

# Introduction

- The search for better and faster ways to develop products and respond to customer needs has led some companies to choose a **matrix structure**,
- \* ◦ An organizational design that groups people and resources in two ways simultaneously: by function and by product.

# Introduction

Handwritten notes in the top right corner: "Product Structure" and "① Product".

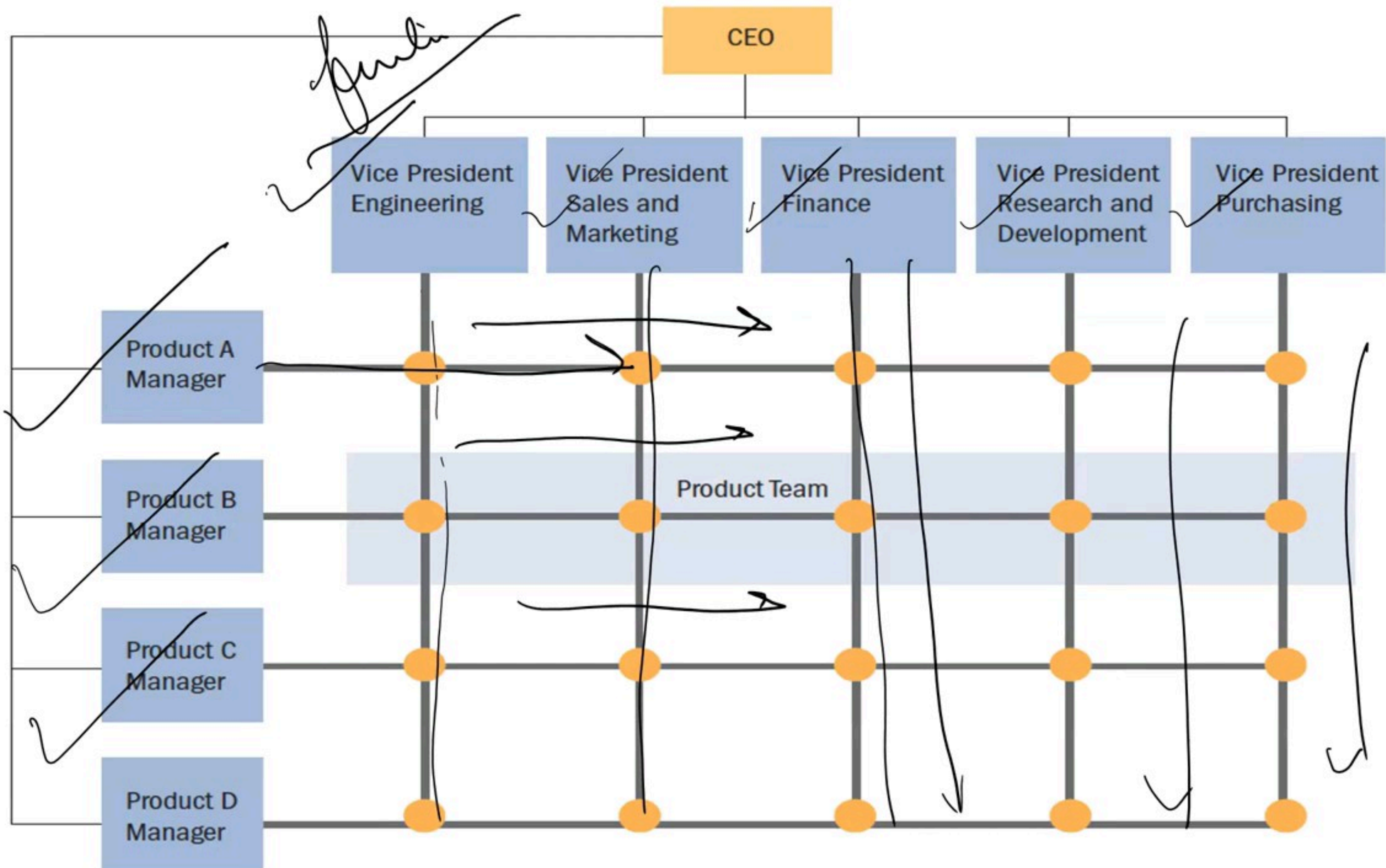
◦ The search for better and faster ways to develop products and respond to customer needs has led some companies to choose a **matrix structure**,

\* ◦ An organizational design that groups people and resources in two ways simultaneously: by function and by product.

◦ In the context of organizational design, a matrix is a rectangular grid that shows-

◦ A vertical flow of functional responsibility and a horizontal flow of product responsibility.





# Characteristics

Handled  
1/2

Handled  
1/2  
Superior  
Growth

- The organization itself is very flat, having minimal hierarchical levels within each function and decentralized authority.
- Functional employees report to the heads of their respective functions (usually, functional vice presidents) but do not work under their direct supervision.
- Instead, the work of functional personnel is determined primarily by membership in one of several cross-functional product teams under the leadership of a product manager.
- The members of the team are called two-boss employees because they report to two superiors: the product team manager and the functional manager.



# Characteristics

function  
↓  
reluctant

formal

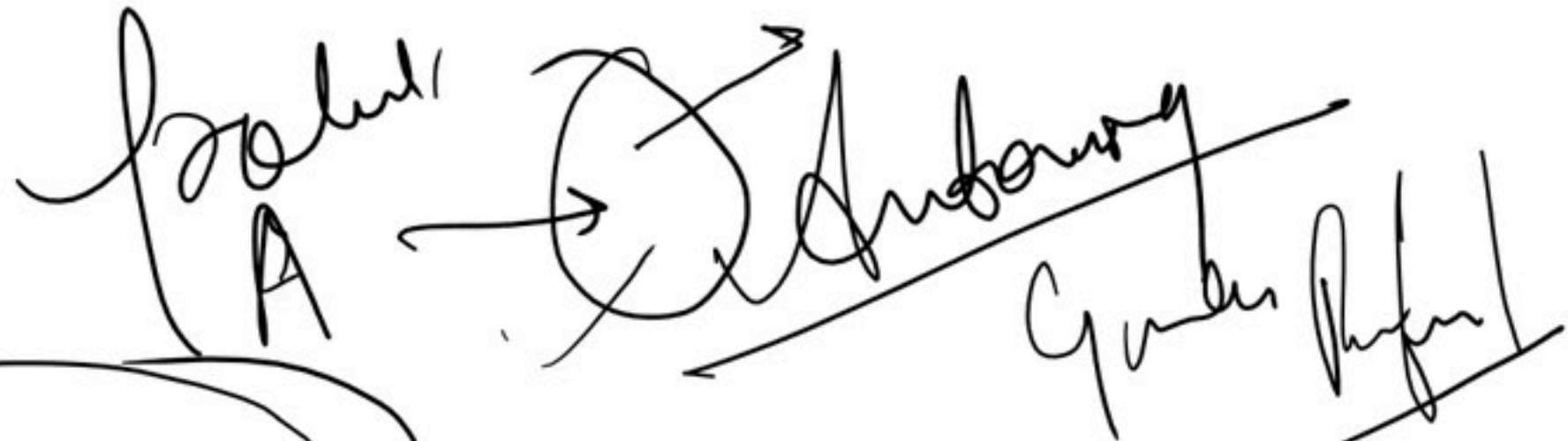
Job done

- Role and authority relationships are deliberately left vague because the underlying assumption of matrix structure is that when team members are given more responsibility than they have formal authority, they are forced to cooperate to get the job done.

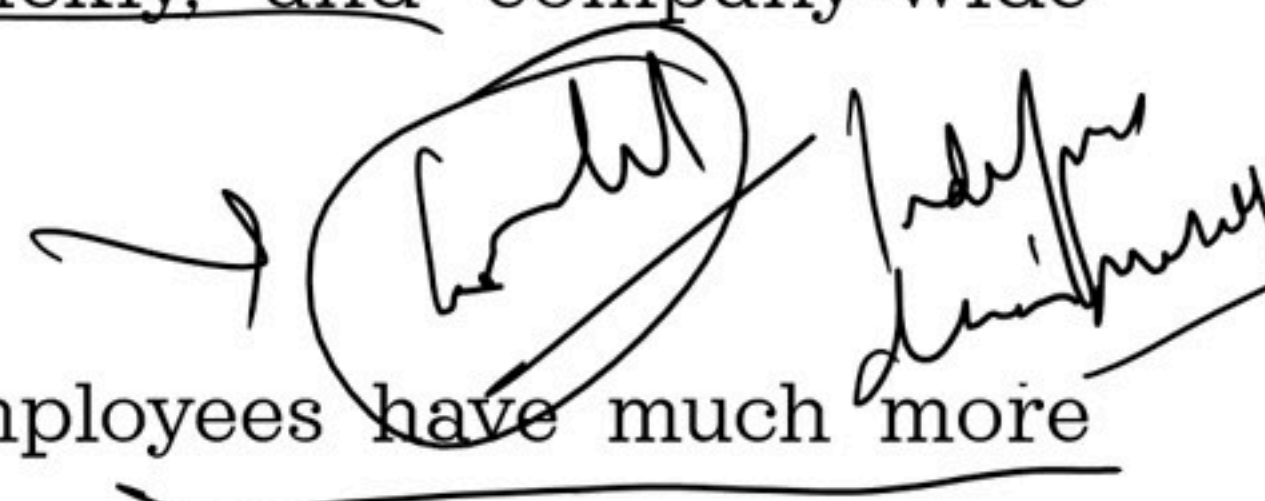
Reluctant  
Formal  
Job done

Reluctant  
Formal  
Job done

## Advantages



- **Increased communication efficiency**
- A matrix organizational structure allows multiple departments to easily communicate and collaborate on a project. Because employees answer to multiple managers as opposed to just the functional manager, issues are resolved more quickly, and company-wide interaction is increased.
- **Improved employee motivation**
- In a matrix organizational structure, employees have much more autonomy and input in projects.





# Advantages

## ◦ **Increased teamwork**

◦ In a matrix organization, employees work across multiple projects and with various departments within the company. This increases employee interaction and promotes a better sense of teamwork.

## ◦ **Maximizes resource usage**

◦ This type of structure allows resources to be maximized because of how equipment and employees are shared across projects.

## ◦ **Increased employee professional development**

◦ A matrix structure allows employees to work across a wide variety of projects and often requires them to utilize and/or learn different skills.

Handwritten notes and diagrams in the top right corner. At the top, "Full Sp" is written above a diagram showing a box labeled "James" with an arrow pointing down to a box labeled "Tina". To the right of this is a circle containing the word "Tina". Below the circle, the words "Include / Consider" are written.

Handwritten notes on the right side. A large checkmark is drawn over the word "Project". Below this, the word "Review" is written, followed by a signature.

