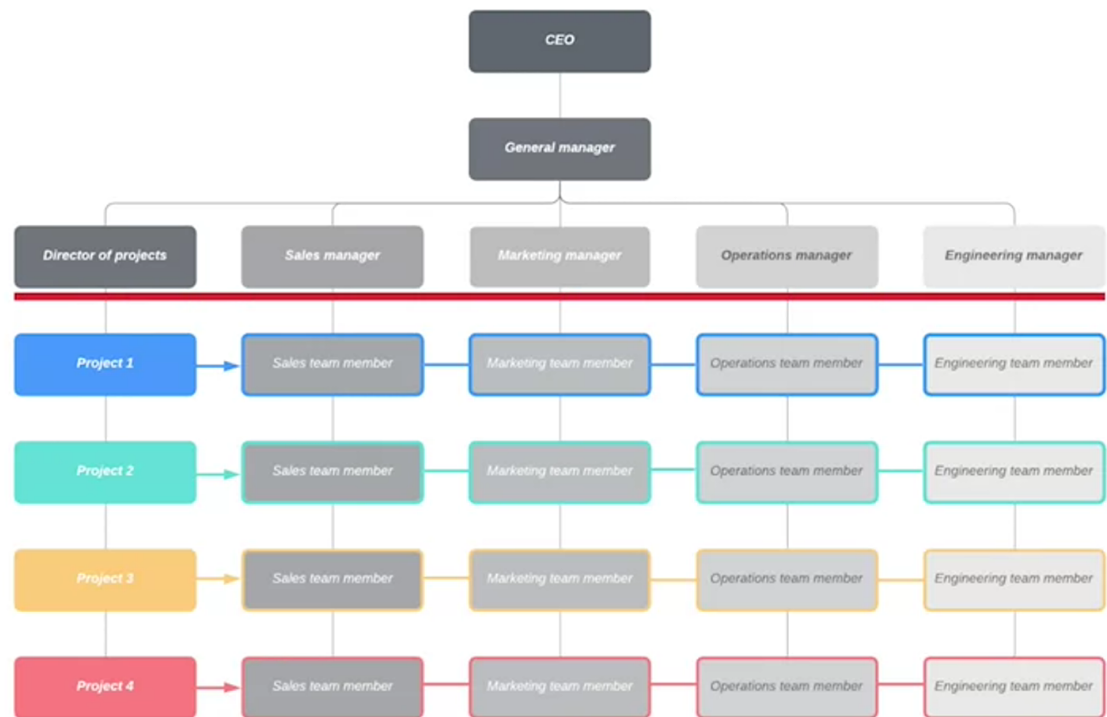
  - Two or more managers they need to report to and work with to function
  - Team mates will have their functional managers as well as you as their managers
  - If members are working on multiple projects, may also have multiple managers
  - Affects your authority as a project manager

- You may have to collaborate with other managers to make decisions
- Share resources
- Negotiate priorities
- Make sure you know who your stakeholders are
- No clear chain of command
  - Make sure you have identified and communicated, with anyone you need approval from well before the project is due to begin
- Strong project focus, and therefore have strong autonomy, and are able to gather resources as needed.

The role of a Project Management Office

- **Project management office**
  - **What is a PMO?**
    - Project Management Office (PMO)
      - A group within an organisation that defines, sets, and helps maintain project management standards and processes throughout that organisation
    - Acts as the coordinated center for all the organisation's projects
    - Project managers may operate from within the PMO, or from within other departments
  - **What are the functions of a PMO?**
    - Main functions
      - **Strategic Planning and governance**
        - Most important function
        - Define project criteria
        - Select projects according to business goals
        - Provide a business case for those projects to management
      - **Best practices**
        - Share lessons learned from previous successful projects
        - Make sure all the projects are consistent by providing guidance about processes, tools and metrics
      - **Common project culture**
        - Train employees about optimal approaches and best practices
        - Keep project management consistent and efficient throughout the organisation
      - **Resource management**
        - Responsible for managing and allocating resources (such as people and equipment) across projects

- All of this is based on budget, priorities, schedules and more
- Define the roles and responsibilites on different projects
- Provide training, mentoring, and coaching to all employees, although project managers in particular
- Creation of project documentation, archives and tools
  - Provide templates, tools and software to help manage projects
  - Maintains organisation's project history
  - Archive all completed projects for future project's reference and to capture and lessons learnt