

# Organisational Dynamics Founded on the Cross-Functional Development

Laura DINCA<sup>1</sup>  
George Teodor MITU<sup>2</sup>

## *Abstract*

*This paper presents the issues encountered in the adoption of the cross-functional organization type by the modern enterprises, since the old bureaucratic organization is not any more suitable to the present environment complexity. Apparently, the cross-functional organization seems to be a utopia, due to its difficult implementation. The cross-functional organization is possible only when an enterprise is able to develop cross-functional states of action: decomposition and recomposition of processual organization, of enterprise assembly and of structural organization. An achievable solution for the cross-functional organization of the enterprise is possible if the cohabitation between the old and new organization types of is preserved. The system of cross-functional organization may include the subsystems: operational, information and communication, and instrumental. The cross-functional organization also requires a careful investigation of its internal and external environment.*

**Keywords:** *Cross-functional organization, processual organization, structural organization, organizational dynamics, process organization*

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## 1. Introduction

One of the primary themes of the contemporary enterprise refers to creating the optimal expression conditions of individual and collective professionalism. From this perspective, an enterprise hyper specialized on a certain task organized in a bureaucratic conception is challenged to analyse more carefully its environment so as to identify a proper functioning model. In consequence, the reaction of the enterprises to the environment demands was materialized in the option to implement a project organization. Other enterprises, in a smaller number, also appealed to process organization. However, today there are more and more obvious signals that the two models of organization exhausted their success-generator valences. Theoretically, especially after 1994, the issued studies

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<sup>1</sup> Laura Dinca, PhD, University of Craiova, Faculty of Economics and Business Administration, laura2dinca@yahoo.com, Telephone: +40723330961

<sup>2</sup> George Teodor Mitu, University of Craiova, Faculty of Economics and Business Administration, mitu.george.h8y@student.ucv.ro, Telephone: +40756285739

supported the need that the objectives of change aim at the promotion of the cross-functional organization.

Cross-functional organization can be considered a main lever of processual and structural rethinking generating major changes in the nature of any enterprise's action state. The novelty brought by the cross-functional organization consists in orientation in its concepts of the action states that are inverting the priorities in structuring and restructuring the manner of operation of the enterprise. By inverting priorities, the enterprise's main stake becomes the recomposition of its assembly by processes and less by functions.

The intensity of implementing the cross-functional organization involves a systemic approach. In this way, a realist enterprise operation project is established, stimulating cooperation between the operational units with different hierarchic lines. Nevertheless, by a systemic approach, the enterprise is advised to understand the interrelationship client-process-value, to develop the cross-functional action states and, especially, to accept a cohabitation between the bureaucratic and the cross-functional organization.

## **2. Cross-functional organization, a managerial utopia?**

Cross-functional organization hasn't been a novelty for a long time now, but the will to promote it still persists on a secondary level. It happens like that because the cross-functionality is considered a utopia by some researchers and practitioners. Apparently, it is a utopia. The utopian perception is built around the multiple difficulties in promoting changes. The utopian characteristic of the cross-functional organization appears when it comes to its implementation. In this context, the basic idea is that cross-functional organization must replace the bureaucratic one (hierarchic-functional organization). In our opinion, the passing to cross-functional organization involves two approaches. The first one targets a deep understanding of the concept and characteristics of the cross-functional organization. The second approach refers to choosing a practical solution so as to implement the cross-functional organization.

## **3. Cross-functional organization – concept, characteristics**

The first ideas about cross-functionality belong to the researchers R.C. Ford and W.A. Randolph (1992). They believe the matrix structure is “a type of organization which crosses functions by involving a human group coming from two or several disciplines or functions with the aim of performing temporary or relatively permanent tasks”. From the definition we keep in mind two terms: “crossing” and “inter-functional”.

“Crossing” suggests the idea that a penetration within a discipline or function must be achieved dually: horizontally and vertically. The term “inter-functional” indicates what labour groups are made up of. In this case, the need to make more disciplines and functions responsible for achieving a product or service

appears. Making disciplines and functions responsible is possible by investigating them in a cross-functional way. The result of cross-functioning disciplines and functions is the formation of the multi-disciplinary teams, element of cross-functional organization.

J. R. Galbraith (1994), in the definition given to the lateral organization, considers that this type of organization is “a mechanism for decentralizing decisions regarding general management”. The idea of decentralization imposes the existence of some coordination and integration mechanisms. In a cross-functional-type organization, the coordinator or the cross-functional integrator is the actor that gives life to “cross-functional action states”.

J.C. Tarondeau and R.W. Wright (1995) make specific, clear reference to cross-functional organization, seeing it as “a recomposing of the enterprise by flow and process and less by functions”. Cross-functional organization, structured around flows and processes, follows certain logic of finalities so that the client becomes the main interest centre for the enterprise. The main objective of cross-functional organization is a better management of the activities chain composing processes and an exact correlation of finalities with the market demands.

Ph. Lorino (1995) defines cross-functional organization as “an assembly of activities linked by a significant material flow and of information combined so as to supply an important material or immaterial product”.

Researchers F. Ostroff (1999) and E. Milliot (1999) release the essence, in their own research, over the concept of cross-functional organization, referring to the following characteristics:

- “a process” made up of a series of complex and complementary activities linked with tangible elements and information flows;
- “a multi-disciplinary team” for a basic unit regrouping the necessary “competences” for achieving some precise finalities (products, services) requested by the “clients”;
- “a responsabilization” of each member of the multidisciplinary team (This is not a characteristic of cross-functional organization. “Collective responsabilization” is a feature of cross-functional organization because it facilitates taking decisions and cooperation);
- “a process responsible” (This is the *cross-functional coordinator* or *integrator*) who undertakes the responsibility of piloting the process from the beginning to the end;
- “a cross-functional communication” to attenuate the lack of inter-functional coherence (in other forms of organization – functional, matrix, network – the communication is strongly formalized and frequently becomes a reason for misunderstandings between the members of the teams).

Approaching the concept and characteristics of cross-functional organization allows us to take into consideration that the existence of a new type of structuring is possible only when the enterprise has the capacity to develop “cross-functional action states”. In this context, the enterprise can refer to the process, multidisciplinary teams, collective responsibility, etc. nevertheless the statement “without a matrix organization there is no cross-functional organization, either” is also valid.

#### 4. Achievable solution to implement the cross-functional organization

A deep understanding of the concept and characteristics of cross-functional organization is a first step to identify an achievable solution for its implementation. The key-word of the solution is “cohabitation”. By cohabitation, the multidisciplinary processes and teams do not have a negative impact over the hierarchic authority; on the contrary, they contribute to its consolidation. In the conditions of the bureaucracy-cross-functionality context, multidisciplinary processes and teams are subordinated to the demands to optimize the functioning of the enterprise.

Bureaucratic organization insures both specialization and centralization. These features come against decentralization and mechanisms of coordination promoted by cross-functional organization. By decentralization and coordination, the optimal frame to increase organizational flexibility and dynamics is created. A separate approach of the cross-functional organization is certainly a utopia as its parts only show their own relations. Overcoming this limit is achieved by identifying a “common core” of the bureaucracy-cross-functionality mix. It can be configured, for instance, under the shape of a strategy to meet clients’ needs and expectations. In such a situation, cohabitation requires the top management to arbitrate by a compromise the contradiction between the short term and the long one, between acuity and frequency of conflicts to allocate resources.

The perception over the assembly enterprise, seen from the relational point of view, reflects different approaches. Bureaucratic organization is centred on the individual, on his rank (position) and function. This is why the enterprise, in a bureaucratic organization, seems to be but a mere collection of individuals. Contrary to bureaucratic organization, there are behaviours in a cross-functional organization allowing the employees to believe in their importance and value. This perception is determined by the cross-functional organization’s capacity of creating labour groups based on the principle of support relationships which contributes to the development of individual and group trust. In a cross-functional organization, individual competences converge to the competences of multidisciplinary teams and to the labour groups typical for the enterprise functions. In this respect, a good solution was conceived by R. Likert (1961) many years ago: “generating a structure based on labour groups partially superposed and integrated one into the other”.

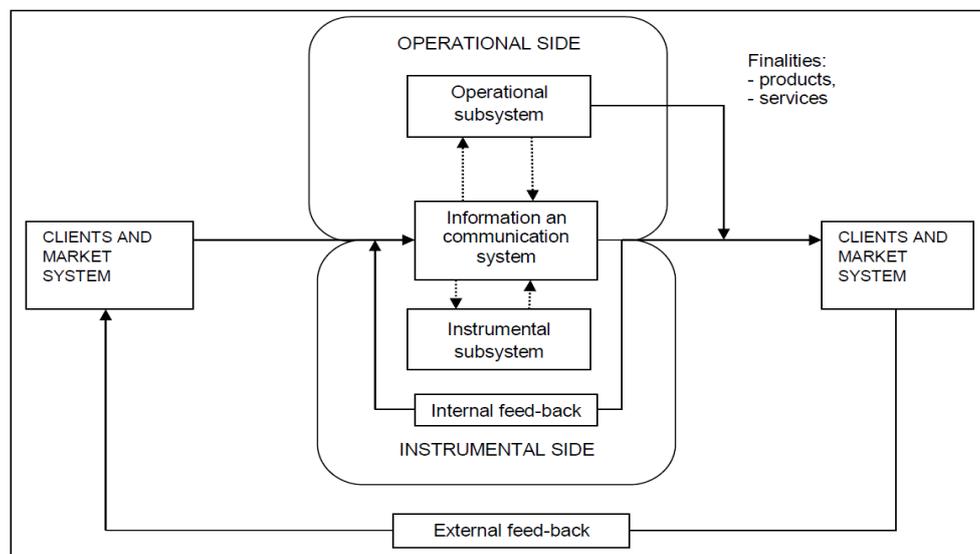
In conclusion, we affirm the need for a cohabitation invoking the demand for matrix structuring and the determination of the hierarchy to accept giving up to a part of the initiative. This means that from the decisional point of view there must be operated both the top to bottom functioning and the bottom to top one. The bottom to top functioning imposes the arbitration of conflicts typical for the organization forms included in the bureaucracy-cross-functionality mix. The conflict arbitration is founded on the cohabitation between the bureaucratic culture and the cross-functional one. M. Cremadez (2004) states: “Bureaucratic culture is more like an avoidance culture rather than a conflict confrontation one. For each conflict a solution must be identified so as to allow a punctual contradiction settlement”.

## 5. Cross-functional organization system

Reproducing the statements of the researchers Tarondeau and Wright (1995), Lorino (1995), Ostroff (1999) and Milliot (1999) we shall consider that cross-functional organization is a concrete, finalized and open system showing two sides: operational and instrumental.

The cross-functional organization system (Figure 1), decomposed according to its concrete elements, is represented by the operational, informational and communication (conjunction) and instrumental subsystems.

The operational subsystem includes the following elements: processes, multidisciplinary teams and value. The operational subsystem is that part of the operational side performing the processes necessary so as to achieve the products or services designed for the market. From a conceptual point of view, the operational subsystem is structured on three subdivisions: the physical, value and informational one.



**Figure 1. Cross-functional organization system**

The informational and communication subsystem is made up of the informational and communication flows. The subsystem elements are materialized in internal and external cross-functional relationships. These material and immaterial-type relationships give technical, economic, social and cultural information flows. Internal relationships are represented by the flows between subsystems. External relationships are materialized in the flows of the cross-functional organization system with the client and market system. External relationships refer to the inputs and outputs attributes of cross-functional organization system.

The instrumental subsystem is made of the elements: quality, management, internal check or administration control and culture. These elements exert the action over the operational system through the information and communication system. The elements of the instrumental subsystem are functional and are being superposed to the management structure and process.

### 5.1 The information and communication subsystem

Cross-functional organization is founded on various information from the internal and external environment of the enterprise. The technical, economic, social and cultural information shall be prevalent. A great amount of information refers to the client and market system and to the action states of the cross-functional organization system.

Among the favourable factors for enterprise competitiveness, Viargues (2004) places “the fluidity and quality of information”. The same meaning has the approach of the researchers Constantinescu and others (2011), who state that “a labour group becomes innovative and creative when it is capable of having initiatives for increasing information flow and quality”. With a good broadcast of the information, it is developed a favourable framework for understanding and piloting activities deployed by members of multidisciplinary teams. In its turn, the “health” of multidisciplinary teams is insured by facilitating the information flow both vertically (descendent and ascendant) and horizontally. Generally speaking, the multidisciplinary teams are equivalent with cross-functional teams.

The enterprises with cross-functional organization are structures based on processes and projects. These structures are susceptible of a good **communication** which generates a continuous progress. As cross-functional structures are opened towards the exterior, their actions target external objectives. To finalize external objectives, contributions of multidisciplinary teams performing the market research can be found. The need for cross-functional teams is more and more frequent (Dinca and others, 2012). The jointly organized activity helps multidisciplinary teams develop group interpersonal communication. By the means of better communication, multidisciplinary teams become more flexible, more capable of adapting to difficult to anticipate disturbances (Roja and Nastase, 2013).

The specific frame for cross-functional organization represents the place where multidisciplinary teams manage “to develop informal communication and to make appeal to the complete connection-type communication network based on the highest decentralization degree” (Constantinescu and others, 2011). By increasing the weight of informal communication, the chances for a very good knowledge and understanding of the client’s need and expectations also increase (Bendig et al., 2018). The more the attention is focused on the client, the easier it is to manage the process, the more correctly the value is built. In what the “complete connection” communication network is concerned, its contribution to the opinion exchange development can be appreciated. Each member of the multidisciplinary team freely communicates with any other member. On the hand, in this type of communication

network, the parts played by the members of the multidisciplinary teams are flexible and functional, and the result is the improvement and refining of one's own communication style.

One of the success factors of cross-functional organization is, indeed, a good external and internal communication. External communication is a guarantee of identifying the clients' needs and expectations. Internal communication helps identify the appropriate form of making up multidisciplinary teams.

The first action state of cross-functional organization is achieved by the information and communication system and consists in researching the market and the client.

The essential point of cross-functional organization is to take over technical and economic information about the client's needs and expectations from the exterior, from the market. Satisfying the client's needs and expectations shows a great interest as the enterprise's "new master" is the client. It bears a great influence over the actors of the enterprise so that they reconsider the processual and structural organization (Nguyen et al., 2018).

The client must be investigated from the point of view of the needs for consumption and use, as well as of his economic capacity. Such an investigation offers the enterprise clear and accurate technical and economic information for the organization of processes and for the establishment of product or service value. The technical and economic information shall also stand as important grounds for thinking the quality level and the employee competence profile. Thus, by cross-functionality, the clients' quantitative and qualitative demands are fully discovered and also how much they are willing to pay for the product or service offer.

The logic of leaving from the client to build the enterprise is based on the idea that only by taking information about satisfying the clients' needs and expectations from the outside, from the market, the enterprise accurately will identify which is its main objective. For accomplishing the objective, the enterprise must adapt to the variety of clients with numerous and renewed, differentiated and various products and services.

## 5.2 The operational subsystem

Processes, multidisciplinary teams and the value make the greatest part of the operational side of cross-functional organization.

The description of the enterprise in the **process** terms, Lorino mentions (1995) "is equal to a rebound to the physical reality of the enterprise, to its activities and structures according to the finalities deriving from its strategy. By the way the objectives are established within the processes, the enterprise is interested in identifying actions for each operational context validating their feasibility".

From Lorino's approach (1995), we keep in mind that by the process the enterprise goes back to a reality which shall allow it to bond the necessary actions in fulfilling the strategic objectives in conditions of excellence. The enterprise will also be capable, with a better reactivity towards the market, to achieve a global,

direct approach of the product or service value and in accordance with clients' expectations. Moreover, the process, as an emblematic idea of cross-functionality, becomes an information source for the strategic and operational management regarding the performances demanded to the actors of each horizontal and vertical unit.

The research of the clients' flows guides the enterprise in designing processes. According to the cross-functional organization two types of processes are necessary: execution and support. An execution process is made up of an activity chain directly contributing to achieving finality. Any execution process is associated with a support process which includes a number of activities necessary for supporting the execution process. A support process is represented by a chain of indirect activities. Any activity chain – both direct and indirect – is influenced by the clients' expectations of value and quality

The possibility to achieve strategic finalities (products or services) in performance conditions results from the fact that cross-functional organization demands that the enterprise **bring in the organizational structure a new collective actor, the multidisciplinary team**. The need to cross-functionally analyze the client, process and value is supported by the emergence of the multidisciplinary feature of the teams in charge with performing and piloting the process.

The existence of the multidisciplinary team determines a different implication in work. The multidisciplinary team structures its activity reckoning on polyvalence, communication and information. In the new organizational context, generating an idea by one person or another makes it less important than the fact that all the members of the group will be involved in the designing of that idea. The idea is always the result of the combined efforts of different professions. The multidisciplinary team acts according to the development process pattern typical for innovative enterprises. The multidisciplinary team develops cooperation and generates a better appropriateness of the product (service) to the needs of the client and of the market.

Cross-functional structure, made up of multidisciplinary teams, as well, is distinguished by the actors' autonomy and by their extended responsibilities. The members of the multidisciplinary team collectively hold decisional and action power. The decisional, action power and also cooperation allow the concentration of collective intelligence and, by this means, the promotion of creativity, agility and inscription in the quality standards.

Referring to the element **value**, Zarifian (2002) states that "value can be defined by the price the client is willing to pay starting from the validation of products and services offered by the enterprise". Certainly, value cannot be ascertained but, on the market, with the price paid by a client for purchasing a product or service. In other words, the client perceives value through price, while the enterprise realizes that the value depends on the performance level of the process involved in executing the product or in delivering the service.

By investigating the client, the enterprise shall build the value in the upstream from the actual fabrication, more precisely by the confrontation between

demand and offer. During the confrontation, the enterprise is preoccupied to identify all the information necessary for the implementation of the best organization form. Within the client-enterprise meeting and negotiation, the client's needs and expectations are judged through the activities that must be organized by the enterprise. Thus, it results that there is a strong bond between the value-bearing object (product or service) and the performance of the enterprise, reflected in cost and price. Obviously, it can be stated that value is the element of cross-functional organization which bonds the client and the enterprise.

The basic problem of achieving value is dependant of piloting performance. Lorino's reasoning (1995, p. 59) that "the process achieves resources and not the other way around" means that only a cross-functional organization can manage the production of resources in a functional way. This is the reason for which the entire piloting is a complex and difficult process to insure the correspondence between products/ services and activities. The performance piloting cannot be based on the management of an isolated considered activity. The piloting of the performance must be guided on a combination of multiple activities, on a 'bridge' between performance and value.

### 5.3 The instrumental subsystem

The instrumental side of the cross-functional organization is mainly made up of the following elements: quality, management, administration control and culture.

The contribution of **quality** must be stimulated as followed for all the elements that make out the dimensions of cross-functional organization. Quality can be considered an instrumental element which stimulates the enterprise to become more cross-functional. Through quality the complete investigation of the clients' needs is passed to, also the systematic description of the process component activities and the correct establishment of the product and service value.

Evoking quality throughout history seems significant for promoting the theory that the main factor bringing progress to enterprises in promoting cross-functional organization is the quality research. A good quality favours the direct access of the enterprise to the client. And, more precisely, quality is the instrumental element which allows the client's identification.

Quality can have a major contribution in supporting cross-functionality. Thus, if agents actively take part to the technical and commercial procedures editing, these procedures will have a qualitative level in accordance with the principles of cross-functional organization. The other way around, a passive participation shall have as finality procedures with rigid, inflexible regulations.

In the conditions of bureaucratic organization, quality holds a limited field, the one typical for the Department of Total Quality. Cross-functional organizations make flexible the responsibilities of the enterprise actors. Under these circumstances, the responsibilities from the quality field are being multiplied by

involving multidisciplinary teams in achieving the entire circuit of a process. Involving multidisciplinary teams in the quality field is possible by delegating the authority from the Department of Total Quality.

**Management**, in the sense of cross-functional organization, refers both to strategic management and to the operational one.

By the means of strategic management, the cross-functional organization operates changes which materialize in the decentralization of the strategic process from the top of the enterprise to operational units. According to the strategic decentralization principle, each operational unit conceives its own strategy adapted to its local problem. The actors of an operational unit elaborate their strategy starting from the research of the clients' needs and expectations. In this way, the strategy of the operational unit is built by crossing the power relationships. These are playing a "game" which defines the freedom of action in strategic analysis and planning (Cremadez, 2004). This means that any actor controls an area of uncertainty which gives him an irreducible margin of manoeuvre. In the end, by decentralization, the strategy of the enterprise becomes an assembly of local strategies articulated in a coherent and stable system. Decentralization also contributes to the practice of cross-functional management which, in its turn, creates a proper environment for taking decisions at the inferior hierarchical levels.

Changes leading to cross-functionality cannot be achieved without claiming the principles of operational management. In this case, changes in cross-functionality are based, among others, on the practice of cross-functional management and on the delegation of the authority.

In an enterprise with bureaucratic organization, processes are led by the managers belonging to different functions, each with its own hierarchy. Coordination is insured by one or several managers controlling the functions. The main ascertaining in this form of organization is the occurrence of disfunctionalities between interfaces and functions. An improvement in coordination is produced when bureaucratic organization and matrix organization cohabit. In this case a certain "improvement" is possible by the development of horizontal and vertical coordination, meaning by promoting cross-functional management. Tarondeau and Wright (1995) are even more convincing when they sustain that "within a cross-functional organization operational missions depend on the projects and processes". This statement raises an essential problem for the implementation of cross-functionality and consists in making the difference between the hierarchical authority and the cross-functional management of the process. Managers coordinate the processes by involving the multidisciplinary teams. They all practice cross-functional management because they have freedom of action and they are legitimate by an expertise. Their implication in piloting the processes is a straight one. In consequence, cross-functional management offers more reactivity because it contributes to a greater responsabilization of the individuals, regardless of their position held in the hierarchy.

By delegating the authority to the inferior hierarchic levels, the occupants dispose of more autonomy and hold a greater power. Authority delegation leads to

the increase of direct responsibilities. At the same time with delegating the authority, a delegation of competences takes place, enhancing the development of the animation function. The process animation is the impulse for the cross-functional management.

**The administrative control** fulfils two functions: instrument which ensures the overall coherence of the enterprise (strategic administrative control) and instrument of sensibilisation and determination of the actors to undertake responsibilities at the level of the operational units (operational administrative control).

By a descriptive modelling of the big activity chains composing the processes, the architecture of the administrative control renders, a reference model about the main needs of coordination and of enterprise connection with the environment (internal and external). The needs guide the enterprise so as to conceive an informational system subordinated to the research and fulfilment of the client, process and value demands.

The global strategic orientation of the enterprise imposes the organization of a strategic administrative control to be associated to the “cost” and “value” approaches. From the strategic point of view, the enterprise decides to organize the processes so as to create value and quality-like goods or services accepted by the clients. The conception of the strategic action control is based on the idea of “target cost” which contributes to the transformation of the process in a vector for the development of the product (service) adapted to the market by reaching the anticipated cost. The target cost defines the global planning and strategic control philosophy. Obviously, the transformation is radical because the first success factor becomes “the unconditional engagement of the entire enterprise personnel in reaching the target costs” (Segrestin, 1996).

At the operational unit level, the operational administrative control has the aim to offer to the multidisciplinary teams the means for defining their own actions. At the process level the operational administrative control formalizes all the performance criteria which take into account the contribution of every activity to the value formation (cost and price). The same operational administrative control is the instrument which mentions both the quantity and quality resource consumption so as to achieve an activity at the foreseen performance level. In this way, the operational administrative control provides the actors with the necessary means so as to consider a process (and its activities) an “intersection” between two approaches: professional (competence) and economic. Synthetically, the operational administrative control bonds the competence and the performance piloting.

Crossing the process and value, having the performance as objective, requires the research of the balance between the need to obtain complete information and the need to quickly advance within a process. Internal and external communication, structured in horizontal and vertical coordination, favour the intensification of the information exchange and bring more contribution in the establishment and maintenance of the balance between the two categories of needs.

For any enterprise, **culture** is seen as its action engine. In the cross-functional organization conditions, culture helps the enterprise develop new capacities to accede to the entire multiple information chain. In consequence, in cross-functional conditions culture brings an even greater contribution to increase the enterprise reactivity in understanding the environment evolutions. On a cultural background typical for cross-functionality, the enterprise becomes more and more flexible and supple in managing external and internal contacts (Knein et al., 2020).

A deep culture change is capable of generating a good environment for the cross-functional management. By its vectors, cross-functional management contributes to the increase of the client's satisfaction and to the actors' activation around one structure based on enhancing the autonomy and the manoeuvre margin at the level of multidisciplinary teams.

The culture of autonomy and of the manoeuvre margin contributes to a better adaptation of all actors to the demands of the client, process and value. The culture of autonomy, Schermerhorn and others state (2002, p. 192), "contributes to increasing the independence given to any employee in organizing his work and in choosing the procedures".

An organizational culture based on the development of the autonomy and of the manoeuvre margin indicates the presence of a complex assembly of values, beliefs and symbols defining the enterprise's manner of performing and managing activities. In the case of multidisciplinary teams, autonomy and the manoeuvre margin emphasize upon the importance of creativity and the cooperation relationships between the teams' members. In this last context, the organizational culture that puts value on creativity and cooperation will be likely to be developed after the new knowledge will have been assimilated. Furthermore, in those places where culture is the mark of creativity and cooperation between the members of the multidisciplinary teams there is a chance it might also contribute to a newly come real integration within the teams.

## **6. Cross-functional organization activities**

The novelty brought by cross-functional organization consists in the reversal of the priorities. The effects generated by reversing the priorities are materialized in cross-functional action states. A cross-functional organization is characterized with several action states out of which three are fundamental:

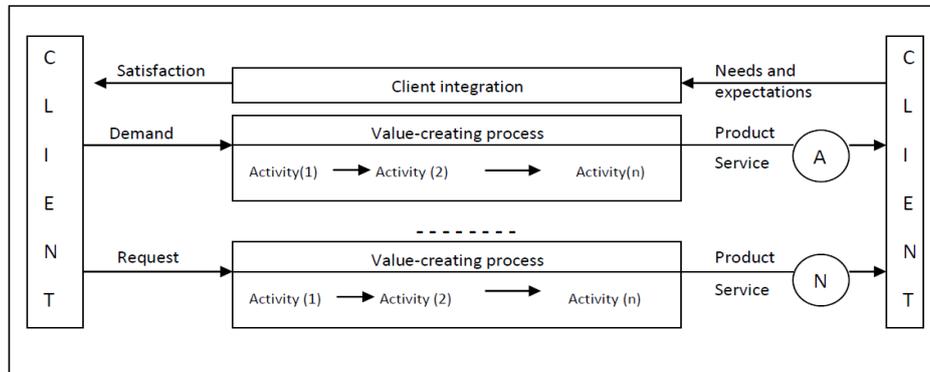
- decomposition and recomposition of processual organization;
- decomposition and recomposition of the enterprise assembly;
- decomposition and recomposition of the structural organization.

### *The decomposition and recomposition of the processual organization*

By integrating the clients' needs and demands their flows are being identified. The information resulted from the client's integration serves for the

orientation analysis of the enterprise for the identification of the processes to offer satisfaction to clients (Constantinescu, 2008).

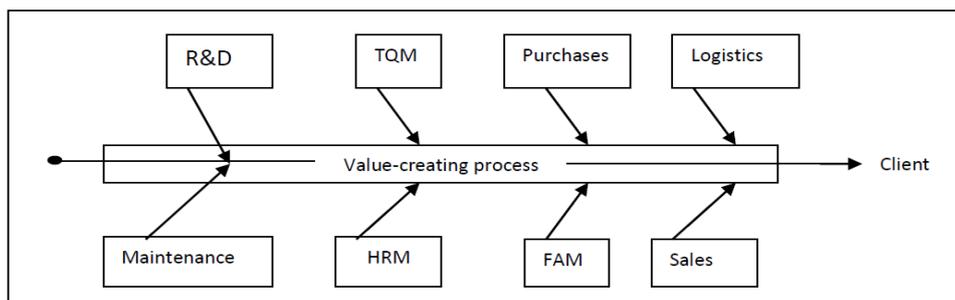
In a first stage the client flows are being structured by value-creating processes (Figure 2). Any value-creating process is decomposed in activities which directly contribute to achieving finality (product or service). A second stage has the objective of recomposing the key-client flows as a direct activity chain.



**Figure 2. Grouping the client flows on value-creating processes**

Recomposing the new direct activity chain implies the exercise of the coordination managerial attribute. Within the cross-functional organization, coordination values the “cross-functional integrator” profile (Cremadez, 2004). The cross-functional integrator guides the coordination along the strategic axes of the enterprise and achieves the balance between the centrifugal forces (differentiation) and centripetal forces (integration). On these grounds it activates the stimuli of the cooperation between the operational units and makes the multidisciplinary teams responsible in taking decisions.

At the same time with the recomposition of the value-creating process and in accordance with the clients flows demands, the support process is recomposed (Figure 3). A support-process is represented by an activity chain (Research and Development – R&D, Total Quality Management – TQM, Human Resources Management – HRM, Financial-Accounting Management – FAM etc) which indirectly take part to obtaining a certain finality (product or service).



**Figure 3. The structure of the support-process of a value-creating process**

The decomposition and recomposition of processual organization offer the necessary instruments for the *management through activities* which help the actors define and control their own activities from the economic point of view. The management through activities represents a first step of the general management. A second step is undertaken by the *management through processes*. This type of management stands as a challenge for every activity and actor to integrate in an enchainment imposed by the client. The purpose of the integration is to contribute to the enhancement of any process's global performance.

The decomposition and recomposition of the processual organization generate a connection bridge between the bureaucratic and cross-functional organization. By this connection bridge it is possible to move forward in a practical way along the entire process of creating a value for the client. The possibility to cross the process is guaranteed by a careful research of the client's needs and economic power. This research accumulates in a "black box" a variety of useful information to describe a process by accurately pointing each activity.

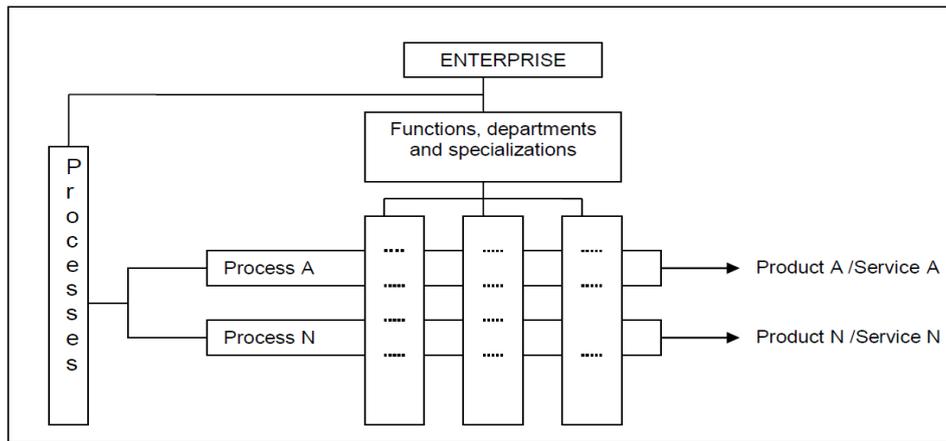
### **6.1 The decomposition and recomposition of the enterprise assembly**

This action state uses the information describing the value-creating processes and the support-processes. Based on this information, the decomposition and recomposition of the enterprise assembly on functions, departments and specializations is oriented

The decomposition and recomposition of the enterprise assembly are being superposed over the processual organization decomposition and recomposition. Certainly, the decomposition and recomposition of the enterprise by processes is a step ahead the decomposition and recomposition by functions, departments and specializations.

The starting point of the second cross-functional action state is a path which depends on a new element "crossing" the current, the existing one. In this case also, cross-functionality bears the mark of the coordination achieved by the cross-functional integrator.

After the decomposition and recomposition, the enterprise assembly is a reconfiguration where bureaucratic and cross-functional organization cohabitate. The new assembly is an operation manner of the enterprise characterized by professional mobility and polyvalence. By the decomposition and recomposition of the functions and processes the result is a matrix assembly in which the columns indicate the new functions, departments and specializations and the lines render the processes and their finalities (Figure 4).



**Figure 4. The reconfiguration of the enterprise assembly in the cross-functional organization conception**

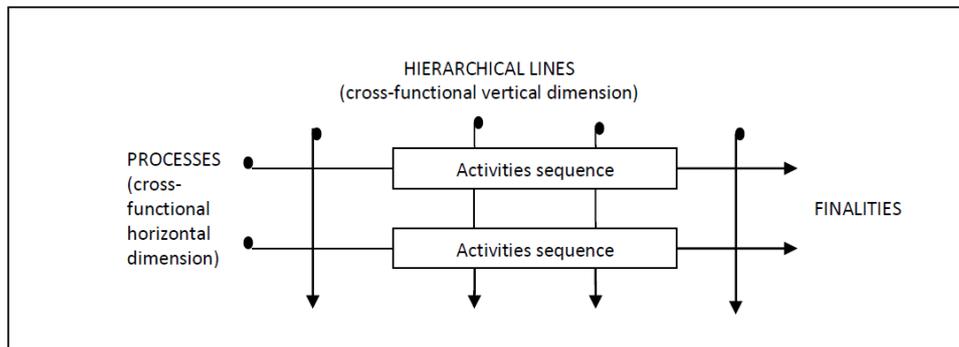
## **6.2 The decomposition and recomposition of the structural organization**

This leads to a configuration which changes the horizontal dimensions (cross-functional processes) and the vertical ones (functions, departments and specializations). Apparently, the result is a matrix structure, but in reality, it is matrix cohabitation between two sorts of structural organization: bureaucratic and cross-functional.

The implication of the cross-functional action states in the life of the enterprise favours the development of cross-functionality both at the level of the horizontal units and of the vertical ones. The new type of organizational structure, dominated by cross-functionality, is different from the matrix structure by the power relationships, actors' autonomy, processes and the presence of multidisciplinary teams.

The cross-functional structure, based on decentralization and coordination, determines the managers to adhere to the cross-functional action states culture. On the other hand, the enterprise assembly is transformed into a matrix with two cross-functional dimensions (Figure 5); one represented by the constitution of the processes by activities and the second by the implication of the hierarchical lines of the functions in building multidisciplinary teams.

In the case of organizational structure dominated by cross-functionality, the matrix marks a significant change, a break with the bureaucratic organization principles. The change, break is owed to the fact that an activity, a person interacts with two different authorities. So as to avoid a blockage, managers must show tolerance for decentralization and delegating the authority.



**Figure 5. Organizational structure dominated by cross-functionality**

Tolerance is possible when managers succeed in reaching a balance between what both the “vertical” and the “horizontal” highlight. The balance necessarily requires a transfer from the value system of the bureaucratic organization to the value system of cross-functional organization.

## 7. Conclusions

The implementation of cross-functional organization requires a careful investigation of all the internal and external environment conditions. The investigation must be materialized in a cross-functional organization implementation project. The implementation project becomes an assembly of cross-functional action states. On these grounds, in a realistic way, the theoretical and practical spirit necessary to investigate clients, conceive processes (main and support) is being developed for organization of the enterprise assembly so as to contribute to cooperation. In what the cooperation is concerned we point out the importance of generating a strong system to incite and stimulate the employees to cooperate.

Cross-functional organization must start by investigating the market and has the aim of identifying the clients’ needs, expectations and economic power. Such a research supplies the enterprise with the necessary information regarding the cross-functional action states manifestation. A major importance must be given to the following three cross-functional action states: decomposition-recomposition of the processual organization, of the enterprise assembly and of the structural organization.

The investigation of the external environment has the aim of identifying key-clients. According to the key-clients’ needs, expectations and economic power the value-creating processes and the support-processes are being selected and conceived. This first cross-functional action state is materialized in a new physical and relational configuration of processual organization. The resulted processual organization will show two parts: the new processes (main and support) and the rest of the processes (unrestructured in main processes and support ones).

As the processual organization takes shape, a second cross-functional action state, the decomposition and recomposition of the enterprise as a whole, is being triggered. This time, according to the finality of the first cross-functional action state, the major objective will be the recomposition of the functions, departments and specializations of the enterprise. The new assembly is a manner of operation of the enterprise, characterized by professional mobility and polyvalence.

The enterprise taken as a whole, decomposed and recomposed by the second cross-functional action state, will serve for the manifestation of the third cross-functional action state: the decomposition and recomposition of the structural organization. This cross-functional action state's finality will bring forward two categories of actors: the collective actor (multidisciplinary teams) and the individual actor (the rest of the employees). Multidisciplinary teams will be made up according to "the dialectic articulation between processes-professions" (Cremadez, 2004). The manager with a cross-functional integrator profile knows how to put himself in other people's shoes so as to reach a balance between the centrifugal forces (differentiation) and the centripetal ones (integration). So as to reach this balance, the cross-functional integrator guides the coordination of the integration along the enterprise's strategic axes. On these grounds, he activates the stimuli of the cooperation development between the operational units and the ones corresponding to drawing the responsibility for multidisciplinary teams in taking decisions.

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