



## Interpersonal Conflicts in Matrix Organization Structure

Lysette M. D'souza<sup>1\*</sup> and Vimlesh Prabhu Desai<sup>2</sup>

<sup>1</sup>Associate Professor, National Institute of Construction Management and Research (NICMAR), Hyderabad, Telangana, India  
ORCID iD 0000-0001-5727-5521

<sup>2</sup>Sr Associate Professor, National Institute of Construction Management and Research (NICMAR), Hyderabad, Telangana, India.  
ORCID iD 0000-0001-9861-3750

<sup>1</sup>lyseth\_d@yahoo.co.in, <sup>2</sup>vimleshpd@gmail.com

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### ABSTRACT

The case aids students' to understand interpersonal issues in an organizational setup. It reveals the problems associated with matrix organizational structure. The case is based on true events in an administrative office of an educational institution (name and location changed). The case is written in a first person conversation format, to bring out the nuances involved. A routine conversation between two colleagues skyrocketed into a disciplinary issue. The implications can be discussed to bring out the different concepts in human resource management and organizational behaviour. The case is original and based on real-life experience. The name of the institution, place and characters is disguised as the institution did not want it to be made public.

**Keywords:** Interpersonal issues, matrix organisational structure, educational institution, organization behaviour, sexual harassment

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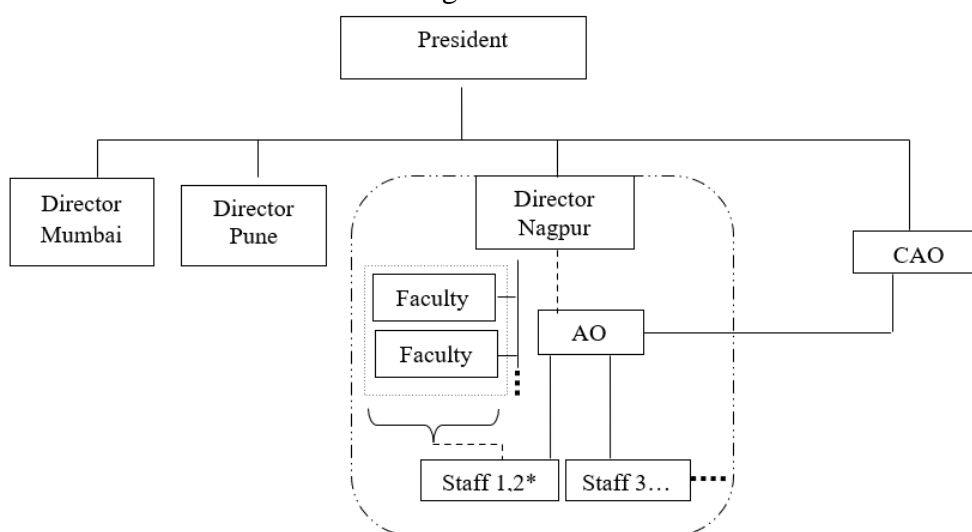
### INTRODUCTION

TRS Institute of Management (TRS), setup in 1990, was an educational institution of repute. It was formed as a Not-for-profit organisation and registered as a public Trust. It had campuses in three regions of the country (India) – Mumbai, Pune and Nagpur. Its head office was located at Mumbai, India. Each campus had a School of Business and School of Chemical Engineering. It imparted two-year Masters in Business Administration (MBA) course with specialization in Finance, Human Resources and Logistics. In 2010 it introduced a MBA in Health care Management and in 2014 introduced Masters in Chemical Engineering. The institute was known for its consistent excellent placement record. The alumni were spread across different sectors in reputed organisations in the world; while some had gone on to occupy top positions, others had setup enterprises of their own. The institute was governed by a Board of Management, Board of Trustees and Board of Governance, constituting of professionals from the Industry, Academia and Government. The President of the Institute was seated at the Head Office and provided strategic direction for growth. Each campus was headed by a Director to run the day to day affairs.

In 2010, the institute opened its campus in Nagpur. The Nagpur campus had two departments - Administrative and Academics. The administrative department was headed by Administrative Officer (AO) to whom the clerical staff and multitasking staff would report. The academic department was headed by Director to whom the faculties would report. The Administrative officer had a 'solid line' reporting to the Chief Administrative Officer (CAO) seated in Head office at Mumbai and 'dotted line' reporting to the Director of Nagpur campus. The Director of Nagpur campus reported to the President of the institute seated in Head office at Mumbai.

The academic department had 28 faculties excluding the Director. The administrative department had a total of 19 employees – AO, six clerical staff, two Librarians, ten multitasking staff. Out of these, two clerical staff and two multitasking staff would assist the faculties. These four employees had a ‘dotted line’ reporting to the faculties and ‘solid line’ reporting to the AO. The admission of the students was handled centrally from the head office; while evaluation of students, examinations, placements, students’ activities, hostels, student mess, conferences / seminars etc. were handled at the campus level. The two staff assigned to the faculties were perpetually complaining of excessive work and were requesting for additional hand to reduce the work load. See figure 1 for schematic depiction of the organization chart.

**Figure - 1**  
Institute Organisation structure



1. CAO – Chief Administrative Officer
2. AO – Administrative Officer
3. Staff 1, 2\* - Clerical staff assigned to the faculties.

Note:

1. AO has dual reporting – **Solid line** to the CAO and **dotted line** to the Director (Nagpur)
2. Staff 1,2\* has dual reporting – **Solid line** to AO and **dotted line** to the Faculties

Mr. John Augustine, a native of Kerala had joined the Nagpur campus of TRS in August 2013. John had pursued his entire education from Kerala. He was a graduate in Science having completed Bachelor in Chemical Engineering from a government college in Kerala. He did his MBA with specialisation in Human Resource Management from Kerala University. He was pursuing his PhD from Kerala University at the time of joining TRS. John joined TRS as Assistant Professor. Before joining TRS, John had worked in two more institutes in Kerala for around 5 years. All these five years his appointment was contractual in nature. The five years that he worked, John was involved in academics as well as non-academics activities of the institutes. This was the first time he had got a permanent position. He was thrilled with this as he thought he would now be able to lead a secured life.

Ms. Seema Kulkarni, a native of Nagpur, was working in the Nagpur campus as a clerical staff since 2010. She was among the first employees of the Institute’s Nagpur campus. Prior to joining TRS, she had a brief stint of 1 year in a small firm. It was rumoured that she got the job

in TRS through influence. With no prior experience she landed in a good position. Seema had done diploma course in secretarial practices after completing her 12<sup>th</sup> grade. She was unemployed for almost a year before she got a break in a small firm, which she left after about a year and joined TRS institute.

## **INCIDENT**

On 21st October 2019, John reached the institute at the usual time, 9.00 am. Before going to his cubicle he went to the administrative office to check about some administrative matters. He wished the staff at the office and before moving to his cubicle enquired with Ms. Seema on the status of student placement file which was given to her to process and forward to Director for further action.

The two year MBA course consists of 7 trimesters - four are in first year and three in second year. The fourth trimester in the first year is internship period wherein the students are deputed to organisations for eight weeks and work on real time projects. The placement activity starts from the 6<sup>th</sup> trimester onwards. Various companies visit the campus to interview and select the students. The placement work was primarily handled by the Director with assistance from John. John would carry out the work very diligently and would seek assistance from the clerical staff as and when required. Seema had earlier complained to the administrative officer (Mr Radhakrishnan Jadhav) about the additional work of placement dumped on her by John. The administrative officer had not paid any heed to it.

John: Good Morning Seema, Has the file been processed?

Seema: No, Not yet.

John: Ohh, it's urgent!!! Need to be sent to the Director. The placement season is picking up and we don't want to be left behind. All other institutions are aggressively pushing for placements.

Seema: So what?? I have my regular work to be finished. I have no time to look into your file. Whenever I get time I shall look into it.

John: Ohh no Seema! Don't say like that. You know how important placement is for the students and for the institute. Good placement can lead to more students showing interest for our MBA course.

Seema: I don't care. It's not my look out.

John: It's our collective effort to see that the Institute does well. We need to work as a team.

Seema: You cannot order me what to do and when to do...

John: I am not ordering. I am asking you politely.

Seema: Asking??? Go and ask the Administrative Officer. I do not report to you. I am not answerable to you. Why can't you do your work? Why do you have to dump your work on us? Ask for more people if you don't find time.

John: Seema, don't get upset. Relax!! What is the issue? What is troubling you?

Seema: You don't interfere with me. You mind your own business!!

John: Seema, I am being nice to you. Why are you raising your voice?

Seema: SHUT UP!! LEAVE ME ALONE!

John: Seema, do not raise your voice.

While all this happened the other staff members watched the commotion. No one volunteered to interfere and calm down the issue. John went close to Seema and patted on her back.

John: Cool down, Seema! You don't have to get worked up.

Seema: How dare you touch me? Now wait, I shall complain about you.

Seema walked out of the room and went straight to Administrative Officer's cabin. Meanwhile John turned to the other staff member Mr. Atul and gestured with astonishment, what happened?

Atul: Sir, don't worry. Off late she has been very irritable. She doesn't cooperate with us also.

(After 1 hour)

Prof. Ajay Deshpande, Director of the Nagpur campus called John to his cabin.

Director: John, Mr. Radhakrishna Jadhav had come to me saying Ms. Seema has complained to him about you. She said you misbehaved with her, raised your voice and touched her inappropriately. What do you have to say?

John: (Shocked and surprised) Sir, This is utter nonsense and not true. In fact it was she who was talking to me improperly.

Director: John, she mentioned you touched her inappropriately. Did you touch her? The matter will come under sexual harassment case, if so.

John: No Sir. That was not the case. You can even inquire with Mr. Atul who was a witness to the entire incident.

At this point John was greatly stunned with the turn of events. Not knowing what to do he was shattered with the thought of sexual harassment allegation. John explained the entire episode to the Director. He mentioned how Seema reacted and responded to his queries. He told that he even cajoled with her to know what was troubling her. Saddened, John left Director's cabin and went to his cubicle.

Next morning John walked into the office. Before going to his cubicle he dropped by the administrative office. He saw Seema on her desk; John went towards her and wished her. He apologised to her for having patted her and if she felt insulted about that. He mentioned that he did not have any malicious intent in doing so as was portrayed in her complain. Seema accepted his apology. She acknowledged and nodded her head and continued with her work.

At noon, Director called John to his cabin.

Director: John, through informal channel I came to know that yesterday's issue has been reported by Mr. Jadhav to the Chief Administrative Officer at the head office. You need to be prepared with your version of the incident. Moreover, if the issue doesn't get resolved amicably I am worried it may escalate to the President.

This took John by surprise. A trivial incident had snowballed into a major issue.

After about 10 days, from the date of the incident, when everyone thought things had cooled down and settled, John received a letter from The President of the Institute. The letter said that the Institute has taken serious cognizance of the incident and expects similar incidents not to reoccur or else it will invite grave consequences. John went immediately with the letter to the Director's cabin.

John: Sir, I have received a letter from the head office. Are you aware of it?

Director: Yes. In fact, in good faith I had written to the President explaining about the incident, least he hears distorted facts from somewhere else. I even mentioned that the issue has been resolved amicably. I did not want them to make an opinion based on hearsay. I had asked the AO if Ms. Seema is willing to give in writing her complain but she refused. As the Director I had to report the incident to the head office, even if it means it's just oral. In fact, that day I

called Atul and asked as a witness to confirm the incident. Initially he was hesitant but later he said “Yes, he did touch her”.

Astonished to hear this, John went straight to Atul’s desk and showed the letter to him and said this is what one receives for doing nothing and for being good. He asked why he lied to the Director about the incident.

John: Atul, I am told by the Director that you mentioned I touched Seema inappropriately. Is that right? After witnessing the entire incident how could you lie?

Atul: Sir, that’s not correct. I did not say ‘inappropriately’. I mentioned you ‘patted’ her. I shall go right away and talk to him.

John: No need. I just wanted to clarify what you said. I was under the belief that you distorted the facts in favour of your colleague. I have already received the letter, so nothing’s going to change.

Disappointed that the Director did not confide in him before reporting the incident to the head office, John left the place disgruntled with the entire sequence of events that unfolded since the incident.

### **Disclosure statement**

No potential conflict of interest was reported by the author.

## **TEACHING NOTE** **LEARNING OBJECTIVES**

1. To understand matrix organisational structure and its impact on working arrangement.
2. To understand the factors causing employee stress in an organisation.
3. To understand what defines sexual harassment and where to draw the line.
4. To understand the use of Transactional analysis, a psychoanalytic theory, developed by Eric Berne to analyse interactions and communication exchanges between people.

### **COURSES OF RELEVANCE**

1. Students pursuing Master of Business Administration or Post Graduate program in Business Management in courses such as Organization Behaviour, Human Resource Management and Strategic Management.
2. Management Development Programs for experienced executives from industry / academia.

### **PREREQUISITE CONCEPTUAL UNDERSTANDING**

- Understanding sexual harassment
- Understanding organisational structures with special emphasis on matrix organisational structure
- Understanding employees’ stress factors and ways to manage them
- Understanding the importance of interpersonal communication

### **TEACHING APPROACH AND STRATEGY**

The case can be used effectively for classroom discussion as well as for online delivery. The moderator can start the discussion by explaining different organisation structures, their pros & cons with special

emphasis on Matrix organisational structure. Thereafter the following topics can be taken up sequentially,

- Causes of employee stress and ways to manage
- Interpersonal communication and its importance
- Sexual harassment
- Transactional Analysis

For a large class size, groups of 5/6 students can be made and each group could be asked to express their views on the above points. The groups can take up the assignment questions and express their perspectives. The perspectives from all groups can be then tabled to have a better understanding. The moderator can also use role play to enact the different characters in the case so as to encourage students to think more critically about the issue and to see situations from a different perspective.

### SUGGESTED TEACHING PLAN

A 60-minute teaching plan can consists of the following		
Time (in minutes)	Discussion topic	Deliverables
4	Introduction	<ul style="list-style-type: none"> <li>• Understand the profile of the Head office and the campus</li> <li>• Understand the case in general</li> </ul>
10	What are the problems of 'matrix' organizational structure? And ways to treat them.	<ul style="list-style-type: none"> <li>• Understand the matrix organisation structure and problems associated with it</li> </ul>
10	In the above case Ms. Seema seems to be stressed. Discuss the different factors that contribute to individual stress in organisations and ways to cope with it.	<ul style="list-style-type: none"> <li>• Understand the factors that lead to stress and ways to manage them</li> </ul>
10	The case highlights issues related to organisation structure, stress management, interpersonal communication and sexual harassment. What should be done to avoid similar incidences from recurring in future?	<ul style="list-style-type: none"> <li>• Understand ways to avoid similar incident from happening in future</li> </ul>
10	In circumstances where there is no written complaint from the complainant did the President act responsibly?	<ul style="list-style-type: none"> <li>• Understand an appropriate approach to handle sexual harassment issues where there is no formal complaint.</li> </ul>
10	Using transactional analysis, discuss the interpersonal issues at play in the above case	<ul style="list-style-type: none"> <li>• Understand the incident from the purview of transactional analysis</li> </ul>
6	Summary	<ul style="list-style-type: none"> <li>• Summarize the case</li> </ul>

### RESEARCH METHOD

The case is based on true events in an administrative office of an educational institution (name and place disguised). The case is written in a first person conversation format, to bring out the nuances involved.

### ASSIGNMENT QUESTIONS

1. What are the problems of 'matrix' organizational structure? And ways to treat them.
2. In the above case Ms. Seema seems to be stressed. Discuss the different factors that contribute to individual stress in organisations and ways to cope with it.
3. The case highlights issues related to organisation structure, stress management, interpersonal communication and sexual harassment. What should be done to avoid similar incidences from recurring in future?
4. In circumstances where there is no written complaint from the complainant did the President act responsibly?
5. Using transactional analysis, discuss the interpersonal issues at play in the above case.

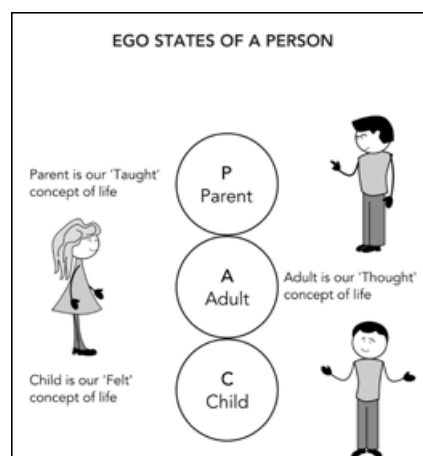
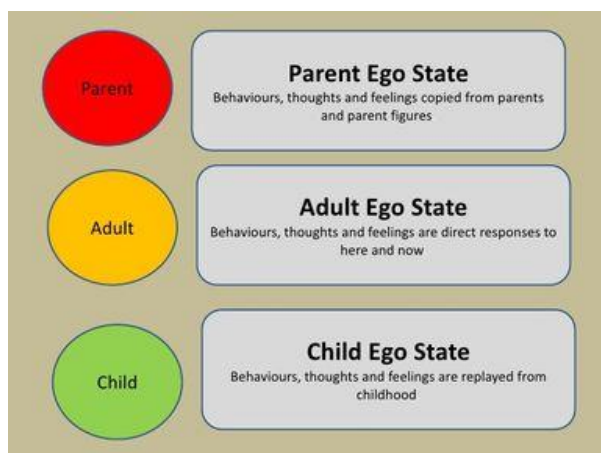
## ANSWERS

1. The problems of 'matrix' organizational structure are,
  - a. Tendencies toward anarchy when employees fail to recognize a "boss" to whom they feel responsible.  
Solution: Relationships between functional and project managers should be explicit. Employees agree on who is to do what under various circumstances. For critical tasks organizations should not depend on the latent matrix.
  - b. The matrix organization structure may pave the way for employee stress, burnout and poor productivity due to work overload. Most of the time employees are assigned additional work over and above their regular functional duties.  
Solution: The project manager and the functional manager should cooperate and work together to avoid conflicts and confusion. A well-defined and strong communication system should be in play to gain support from executives, managers and employees.
  - c. Conflict between project and functional managers resulting in difficulty in establishing priorities suiting both functional and project management.  
Solution: Require a high degree of cooperation between functional and project management
  - d. Power struggles prevail in any organization structure, but a matrix design encourages managers to jockey for power and maximise their own advantage as the boundaries of authority and responsibility overlap.  
Solution: There needs to be a balance of power and managers on the power axes are to be made aware that to win power absolutely means to lose it ultimately. They have to maintain an organizational point of view. There must be a continual mechanisms for checking the imbalances that creep in and stop the power struggles before they get out of hand.
2. The different factors that contribute to individual stress in organisations are:
  - a. role ambiguity
  - b. role conflict
  - c. role overload and underutilization
  - d. work life imbalance
  - e. lack of participation in decision-making
  - f. Unrealistic expectations
  - g. job insecurity

Ways to cope with stress in organisations:

1. Be organized. Schedule and coordinate the days' work.

2. Stay focused and take time to prioritize the work load.
  3. Recharge by taking short breaks throughout the day.
  4. Set boundaries – Don't mix personal with office and vice versa. Keep aside time for family and self.
  5. Take care of mental and physical health. Avoid multi-tasking which can be stressful.
  6. Leverage the support resources available to manage one's time effectively.
3. Some of the steps the Institute should take to avoid similar incidences from recurring in the future are;
    - a. Clearly define and communicate the line of command and reporting structure for different areas of work to the employees.
    - b. Clearly define the roles and responsibilities of the employees.
    - c. In situations where there is a difference in opinion, the organization should define the decision making authority.
    - d. During performance appraisal assess the work load of individual employees and accordingly assign the tasks.
    - e. Educate the employees about sexual harassment – Do's and Don'ts. Draft and implement an anti- sexual harassment policy and appoint a sexual harassment redressal committee.
  4. No, the President did not act responsibly. As the leader and figure head of the organization, the President should ensure that all allegations of misconduct be properly investigated before taking any action or decision. The President should have personally spoken or instructed a lady member of the Institute (from the sexual harassment committee) to speak to the victim and seek her consent whether she would be ready to give a written complaint. If yes, then the next procedure of investigation, witness examination etc. would have to follow.
  5. Eric Berne developed a psychoanalytic theory called Transactional Analysis (TA) where transactions refer to the communication exchanges between people. TA recognized that the human personality is made up of three "ego states"(The Parent, Adult and Child) each of which is an entire system of thought, feeling, and behaviour from which we interact with each other.



Source: Murray, H (2021, Sept07). Transactional Analysis – Eric Berne. Simply Psychology



According to this theory, we all have a mixture of personalities and behave differently in different situations with different people. TA requires us to be aware of how we feel, think and behave during interactions with others as it is necessary to recognize which ego state a person is transacting from to improve the quality and effectiveness of communication.

Mr. John enquired with Ms. Seema in his adult ego state about the progress of his placement report. Mr. John would expect Ms. Seema to respond in her adult ego state and share information about the report. We would then have a completed communication in which information has been easily shared. However Ms. Seema responds with resistance, hostility, and emotional reactivity from her rebellious child ego state “I have my regular work to be finished. I have no time to look into your file..... I don't care. It's not my look out.....” then a blocked transaction has taken place. In a blocked transaction the lines of communication get crossed and stop effective communication. The blocked transaction in this case has led to destructive development.

If Mr. John had been self-aware of Ms. Seema's ego state and problem of work overload, and had reacted in an adult ego state by addressing the work overload issue with the higher authority a possible solution would have been obtained. We would then have a completed communication in which information has been easily shared with all concerned people.