

# Matrix Management Reinvented

## Smashing the Functional Barriers to Managing Business Processes & Projects

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In most organizations, functions are king and getting work done cross-functionally is difficult at best. For years companies have tried to solve this problem by changing the culture or restructuring, but very little progress has been made. Functional silos still don't cooperate with one another. Business processes are riddled with rework and long cycle times. Projects are late and don't satisfy their customers. What's wrong? Is there a solution?

There are two basic reasons that cross-functional operations such as business processes (BP) and projects aren't working well:

1. Organizations are aligned vertically instead of horizontally.
2. The required management systems and processes are not in place to support horizontal alignment.

Cross-functional management, also known as matrix management, requires alignment in the horizontal dimension, around customers and suppliers. That is why you can't reorganize your way out of your cross-functional problems. When you restructure all you really do is rearrange reporting relationships. You redesign the vertical dimension - the dimension of who reports to whom. Restructuring does not affect alignment in the horizontal dimension - the dimension of customers and suppliers - because

structure and alignment are two different things. Structure is about reporting relationships and alignment is about pointing everyone in the same direction to meet your strategic objectives and satisfy your customers. In order to get alignment with your customers, you have to tackle the horizontal dimension, because that is the dimension in which work gets done.

Today's organizations are typically structured and aligned around the vertical dimension.

### Vertical Alignment

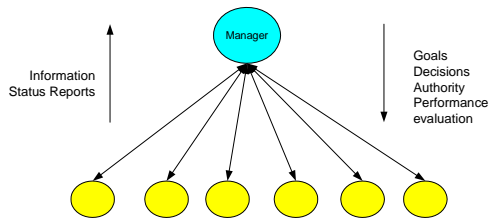
As we've said, the vertical dimension is the dimension of the authority relationships, the boss/subordinate relationship. The boss sets the goals, makes the plans and defines the tasks that a subordinate must carry out. The subordinate then does the work, reports back to the boss and is held accountable for completing the work as delegated.

In vertically aligned organizations:

- Communication and decision making flow up and down within functional silos.
- Subordinates focus on pleasing the boss because the boss assesses the

performance of the subordinate. Thus the performance management system is vertically aligned.

- Goals are set at the top and then decomposed through the functional hierarchy. The boss' goals are broken down and passed down to his subordinates, who in turn breaks his goals down and passes them on, until we get to the worker level where the work is performed. Thus the goal setting process is vertically aligned.



- Managers are held accountable for only what happens within their functional areas, because you have to have control over something in order to be held accountable for it and it is assumed that a boss has control over his subordinates. That means that the accountability system is aligned with authority, in the vertical dimension.
- The predominant management style is directive. The manager is seen as more knowledgeable and a better problem solver than the subordinate. Therefore, the manager makes most of the decisions and solves most of the problems. Goals are broken down into tasks and those tasks are assigned to a subordinate to carry out. Directive management also creates alignment within the vertical dimension.

## Vertical Optimization

When organizations are vertically aligned, they optimize the vertical dimension instead of the horizontal one.

Vertical optimization is the optimization of functional units. Each functional unit is required to be the most efficient and effective it can be.

Packaging optimizes its operations. IT optimizes itself. Accounting, the same. Vertical optimization is a consequence of vertical alignment. But when you optimize functions, you suboptimize the horizontal dimension – the dimension of customers and the business processes and projects that serve those customers.

The vertical approach, based on functional goal setting, functional accountability, boss/subordinate performance management and a directive approach to managing, worked well enough until about 20 years ago when we realized that there were some critical components missing from the vertical dimension, the most important of which was the customer. We then realized that in order to satisfy the customer, we had to align with and optimize the horizontal, not the vertical.

## Horizontal Optimization

You can't optimize both vertically and horizontally at the same time. You have to pick one or the other. When you pick vertical optimization, cycle times are excruciatingly long, rework is rampant and processes fail to deliver the products and services the customers want. When you choose horizontal optimization, cycle times are reduced, projects get done on time, and products and services satisfy the customer. So why wouldn't every organization simply switch to horizontal optimization? Because optimizing the horizontal dimension requires first aligning horizontally and that requires a different approach to management: it requires matrix management.

This new matrix management allows you to:

- pull all the vertical units (functions) together so that they cooperate for the overall good of the organization
- focus on satisfying the customer
- create shorter cycle times and less rework in getting work accomplished.

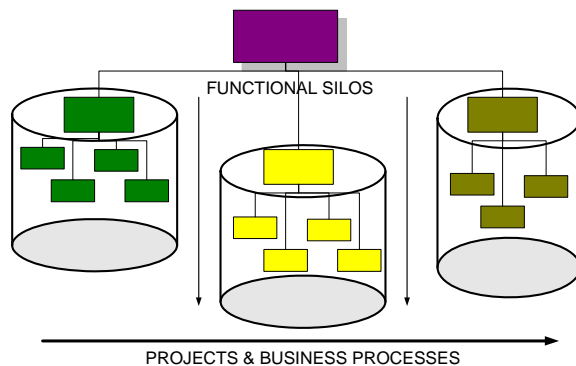
The new matrix management simply means managing in two dimensions – first the

horizontal and then the vertical. The vertical still exists; but it exists to serve the horizontal.

You may recall that matrix management was a hot topic some years ago, but that matrix approach was rooted in augmenting a system of vertical alignment instead of replacing vertical alignment with horizontal alignment. Let's look at what the old matrix management looked like.

### The Old Matrix Approach

Twenty years ago management experts began to notice that some projects crossed functional boundaries and therefore we needed to find a way to get project work done horizontally. Matrix management was invented. Project managers were to work across functions, utilizing human resources that reported to functional managers.



The principle question of the time was a very vertically oriented one: How can the project manager be held accountable for results if he doesn't have authority over the people who do the work?

In order to solve this dilemma, the experts created the dual reporting system. People on project teams would have two bosses: the functional manager and the project manager. The dual reporting approach failed because:

- team members were pulled in two different directions by their two different bosses.
- functional alignment and optimization made it very difficult for the project

manager to get the support he needed to be successful.

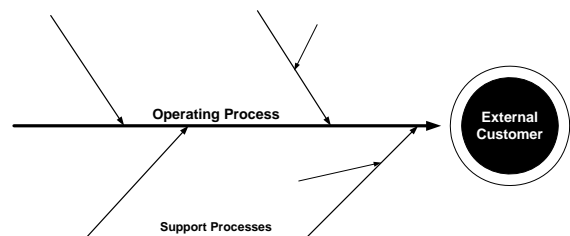
The basic flaw of the old matrix approach was that there was never a shift from vertical alignment to horizontal alignment.

### The Horizontal in a Matrix

In the horizontal dimension, business processes turn inputs into repetitive outputs that are delivered to customers. A business process (BP) is any process that produces repetitive outputs for a customer. There isn't just one large business process; there is actually a hierarchy of business processes.

Starting at the top, there are processes that span the enterprise, or in the case of supply chains, extend beyond the enterprise. Then within those broad processes are subprocesses that span parts of an organization. Let's take the staffing process as an example of a larger process. Subprocesses of the staffing process might include recruiting, hiring, orientation, retention, firing and retirement.

Business process can be looked at like a Fishbone diagram. The primary business process (the spine) is the operating process or processes that serve external customers. The supply chain is an operating process since it serves an external customer. Business processes that serve the operating process are called support processes (the connecting bones).



Quality assurance is a support process. An enterprise's network of business processes should be mapped so that the customer/supplier relationships are known and so that there is a visual representation of what the horizontal dimension looks like. (The vertical

dimension map is known as an organizational chart.)

In addition to business processes, work also gets done through projects. Projects are temporary endeavors that produce unique outputs for customers. A project utilizes a process (called a technical process) that turns inputs into unique outputs for a customer. Thus projects are part of the horizontal dimension as well. Business processes serve the customer's needs for today, projects serve the customer's needs for tomorrow. Any matrix system must address the ability to optimize business processes as well as projects – the two key elements of serving the customer.

### The Vertical in a Matrix

If outputs are produced in the horizontal dimension, do we even need the vertical dimension? The answer is a resounding "Yes." The vertical dimension supports the horizontal dimension by:

- managing the resources that are required to run the BP's and complete projects, and allocating those resources according to the top priorities of the organization.
- eliminating resource bottlenecks in business processes and technical processes.
- developing the capabilities of the resources that will be used in BP and projects.

In addition to managing resources, both human and nonhuman, the vertical dimension also manages the technology needed to support BP and projects. Managing technology means providing direction in terms of what technologies are needed for the future. It also means providing and enforcing standards on how technology will be applied across BP's and projects.

For example, a manager of an IT function would ensure that:

- She had enough resources but no more than required to support the horizontal dimension.
- She had the people with the right skills required to operate the business processes and man the projects.
- She set standards for IT performance and enforced those standards across BP and projects.
- She set direction for new IT technology that supported the horizontal dimension.
- She set standards for IT technology to be used across the organization.

Now, let's look at how we put together the horizontal and vertical to form a matrix.

### Putting the Matrix Together

Matrix management simply means operating across functions, with the horizontal being primary and the vertical supporting it. It's simple enough in theory but very difficult to do well. Why? Because it requires a different set of management systems, methods and skills than were used to manage in just the vertical dimension. In the old vertical organization we:

- aligned our goals around each function. This was called MBO. In a matrix, the goal setting system has to be horizontally aligned.
- only held functional managers accountable for reaching their functional goals. In a matrix, the accountability system has to support horizontal alignment and optimization.
- used a directive approach to management, based on authority, as the driver to getting anything accomplished. In a matrix, the management approach must promote collaboration across functional boundaries.
- had no vehicle for getting work done or resolving issues that crossed boundaries. One had to go up through the hierarchy to a point where the span of control encompassed the problem you were

having and then back down again. In a matrix, we have structures that operate cross-functionally.

- had no way to prioritize between functions. In a matrix, we have councils that set priorities across functions.

In order to operate effectively in a matrix, we need to align horizontally using methodologies that help to integrate functions, employ a new management approach that is collaborative in design and learn new skills for getting things done without authority.

## The 7 Keys to Success

There are 7 keys for aligning organizations along matrix lines:

1. Business process alignment
2. Goal alignment
3. Project alignment
4. Accountability alignment
5. Collaborative management
6. Standardization of management processes
7. Role alignment

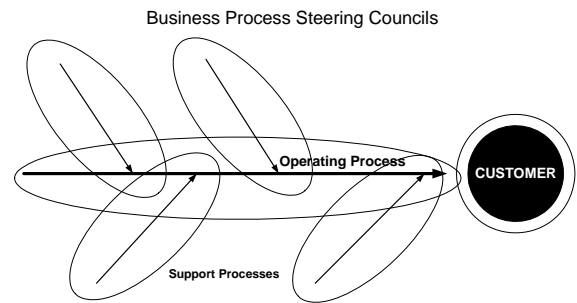
There are also seven keys for individuals who work within a matrix that help them to fulfill accountability and manage collaboratively. I'll provide an overview of these later in the white paper.

Let's start with the first key and work our way through each one in turn. Our intent is to understand the concepts. The how-to's of implementing each one will not be explored in this paper.

### Key 1. Business Process Alignment

Each business process is overseen by a business process steering council (BPSC). A BPSC is a group of managers who own different

components of the process being steered (different subprocesses). For example, the BPSC for the Staffing BP would be composed of representatives from Recruitment, Hiring, Retention, Dismissal and Retirement Subprocesses. In addition to subprocess owners, the BPSC should also include a customer rep, and other key stakeholders, such as key suppliers.



As we'll explore in Key 2, goals are decomposed from the overall strategic plan into goals for each BPSC. The BPSC is accountable for meeting those goals. (We'll talk about how that accountability needs to work in Key 4.) For example, The Product Sales BP (composed of R&D and includes Marketing, Sales, Manufacturing and Customer Service) might accept a goal to increase sales by 5%. That goal would be owned by the BP owner for Product Sales BP. Why wouldn't it be owned by sales? Because sales is a subprocess that is dependent on the entire process – new or improved products to sell (R&D), marketing campaigns (Marketing), customer support (Customer Services), and products to sell (Manufacturing). Therefore the goal is more appropriately a goal for the Product Sales BP.

The Product Sales BP would then take that goal and decompose it into subgoals for each of the subprocesses. A goal for the Sales subprocess might be to increase the close rate on sales by 10%.

In addition to defining and decomposing goals, BPSC's perform several key functions:

- Defining the measures to be monitored for the BP, including effectiveness and efficiency measures

- Ensuring resources are available to run the business process
- Monitoring the business process
- Addressing any issues (major deviations) that arise
- Setting direction for future enhancements to the BP
- Selecting projects to address problems, improvements and reengineering

Business processes are overseen by the BPSC, but the day-to-day operations are best managed by intact work teams, lead by a team lead. We learned how to manage work teams 10 to 15 years ago, but they too were superimposed on a vertically aligned organization and so never functioned properly. Work teams can operate business processes if they have the proper support. That support includes clear policies and procedures for running the business process, appropriate training so the workers know how to do their jobs, team and meeting training so workers understand how to collaborate, appropriate process measures so it's clear when the process is in or out of control, and most importantly, steering councils whose job it is to support those work teams. In addition, one of the steering council members is assigned as a sponsor of the work team to make sure the team has the resources needed to get the job done and to help resolve any management issues that the team cannot resolve on its own.

## Key 2. Goal Alignment

To align an organization in the horizontal dimension, you have to have something to align it to. Alignment begins with the mission – what business are you in? Then you define a vision – what do you want to be in the future. Then you develop a strategic plan, actually two plans, a long-term, three to five year plan that gets decomposed into a short-term, one year plan.

Your vision can be a dream, but the strategic plan needs to reflect reality. In other words, it has to be doable! That doesn't mean you can't have stretch goals in your plan, but it does mean

that the whole plan can't be composed of stretch goals. It means it has to be executable. In order to assess whether or not your plan is REAL, you have to get it verified, before it's cast in stone, by the steering councils who will be accountable to achieve the goals in the plan.

Once the plan is verified, it's then deployed down through the horizontal organization – through business process steering councils. Goals are aligned with these business processes and then decomposed into subprocess goals (which for very large processes will also have a steering council associated with them). Finally the subprocess goals are decomposed into functional goals.

This alignment of goals down through the horizontal organization helps to ensure that business processes are optimized first and not functional units. It also helps to assure that the strategic plan will be implemented, as opposed to sitting on a shelf, collecting dust.

Once we have BP & goal alignment, we can optimize the BP's. We do that by:

- Clearly defining customer requirements and designing the process to produce products that satisfy or delight the customer.
- Designing or reengineering business processes to eliminate as many nonvalue adding tasks as possible.
- Creating policies and procedures that support getting the work done.
- Training work teams and team leads in the technical skills required to get the job done.
- Training work teams and team leads in the management and soft skills needed to get the job done.
- Defining clear accountability for the team lead and clear responsibility for each team member.

## Key 3. Project Alignment

If business processes produce today's products, projects create tomorrow's products, services and business processes. Everything new or improved happens through a project. New products, new services, reengineering processes, improved products & services and improved business processes.

All of the projects within an enterprise make up the organization's project portfolio. The Project Steering Process (PSP) is similar to BP steering, except that instead of steering a BP, the PSP steers the portfolio of projects. The PSP is run by a project steering council (PSC) whose primary function is to select, fund and oversee (oversight) the portfolio of projects. The PSC then reports back to the individual BPSC on the status of their projects.

From the projects proposed, the PSC selects those projects that will best enable the organization to reach its strategic goals. If a project is accepted, it is prioritized and funded (which means the resources needed to complete the project are allocated to it). A project sponsor (the management person who is a liaison to the project and who is charged with ensuring the success of the project leader) is appointed and she selects the project leader and completes the Charter document; thus formally initiates the project.

The PSC also performs an oversight function on the portfolio and resolves any conflicts that may arise between projects. (The assigned project sponsor does oversight on an individual project.) Finally, recommendations for improvement are brought to the PSC from the project team and the PSC decides what improvements (which are also projects) should be funded to improve the overall project system. (Typically the person who heads up the project steering council is also accountable for the overall project system.)

Optimizing the portfolio of projects requires:

- Prioritization of projects based on their contributions to the strategic plan

- Allocating no more than 100% of the human resource capacity to BP and projects.
- Not initiating any project unless the resources are available to complete it.
- Eliminating bottlenecks (they create longer cycle times).

Individual projects within the portfolio must also be aligned and optimized. Projects fail for many reasons, many of which relate to the lack of a sponsor or a PSC. In addition, projects fail because:

- The customer is not involved in the project management process and/or refuses to define realistic, prioritized requirements.
- The expectations of management are unrealistic.
- There is no support from management.
- Teams aren't trained in how to properly manage projects.
- There is no standard project management process that has been optimized and deployed across all projects. (See Key 6)

By setting up and running a PSC, and by aligning the organization with the efforts of each project, the failure rate of projects can be dramatically reduced. However, in order to make steering councils and project teams operate effectively they must utilize the new accountability.

#### **Key 4. Accountability Alignment**

For 50 years we've used an old system of accountability that was designed to align and optimize the vertical dimension. That old accountability goes something like this:

- In order to be accountable, you have to have authority. That means project managers can't really be held accountable because they don't have any authority.

- Functional managers are held accountable for only what happens within their functions – what is within their span of control. If a decision is made outside that span, then they aren't held accountable for the outcome.
- Because of the conditions placed on accountability (having authority and control), it is never clear who is accountable for what until after the event had occurred. As a result, determining who is accountable becomes a reactive, witch hunting activity and creates a culture of blame and fear. This blame-based accountability virtually eliminates organizational, team and individual learning.

This old accountability, which still operates in most organizations today, makes it very difficult to align horizontally. What is needed is a new accountability, one that fosters horizontal alignment. The new accountability goes something like this:

- Accountability is proactive and is not dependent on authority or control. Accountability for each goal, output or deliverable is decided before the event and the accountable person must ensure the result is achieved: no ifs, ands or buts. (This has to be combined with steering processes that ensure that the resources are available to get the job done. It also has to be combined with sound vertical management so that the people have the capability to do the jobs that they are accountable for.)
- This new, unconditional type of accountability requires acceptance on the part of the party that will be held accountable. Therefore, accountability is almost always negotiated.
- Being accountable is not synonymous with being responsible. To be responsible is to do the work oneself. To be accountable is to ensure the work gets done through others and the result is achieved.

- There are two kinds of accountability – organizational and area. Organizational accountability is the accountability to ensure that the goals of the larger system of which you're a part are achieved. That larger system could be the entire organization, the steering process, work team, project team, etc. Area accountability is the accountability to achieve the goals of your own unit. A unit could be a subprocess, project, subproject, etc. Organizational accountability takes precedence over area accountability, thus ensuring the optimization of the horizontal dimension, and not the vertical one.

This new approach to accountability supports cross-functional endeavors such as BP and projects. For example, organizational accountability ensures that all members of a steering process own the goals of the entire process and those goals take precedence over subprocess goals. In this way, we optimize larger processes and then subprocesses and then sub-subprocesses. Organizational accountability ensures that all functional managers who must contribute resources to a project are held accountable for the success of that project. As a result, a project manager doesn't need authority to achieve his goals, because the people who have the authority are held accountable for the success of the project. (The project manager, however, needs lots of other tools to get the job done without authority, including a team-based project management methodology, influencing and selling skills, communication and facilitation skills, a problem solving and decision-making methodology, etc. (See Keys 5 & 6.)

Accountability without consequence is no accountability at all. Consequence comes in many forms including praise, approval, recognition, reward, etc. Therefore, the formal performance and reward systems must also be aligned with the new accountability system. This includes 360 feedback from project team members, customers and stakeholders (as consistent with Key 5 – Collaborative Management).

The new accountability enforces horizontal alignment. It requires cross-functional teams to work together – to collaborate in order to achieve the results required of the team.

In order to operate steering councils and work teams, we need an alternative to the vertically aligned, directive management approach. The approach that's needed in a matrix is a collaborative one.

## Key 5. Collaborative Management

The horizontal dimension is composed of hierarchies of teams: work teams to subprocess steering to BPSC or subproject work teams to project teams to PSC. Teams are the vehicles by which work is planned, coordinated, executed and managed. Teams:

- Facilitate horizontal alignment by focusing team members on a common goal.
- Facilitate optimization by eliminating the white spaces (the gaps between one unit and the next) by managing the interdependencies between units.

The conditions needed to make teams work effectively are:

- Team sizes of no more than 12 people. When teams get larger than 12, then need to be decomposed into subteams.
- Structured, participative management processes that the team uses to get the work done, like a structured project management process for completing projects. We'll cover some standard management processes in Key 6.
- A team leader who leads the team through these structured, participative processes. This team leader needs skills in leadership, facilitation, negotiation, selling, people management, communications, etc. They do not need to be a technical expert in the subject matter.

- A sponsor that sets clear direction and supports the team in meeting its goals.
- The resources required to get the job done.
- Team members who have the skills to get the job done. (The accountability for supplying skilled team members falls on the shoulders of the functional managers and is part of their area accountability.)
- Team members who have been trained in how to work together as a team.

This approach to management through teams is called collaborative management. That is not to say that a decision is never made by an individual and then handed down through the organization. Changes in direction often have to be made in this manner. However, under normal conditions an organization cannot use directive management and thrive. Too much human potential is lost when decision making is not collaborative. Too many good ideas get lost. Too much spirit is lost.

Although we've had some experience with work teams, we've had almost no experience with true management teams – the steering councils that serve to govern the organization. They must collaborate, make decisions primarily by consensus, and be held accountable for a common goal. These are new concepts for most members of the management team and they require new management processes and skills.

## Key 6. Standardization of Management Processes

Standardization is often considered a dirty word but it's time to rethink the value of standardization, particularly of the management processes. A management process is a process that is used to get work done. It is used to manage a technical process or business process. For example, decision making is a management process. Each time a team makes a decision, they need to walk through a defined set of steps, a process, for making that decision. When we managed primarily within a function, on a one-on-one basis, we had less need for standardization of management processes

across an organization. We could approach problem solving or project management anyway that fit our personal style. However, if we are to work in teams, as we must in a matrix, then we need management processes that we all share, that we don't have to debate and reinvent every time a team is formed.

The basic management processes (methodologies) include: decision making, avoiding problems (risk assessment), problem solving, opportunity analysis and implementation. This combination allows teams to make decisions and then implement the decision; solve problems and then implement the solution; avoid problems altogether, and capture new opportunities.

More advanced methodologies include: project management, process management, strategic planning, and innovation.

All management methodologies should include the following general characteristics:

- They produce standardized outputs (documentation) that capture the thinking process that went into the final outcome.
- They are collaborative in nature.
- They are scalable – can be used for small simple issues and large, complex ones.
- They are generic – can be used within any discipline or area of technology.

The value in standard management processes is that they can be used across the organization. Once someone learns the step-by-step method for problem solving, it can be applied with any group of people, from any discipline. In addition, the documentation will be the same as that produced by any other team within the organization. This facilitates the audit and oversight process that should be conducted by sponsors, steering councils and one-on-one with subordinates.

As we construct steering councils, redefine accountability and change the way we manage, a whole new role for management emerges in a matrixed organization.

## Key 7. Role Alignment

As can be deduced from the prior six keys, the role of the manager changes dramatically in the matrixed approach. In the old world, managers worked primarily up and down, with bosses and subordinates. In the matrix organization, managers spend most of their time working with peers, in teams.

We used to hear that management was planning, budgeting and control. Now teams are doing their own planning, budgeting and control. That means we need a new role for management:

- Fulfill strategic goals – the fundamental job of management is to ensure that the organization moves forward, achieves its goals, together – in alignment.
- Direction – provide direction to teams in line with strategic goals. This starts with the strategic plan at the top and descends down through the steering councils to work and project teams.
- Fiduciary Responsibility – managers are entrusted with managing the resources for the good of the overall organization, not for the good of their individual areas of accountability.
- People development – developing the capability of people to do the work and to work together in collaborative processes is a major function of management.
- Prioritization – because there are limited resources, there is a limited amount of work that can be done. This is called the organization's capacity. It is the manager's job to match the work to capacity. The means prioritizing the work so that the most important work is done first. That means deciding what will get done and what won't get done. When this responsibility is abdicated, as it is so frequently, the bottlenecks decide what is most important. The priority decisions made at the bottleneck do not necessarily align with the strategic goals of the organization.

- Standardization – creating standards for technology and processes that are used by cross-functional teams.

Specifically, in a matrix, the manager's role is to:

- Lead the business process steering processes for the process that she owns
- Participate as a team member in business process or project steering for the processes that she is a part of
- Manage resource capacity and capability
- Sponsor projects and work teams
- Set direction for technology within functional area
- Set and maintain standards
- Improve effectiveness and efficiency of resources
- Manage customer/supplier relationships
- Manage resources

The new job of management requires a new set of skills including:

- Team development
- Communications within teams
- Selling
- Negotiating goals and accountability
- Conflict resolution
- Requirements elicitation
- Facilitation

One of the key skills in a collaborative environment is the ability to facilitate team efforts – lead the team through structured, participative processes, ensure team development, resolve conflicts, negotiate accountability, enforce contracts, etc.

## Summary of Matrix Management

We've now explored the fundamentals of making a matrix work. Let's review what we've covered. In a matrix, the horizontal is the primary dimension and the vertical or

functional dimension supplies resources, technology and technical capability to the horizontal dimension.

The work of the organization happens in the horizontal dimension, through business processes and projects. Those BP's and projects are steered by steering councils. The teams are led by team leads. Everyone sits on one or more teams: work or project teams, steering councils, and the executive council (which resolves conflicts between steering councils). Therefore, everyone in a matrix must have skills that make him an effective team member: skills in the standardized management processes being used, such as decision making, problem solving, project management. They also need collaborative management skills such as communications, constructive feedback, conflict resolution, etc. Team leads also need skills in facilitation, team development, selling, influencing, negotiating, etc.

## The Individual and the Matrix

Thus far we have focused on what is required at the organization level. There are behaviors or attitudes that are needed from individuals as well which help to make an organization work effectively as a matrix. Most of these behaviors develop out of the new accountability and the requirements of collaborative management.

1. Control of Self, Not Others – The old accountability was based on the idea that we could control others – specifically those we had a line relationship with. The fact is that the only person we can control is ourselves, and most of us do a pretty poor job of that. We cannot control other people. In extreme circumstances we can control their bodies, but not their minds and hearts. Those they have to give of their own free will. One of the best ways to win people's hearts and minds is through allowing them to participate in making a decision or creating a plan through collaborative management.
2. Adult Relationships – When we operate within a directive approach based on

authority, the boss plays the role of the parent and the subordinate plays the role of the child. The matrix organization is based on collaboration and interdependence and therefore requires adult-to-adult relationships. Adults negotiate, come to consensus, resolve conflicts, respect each other's opinions, recognize and respect differences, etc. Children whine, complain, feel victimized and powerless.

3. Personal Power - Directive management and the old accountability placed us in a very childlike position where work was delegated to us and we were fearful of being blamed for whatever went wrong. As a result, most of us gave up our power and just complied with what was asked of us. We have an opportunity in the matrix organization to empower ourselves - to climb out of the role of the victim and become a full partner in negotiating and fulfilling accountability. The new accountability, in effect, asks us to empower ourselves. The person with personal power takes the reigns and makes it happen.
4. Personal Alignment - Personal alignment means that we have a mission for ourselves and a strategic plan for our lives and we seek to mesh our plan with the strategies of the organization that we serve. When we can't align our personal goals with the goals of the organization, then we find places to serve that are in alignment with our own plan in life. However, as long as we are serving within an organization, we align ourselves with the goals of that organization until such time as we decide it's time to find a better fit.
5. Leader and Team Player - We live in a society that worships individuals. We are obsessed with the current cult of the leader. We love heroes. The fact is that most efforts in a matrix organization are team based and therefore we need fewer heroes and more great team players and team leaders. Most people will be asked to do both, sit on teams and lead teams. We people who can shift from being a strong team leader to a strong, cooperative team player, quickly and easily.

6. Proactive - Old accountability fostered a reactive mode because we didn't know until after the fact that would be held accountable (blamed). There was no reward for avoiding problems - crisis management, fire fighting, anything that looked like activity was rewarded. With the new accountability, proactive behavior is what is most valued. Anticipate what could go wrong and prevent it from occurring...
7. Active Learner - What's important with the new accountability is not that we never make a mistake, but that we don't make the same mistake over and over again. That means we have to become a more active learner. We do that by continually assessing lessons learned. What did we do well and what could we do differently next time? This is done within the context of learning, not within the context of placing blame. In addition, people take responsibility for their own personal development and pursue the learning needed to stay competitive and fulfill their own personal strategic plans.

## Implementing Matrix Management

Bartlett & Ghoshal in their Harvard Business Review article<sup>1/</sup> claimed that matrix management was not a structure, but a frame of mind. Hopefully you'll agree that they got it wrong. Matrix management is much more than a frame of mind. It is a disciplined approach to managing in two dimensions. We have walked through the concepts behind reinventing matrix management. The specifics for implementing each of the seven keys will be addressed in future white papers.