

Micro Organisational Leadership in a Matrix Organisation

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Abstract

This research paper explores the critical aspect of leadership behaviour within the context of a matrix organisation, with a specific focus on the impact of good and poor listening skills. In such complex organisational structures, leaders often have indirect reports who play a pivotal role in achieving company objectives and key results. This study highlights the profound consequences of shallow listening by leaders, including misunderstandings, eroded trust among indirect reports, and a perception of the leader lacking technical expertise in the discussed topics. Further, the vacuum/blackhole gets created in that leader's micro-organisation, leading to disconnected, misaligned and opposite actions taken on Company Objectives, costing huge amounts of waste of money and efforts. This paper attempts to discuss how organisation funding construct can further impact the behaviour of the leader

Keywords: Microorganisation, Microorganisational Leader, Blackhole Leadership in a Matrix Organisation, Vacuum Leadership, Power Dynamics, Shared OKRs in a Matrix Org, Employees and Workplace Stress, Poor Listening of Micro Organisational Leader, Locus of Control

Introduction

It is particularly interesting to explore the behaviour of leaders in the context of their listening skills and how it influences a matrix organisation with indirect reports responsible for achieving company objectives and key results. When leaders engage in shallow listening, it can lead to misunderstandings, erode trust with their indirect reports, and create a perception that the leader lacks expertise in the discussed topics. This shallow understanding often results in a flawed interpretation of the

intended message, ultimately creating a communication gap within the organisational hierarchy.

This communication gap, often referred to as a "blackhole," manifests as a lack of alignment between the micro-organisation (comprising the leader and their direct reports) and the larger organisation (including the leader, their peers, and their respective direct reports) regarding the intended goals. In a matrix organisation with shared leadership accountability for common goals, the principles of empathetic listening (inspired by Stephen R. Covey) and Humble Inquiry (as proposed by Edgar H. Schein) become indispensable.

However, it's important to note that applying these listening skills solely within the context of the listener leader's specific organisational unit, without considering the broader collective leadership and shared goals framework, may result in only a partial understanding of the subject matter. This issue becomes even more complex when the shared goal involves funding and sponsorship, especially if the listener leader is not the designated sponsor. In such cases, the limited comprehension of the topic adds layers of complexity and ambiguity to the shared goal.

When executive leadership does not provide sponsorship, accountability further diminishes. The myopic understanding of the leader, when conveyed to their direct reports, often leads to misinformation and inaccuracies, which then get lost in translation as they move up the leadership hierarchy. This situation engenders significant anxiety, frustration, and stress among the team responsible for leading and implementing the shared company goal on behalf of the entire executive leadership.

This misalignment not only affects the successful delivery of key results but also disrupts the interdependencies among teams. Consequently, team dynamics deteriorate,

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and a blame game ensues. Despite numerous data collection efforts and reports aimed at validating prior communications and agreements related to shared goals, the blackhole phenomenon makes it exceptionally challenging to recover from the damage inflicted on teams, let alone the compromised key deliverables.

Recognising this pattern of a “blackhole” within organisations has become increasingly imperative to proactively mitigate its impact or, at the very least, minimise its consequences. Teams working on shared goals require their executive leaders to champion the cause rather than obstruct progress.

Methods/Proposed Research Question

The questions which this study aims to further research upon and fill gaps are as follows:

- How does vision misalignment in an indirect leadership in a matrix organisation impact the throughput, happiness and trust of the teams delivering the shared goal?
- How can the locus of control, power dynamics and personality orientation of the micro-organisation leader affect the entire business line as well as the other teams who carry shared goals?
- How does this lead to the creation of blackhole over a period of time, impacting Company OKRs? How can an Organisation get over this bureaucratic leadership?
- What can enable the matrix micro-organisation’s leader (of a larger organisation) to effectively participate and champion on the shared goals so that the team is able to get to the finish line?
- How can an organisation understand the symptoms of this executive blackhole leadership and effectively devise ways to nip it in the bud?
- What are the tactics that the shared goals delivery team can adopt such that the effect of blackhole leadership (if any in an organisation) is averted or mitigated?
- If we were to blind fold the executive leader and place an indirect report and a direct report to ask the same question in context, how would they answer?

- What can enable such conducive leadership, irrespective of where the team is sitting in an Organisation, to achieve a shared Company goal?

To answer the above research questions, Qualitative research will be undertaken to understand and interpret micro-organisations’ leader behaviours in-depth. Focus group interviews will be conducted on micro-organisation as well as outside the micro-organisation to draw upon their experiences, perspectives and narratives. This will help focus on the context and subjective experiences that will help source answers to the questions posed.

To gain a deeper understanding and to validate the hypothesis highlighted in this paper, other research methods, such as Case study research, will be explored for specific use cases. Detailed interviews will be conducted; observations will be documented from multiple sources in and around the micro-organisation of that leader to ensure exhaustive data collection. This will help gain insights into this complex phenomenon.

Results/Research Impact

This research endeavours to shed light on the existence of micro-organisational leadership voids, often referred to as leadership blackholes, which can unintentionally or intentionally emerge and potentially disrupt the effective functioning of larger organisations. In the absence of awareness, these issues often go unnoticed and unrecognised. However, when we cultivate understanding and awareness, it unveils a multitude of opportunities to ensure the well-being and vitality of employees, particularly those driving shared goals within a matrix organisation.

By addressing the root causes, such as shallow listening within indirect reporting structures that lead to misalignment with Company Objectives and Key Results (OKRs), we can significantly reduce the mental and physical stress and trauma experienced by employees. This, in turn, mitigates the emergence of micro-organisational politics and power struggles. The result is improved peer-to-peer relationships across teams, reduced fear and distrust stemming from micro-organisational leadership, and a genuine shift toward meaningful progress.

Enhanced employee engagement within this group not only positively influences how they represent the organisation externally but also serves as a testament to the organisation's brand. Happy employees become brand ambassadors, and positive word-of-mouth testimonials significantly elevate the organisation's external perception and brand value.

By holding micro-organisational leaders accountable and guiding them to comprehend the consequences of their blackhole leadership, we encourage a growth mindset, behavioural transformation, and a renewed attitude. This process also places a spotlight on self-awareness, prompting leaders to reflect on how they should interact with their teams. As self-awareness takes hold, the micro-organisational leadership void begins to dissipate, and these leaders start championing the shared ownership of Company OKRs, propelling the entire organisation forward.

Consequently, the organisation experiences improved commercial economics, as it can avoid the operational expenses associated with numerous meetings when micro-organisational leadership is misaligned. Implementing the Program Evaluation and Review Technique (PERT) before and after addressing the blackhole micro-organisational hierarchy reveals substantial cost savings and accelerates value delivery to customers, thereby increasing revenue and share price. This approach also fosters greater transparency among executive leadership regarding funding allocation and effective program tracking as these become shared OKRs.

Moreover, the newfound understanding and awareness elevate individuals' decision-making capabilities, empowering teams to proactively tackle challenges associated with changes in program scope, budget,

team dynamics, and more. This proactive stance helps prevent negative impacts that would persist if the micro-organisational leadership blackhole were allowed to persist.

Discussion and Conclusion

In conclusion, this research delves into the critical issue of micro-organisational leadership voids, commonly known as leadership blackholes, that can either inadvertently or deliberately disrupt the efficient functioning of larger organisations. It underscores the importance of awareness in addressing these hidden challenges and highlights the immense potential for fostering employee well-being and organisational vitality, especially among those spearheading shared goals within matrix organisations.

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