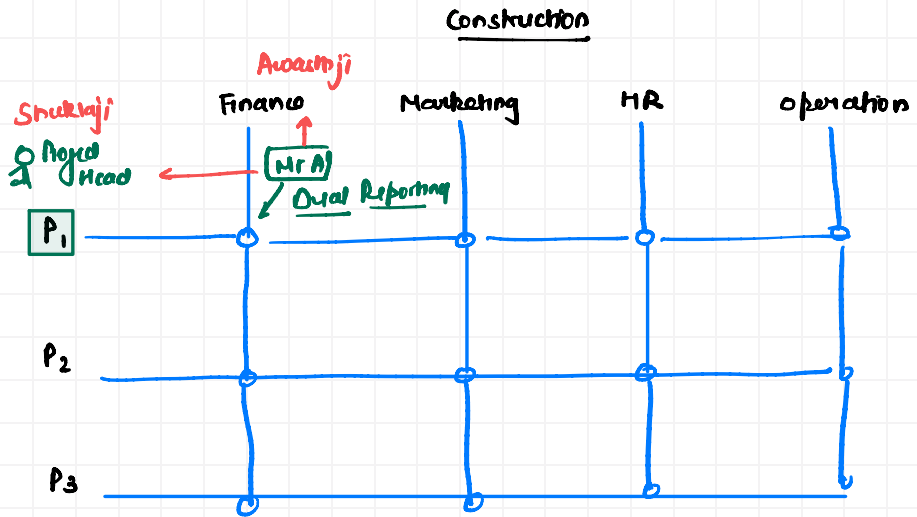


Matrix Structure



NOTES

- Combine — Functional & Product forms
- Two superiors — Dual Reporting
- Home Department — Functional Dept. — Permanent
- People from function Dept — assigned to Projects
 - ↓
 - Temporary
 - Product Units
- Appropriate → neither function
nor Divisional or SBU Suitable
→ External Environment is Dynamic
- Advantages
 - Stability of Function
 - Flexibility of Divisional + Product form
- Industries
 - Construction, Healthcare, Research
Defence

3 Conditions for Matrix Structure to be used / Found

1. Ideas Need to be Cross - utilized Across Projects
2. Resources are Scarce
3. Abilities to Process information & to Make decision needs to be improved (Fast Decision Making)

Three phase Development

1. Cross-functional task force

- New product launched
- A temporary task force is build from different function
- Project Manager is assigned as in-charge.

2. Product/Brand Management

- Task force - Permanent
- Project Manager → Product/Brand Manager

3. Matrix Mabeix

- Third / final phase
- Matrix Mabeix
- True dual Authority
- Both function & Product structure stabilize and become permanent
- Two superior (All Employees commed under)
- Equal Authority
- Must work together to resolve issue

Matrix Structure, Not Popular

- Difficulties in Implementation
- Trouble in Managing