



# BUS1101 7W - Principles of Business Management Week 7

Principles of Business Management (University of the People)



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## ORGANIZATIONAL STRUCTURES

University of the People

BUS 1101: Principles of Business Management

The matrix organization is a hybrid of traditional functional structure and product structure. This means the matrix organization has pooled teams from multiple departments each with their own objectives and agendas.

The worker is expected to report to multiple managers this can result in a number of problems. Matrix organizations create a greater opportunity for conflict between managers of a project and managers and workers on the project. Managers need to communicate effectively when discussing a project and come to joint conclusions that are final unless they all agree to change an objective or the scope of the project.

While most project will be clear and precise they still exists opportunity for misunderstanding and miscommunication as employees need to solve problems from multiple managers. While managers may agree on the final outcome their maybe conflicts about how to get there, this multileader approach can stall the project as each department has its own needs, most managers need to look after their own departments before they can consider others.

Ultimately all the mangers should come to a conclusion before they start the project with granular detail. Due to the nature and need of matrix organizations, they are often used in dynamic situations this results in greater communication and co-ordination but could equally result in role conflict and individual manager acting dynamically to address issues without communicating with other managers setting the project back. The matrix organization is the best solutions to solving very complex problems associated with large amounts of information and are massive in scope (Stuckenbruck, 1979).

The boundaryless organization is modular with outsourced non essential personnel and functions, the lean structure allows the company to be focused and not get distracted by how the company runs but managing a company to run more effectively, the structure focuses

on strategic alliances not in house production. By working with specialists to produce better products or services than the organization would be able to produce itself.

The advantages of working in a boundaryless organization are specialization and working on specific high-value objectives for the company which can be motivational and add to your sense of self worth. Communication is not limited to the management and the executive branch, satellite, and remote workers have more say in the organization because boundaryless organization embrace technology to allow entry-level employees to converse with the CEO (Morgan, 2015).

The disadvantage would be a lack of diversification and being hyper focused can limit wholistic understand which could result in missing opportunities that would be beneficial but the organization cannot fully leverage the opportunity. Boundaryless organization can lose sight of their purpose and need to ensure they maintain focused on their visions and missions to achieve them.

The main cost of maintaining an organizational learning environment is lost immediate productivity, learning requires failure, and failure cost an organization time, resources, and capital. The major cost of learning is the loss of capital through short-term gains. Short-term gains could be more important to certain stakeholders and this can limit an organization's ability to learn effectively and may result in solutions to problems being implemented slower than needed. Unfortunately, capital of some kind is needed to create a learning organization either time, resources, human capital, or capital, organisational learning cannot take place with out the cost being absorbed by the organization. Learning can be “informal” but someone still needs to devote time to analyze the data (Bersin, 2012).

Learning can bring long-term gains if the practice is implemented correctly and modeled in a way that focuses on the companies future profitability. The benefit to stakeholders can be dramatic and could be worth the practice if conducted in a controlled and disciplined fashion. Learning can increase the productivity of the organization and results in excess profits.

I would like to work for a learning organization. I have worked with organizations that were matrix and boundaryless, each had it's challenges and advantages. I have never worked in a learning organization and would like to explore what can be creatively possible when failure is acceptable and risk-taking is supported.

While organizations have provided me the opportunity to learn, failure is never meet with a smile and gambling is only supported if you succeed, additionally having company resources to explore my curiosities could be extremely enjoyable but due to the fact that intellectual-property would be owned by the company and not myself, I might be hesitant to provide most ideas except if I retained ownership or received create for my work.

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## References

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