THE CONFERENCE BOARD REVIEW

IDEAS AND OPINIONS FOR THE WORLD'S BUSINESS LEADERS

WHO'S IN CHARGE HERE?

BOSSLESS ORGANIZATIONS CAN TEACH YOU HOW TO BE A BETTER BOSS.

WHEN DID WE ALL START TAKING DAILY LUNCH BREAKS?

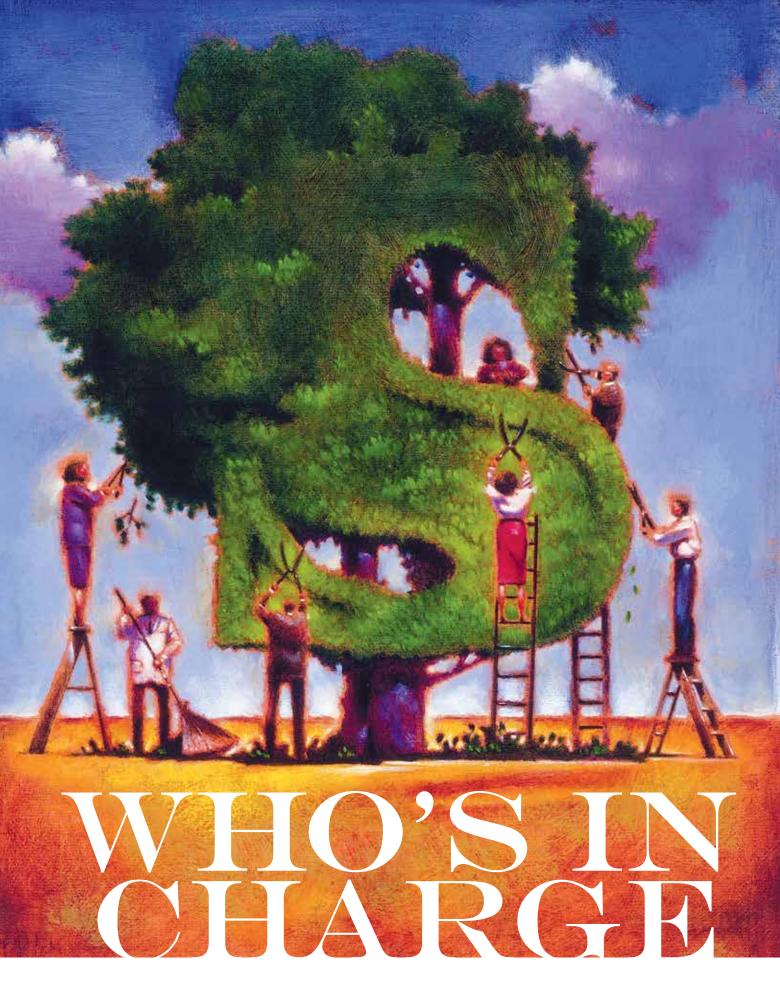
LOST U.S. PRIVACY, FREEDOM— HOW IT LOOKS FROM CHINA

PAUL POLAK: HOW TO REACH YOUR \$2-A-DAY CUSTOMERS

THE CONFERENCE BOARD



Fall 2013 www.tcbreview.com



BOSSLESS ORGANIZATIONS CAN TEACH YOU HOW TO BE A BETTER BOSS.

THIS article is not about your organization, or any organization like your organization, because you have managers, who have managers, who have managers. That is, you work for a bureaucratic conventional company. But surely you've heard about bossless businesses that have rejected hierarchy to push corporate flatness to its logical end—or its illogical dead end, you might snicker.

Such companies are undeniably quirky—just try phoning to locate someone with a certain title or particular responsibilities. But many are successful, functioning efficiently and profitably, taking an untraditional route to accomplish traditional goals. By establishing a more egalitarian workplace in which employees plan, coordinate, and direct activities autonomously, they say, they benefit from increased motivation, engagement, loyalty, creativity, innovation, customer satisfaction, efficiency, productivity—you name it.

The common perception is that bossless organizations are, basically, consensus-based anarchist collectives that spend weeks debating every workplace detail, more concerned with experimentation than earning profits.

The reality is that they have products, services, customers, warehouses. Some have boards. All have bottom lines. Just like your corporation. They have chosen not *no* management but *self*-management.

Some are boutique firms with fewer than one hundred workers. Others are mega-corporations that have chosen to go beyond breaking down silos and erase the entire org chart. Perhaps the biggest is W.L. Gore and Associates, a multibillion-dollar giant best known for Gore-Tex fabrics. As CEO Terri Kelly told *The Wall Street Journal* years back, "We believe that rather than having a boss or leader tell people what to do, it's more powerful to have each person decide what they want to work on and where they can make the greatest contribution."

Another enterprise you may know, Semco, shares similar logic. As Ricardo Semler, the Brazilian engineering company's founder, pointed out twenty years ago in his book *Maverick*, "Bureaucracies are built by and for people who busy themselves proving they are necessary, especially when they suspect they aren't. All these bosses have to keep themselves occupied, and so they constantly complicate everything."

Now, bosslessness isn't, as some have termed it, a new trend, since it's neither new nor a trend. Apart from longtime evangelist Semler, there's no bossless bandwagon, and even if there were, no one would expect you to reshape your entire structure based on what, let's face it, will always be a fringe form of management. But understanding what it means to manage without managers elsewhere will make you challenge the way you've always done things—and that's a good thing. As it turns out, novelty firms may offer some novel ideas that you can incorporate into your own company without giving up your corner office.



DECISIONS, DECISIONS

You can't contemplate bosslessness without considering what it means to be a boss these days. At the most basic level, supervisors control subordinates. Some allow their people minor leeway in how—though not what—work gets done, but that's mainly because many job duties now demand skills of the mind rather than the hand. (See "Building Pyramids on the facing page.") Even so, an employee can raise an independence flag only as high as a manager decides.

That last word is key. Ultimately, a boss is someone who makes decisions. In a typical organization built on self-management—if any can be typical—everyone gets to make decisions to guide their work. Superpowers held by a relatively few individuals at conventional corporations are everybody's powers at other businesses: No one is a boss; everyone is a boss.

Some bossless firms boast that they're not empowering workers, since empowerment implies that senior management deigns to permit people to make decisions—rather, they, say, such authority is a natural right. Except that, as you know, that's not how things work. That some of today's organizations with missing managers once had more layers than an onion proves that granting worker autonomy smells a lot like what it obviously is—a decision by top management.

No need for socialism debates better suited for a collegedorm 3 a.m. hallway conversation. The salient point is this: Give employees resources to make decisions, and you no longer need managers. "Numerous tools allow today's generation of workers to communicate, collaborate, and crowdsource in all avenues of their lives," says HR consultant Dana Ardi, author of *The Fall of the Alphas*. "People today want to work together in a flatter organization."

At Morning Star, a tomato processor with four hundred full-time and about 2,300 season workers, there are no bosses, no titles, just "colleagues." Now, plenty of traditional companies these days also call employees by similar generic titles—"associates" or "partners"—but everyone understands that they're still employees with neither autonomy nor major responsibilities.

Granted, Morning Star people have specific roles—e.g., production mechanic or industrial technician—but they're still foremost colleagues, on the belief that if you give employees specific titles, you confine them to boxes, crippling efforts to think outside of them. Other bossless firms, meanwhile, let people choose their titles. "If someone wants to call themself a lead developer, that's fine," says Ilya Pozin, founder of digital-marketing agency Ciplex. "It doesn't actually mean they lead someone else."

Morning Star's colleagues must annually meet fellow employees with whom they'll interact. Together, they nego-

tiate mutual job expectations—dealing with sourcing, processing, pricing, shipping, everything—to draft Colleague Letters of Understanding. For instance, you might agree to sort or package or turn to paste or ship X tomatoes per week. Thousands of these pacts serve as a surrogate org chart and create formal commitments between co-workers that job descriptions handed from above never could. As Morning Star colleague Paul Green Jr. explains, "Things function more efficiently and effectively when worked out between colleagues because people know best how to do their work."

Meanwhile, Richard Sheridan, author of the forthcoming book Joy, Inc. and CEO of Menlo Innovations, a software-design firm, often speaks of how his 8-year-old daughter remarked that Daddy was "really important" when he brought her to work at his former company one day because people kept asking him to make decisions. "I realized I was a bottle-neck," Sheridan recalls. As a result, he's now the boss of a bossless organization. (Ironic, right? But come on, did you really think that no one is sitting atop these companies? More on that later.) The company's project managers, for instance, do just that: manage projects, not people, acting more as team supporters and facilitators than supervisors to whom coders must report.

Likewise, when Pozin founded Ciplex, there were no managers because there were no people to manage. But with more money and more workers came more layers. "I've heard that right when you get to the thirty-third employee, hierarchy starts to form," Pozin says. "That's around when it happened for us." (Gore limits the number of employees at every facility to two hundred, to avoid what founder Bill Gore described as "we decided" morphing to "they decided.")

"Eventually, we found that managers were getting in the way of work getting done, so we wanted to unwind the structure," Pozin continues. "In a startup culture, there are usually four to five people who all want to meet the company's overall mission. You lose that when you have hierarchy, because people suddenly want to make their boss happy instead. They forget what they're working toward. Now we have no bosses, and people actually give a shit about the company."

Plus, since employees no longer have to CC for approvals, Pozin went from getting up to three hundred internal emails daily to about five now. "That in itself was amazing!" he says.

IN IT TOGETHER

The people near the top of any organization are, of course, the ones tasked with making the most consequential decisions, based on their experience and purported wisdom. Granted, senior executives are perfectly capable of screwing up, perhaps promoted beyond their abilities or maybe just tasked with running the wrong division, but it makes sense

team

that they're the ones trusted with making decisions.

So how do bossless organizations make things happen? They spread decision-making broadly among staffers. At Valve, a videogame maker, the employee handbook explains: "Over time, we have learned that our collective ability to meet challenges, take advantage

of opportunity, and respond to threats is far greater when the responsibility for doing so is distributed as widely as possible."

At a hierarchy, by contrast, as the caliber of decisions grows, the number of people making them shrinks, but the power held by them does not. Given the challenges of challenging authority, there's greater potential for titanic blunders when corporate titans make all the decisions.

In reality, while employees at bossless firms decide for themselves, they rarely decide by themselves. Often, they work in teams and solicit information and advice from many other, especially experienced, colleagues. Of course, the same happens at your company. At your table, however, castes of characters influence



BUILDING PYRAMIDS

Ever since Egyptians erected pyramids, people have organized into management pyramids of their own. Hierarchy "appears to be a universal default for human social organization," write the authors of a paper titled The Path to Glory Is Paved With Hierarchy." Is hierarchy really natural? Think about that another time. The real question is whether a pecking order brings the good order to business. It can. Hierarchy simplifies planning and can effectively direct large groups of people. Ask a military officer, or an 1800s railroad exec. After the Civil War, rapidly expanding rail companies had to coordinate thousands of workers, while managing construction, pricing, distribution, investments, and logistics on a scale previously unimagined. The modern-day manager was born in a railway car before speeding into most other industries. Hierarchy enabled corporations to efficiently consolidate authority, communicate information, and implement plans. It worked so well for years to come—after all, if all you have is a hammer, all your laborers will look like nails—that few questioned it.

A disillusioned AT&T employee was one of those few. In 1970, Robert Greenleaf coined the phrase "servant leadership," a management style that shuns authoritarianism in favor of greater employee participation and influence over decision-making. Who cares? That was the general reaction among business leaders—those who reacted at all. The lunacy that bosses were obstacles to success would have remained only that if not for the recession of the 1970s, when corporations realized that legions of middle managers are pretty expensive. But it wasn't until the knowledge economy gained momentum that companies didn't just feel financially forced to slash supervisors but genuinely began to believe that myriad management tiers created a bureaucratic burden on innovation and creativity. We no longer live in the 1800s or 1900s or even 2000. Standardization and predictability have given way to constant change and more competition. Today, information is easier to distribute widely, and people are more educated to make decisions. Also, because machines now do work previously done by people, it's less sensible to treat people like machines. -V.L.

Give employees resources to make decisions, and you no longer need managers.



dynamics and meetings, and having the highest rank authorizes that executive (or someone higher up in the organization) to make the final call. At bossless businesses, project relevance determines who gets a voice, with a greater push for overall agreement. Sometimes this ends with a popular vote; other times, a CEO involves himself. The overarching point, Dana Ardi says, is that "this isn't about creating a democracy—it's about democratization of the process. You don't always need consensus. You need consideration."

According to Stephen Courtright, assistant professor of management at Texas A&M University's Mays Business School, teams of workers who feel empowered achieve higher performance than teams of people who don't. "In a group context where everyone has a shared sense of leadership, you get higher-quality decisions," Courtright says.

At Morning Star, all colleagues can buy equipment, hire

someone, and spend the company's cash, but everyone usually first consults fellow colleagues, especially those with whom they've negotiated Colleague Letters of Understanding. "You might expect people to run around spending money, and that's happened, but most people approach purchases very cautiously because they know that others in the company will hold them accountable," Paul Green explains. "Your long-term success depends on making good decisions, so you don't want to look foolish." (With no centralized purchasing department, colleagues have worked together to create a list of suppliers to save costs.)

Of course, ideas are more infinite than money, so Morning Star requires detailed descriptions of intended big capital investments that a changing team of fifteen to twenty colleagues reviews. Though they act as a collective boss here, their main goal is to find funds rather than point thumbs

FITTING IN—OR NOT

"A bossless model can bankrupt a business so fast if you hire the wrong type of people," says Ilya Pozin, founder of digital-marketing firm Ciplex. Pozin may be talking about you. If you've worked for many years within a hierarchical system, it's not that you've come to accept that such a structure makes the most sense but that it's the only one that makes any sense. You probably never questioned its utility in the first place. It just is.

It's how things work. It's how you work. And if you've achieved some satisfactory level of success in your career, things have obviously worked well for you. That's precisely why a bossless firm may not hire you. Neither should you want one to.

"People who fit in well at bossless organizations measure their career by the number of creative, challenging projects they work on," says Stephen Courtright, a management professor at Texas A&M University. "If your goal is to climb a hierarchy, a flat organization is not for you." Indeed, self-management structures work best for entrepreneurial, intrinsically motivated individuals who take initiative, work well with ambiguity, and get along with others.

"Hey, that's me!" you're thinking. Maybe. And don't lie.

"When hiring, we tend to be very cautious and skeptical if you're coming to us from upper or middle management in another organization," says Paul Green Jr. of California-based tomato processor Morning Star. "You spend years learning how to become a winner in a company like the one you're leaving, and then you come to a place like ours, and ultimately you can't cut it because you're not a cultural fit." That's why Valve,

a videogame developer, states that hiring "is the most important thing in the universe. Nothing else comes close. It's more important than breathing."

"When we hire outside people and get them to talk about their values, they'll say 'I'm a people person. I believe in teamwork," W.L. Gore CEO Terri Kelly told *The Wall Street Journal*. "But when we put them in our environment and strip away their positional power, it can bring them to their knees—because they hadn't realized how much of their success was a function of their position and power and their ability to command and control."

At many bossless organizations, a slew of colleagues—up to twelve at Morning Star—usually interviews candidates. Often, one's hard skills take a backseat to what software-design firm Menlo Innovations calls "kindergarten skills": Will the person play well with others? Is the individual naturally curious about things?

Some years back, when Ciplex transitioned from a hierarchical to a bossless structure, the company lost about a quarter of its staff. "Some people took advantage of the freedom in a negative way; others didn't know how to perform, so people either left or we had to let them go," Pozin recalls. He also remembers a former sales head who left the company because he preferred to hire people whom he could control more. "It seems like traditional companies sometimes look for people who could be managed, who respond well to control," Pozin says. "People who are more self-driven scare some organizations that have built a whole structure around a need for

employees to conform."

Unfortunately, realizing that people don't fit in can take more time than companies prefer. "Sometimes you end up having people who aren't internally motivated hanging around in corners," Green says. "At other companies, there's a boss responsible for that person, but we don't have a structural way to spot a poor performer quickly. Things can fester, but I'm not sure how to fix that other than encourage people to speak up more."



either direction. Additionally, various departments present strategies once a year in front of all their colleagues, who then "invest" virtual money in the best plans. The results of such crowdsourcing aren't binding, but there's a lot of social currency at stake.

Sometimes, a good decision is a fast one. The decision-making process at bossless organizations may be less efficient upfront, Gore's Terri Kelly admitted to *The Wall Street Journal*, but she explained, "In many organizations, leaders make quick decisions, but don't understand that the organization isn't behind the decision—half the people don't know why the company is moving in this direction, and the other half is pulling in the opposite direction—either intentionally or unintentionally. So if you think about the entire process of decision-making and implementation, our approach is faster, because by the time you get to the decision, the whole organization is behind it, rather than just a few leaders."

Besides, say evangelists of bosslessness, most decisions take longer in pyramid corporations as executives kick cans down endless clogged roads of approval before someone finally resolves to turn the light red or green. "Anybody who's read *Dilbert* realizes that it's the smaller, day-to-day decisions that frustrate workers the most because of some corporate policy or procedure," says Morning Star's Paul Green. "It saves a lot of time and energy when people can make their own decisions." Increasingly, big corporations realize this; Southwest Airlines, for instance, famously allows frontline workers to act without running to Dad.

"I think I'm perfectly good at making good decisions by myself," Richard Sheridan says, "and there are certain things that go more slowly because I don't just say, 'Here's where we're going.' The tradeoff is that by utilizing our collective brainpower, we come to better decisions and better buy-in."

LEADERS WITHOUT BOSSES

"Is this whole bossless thing bullshit?" Ciplex's Zach Ferres recalls colleagues asking. You can understand their skepticism. "People need managers to be productive," insists Kathryn Shaw, the Ernest C. Arbuckle Professor of Economics at Stanford Graduate School of Business. "You can do



with fewer bosses, but not without bosses altogether. They're indispensable for teaching, monitoring, and motivating." Bossless organizations, however, believe that everyone should fill these roles.

All of which might make bossless workplaces appear utopian, until you read remarks by some ex-employees, like this: "The one thing I found out the hard way is that there is actually a hidden layer of powerful management structure in the company and it felt a lot like high school." Naturally, every enterprise has former workers with varying reasons why they're exactly that. Nevertheless, some critics worry that it's not high school that a bossless workplace risks resembling but *Lord of the Flies*.

Some cite an academic paper titled "The Path to Glory Is Paved With Hierarchy," which claims that hierarchy reduces conflict and produces higher productivity. The authors argue that when you put high-power individuals together on a team, each jostles for greater control, increasing discord. To improve group productivity, teams require hierarchy.

Not so fast. The paper features a lot of mumbo-jumbo about chickens, testosterone, biology, and experiments using college students. It doesn't, since the authors don't intend to, judge a business's overall management structure. In fact, in a system of established hierarchy, putting together teams of equals may cause counterproductive power plays because the structure itself forces co-workers to compete with each other. Sure, bossless workplaces can devolve into dystopia, but it's equally, if not more, possible for conventional corporations to breed their versions of Ralph, Jack, and Piggy.

Putting aside that tension can actually benefit decision-making, difficult disputes arise at any organization. When two workers can't agree at Morning Star, for instance, they pick a mediator; if that fails, they convene a jury of six colleagues to settle the disagreement. Beyond that, the company's president holds the determining gavel—though discords rarely reach that level, Paul Green says.

That said, there's still competition in bossless settings, not for titles but for respect and consequently influence.

As Menlo's Richard Sheridan points out, "It's like playing

PEER MANAGEMENT

Bossless workplaces aren't about self-management so much as peer management. With no manager to appraise performance, your peers collectively become your boss when it comes to evaluations.

For example, at Morning Star, a leading tomato processor, fellow colleagues with whom a worker has signed agreements detailing each other's job expectations evaluate each other. However, Paul Green Jr., a company colleague, concedes that the organization struggles to ensure that co-workers don't dodge giving negative feedback. "It probably happens less often than it should," he says—just like at your own company.

At Valve, a videogame developer, rotating sets of peers interview everyone in the company annually to ask whom each employee has worked with since the last evaluations and how the experience was working with that individual. The company then makes the feedback anonymous before delivering it to each employee.

Meanwhile, there's no individual measure of performance at Ciplex, a digital-marketing firm—clients evaluate teams through weekly feedback. "As in sports, you win or lose as a team," explains founder Ilya Pozin. Sports metaphors seem to be popular: "You can have the best second baseman, but if others aren't playing well together, then everybody loses," adds Richard Sheridan, CEO at Menlo Innovations, a software-development agency, where team members regularly review each other. (And yes, it's possible for employees to collude with each other for higher marks, but such popularity contests play out more theoretically than empirically.)

According to Stephen Courtright, a management professor at Texas A&M University, individuals and teams perform better when peers, rather than a boss, determine raises and bonuses. And so at Morning Star, for instance, every employee has a base salary, but depending upon feedback from colleagues (and the financial performance of the business unit), there's no cap to how much one's income may rise. Menlo, meanwhile, has a pay-grade hierarchy, but advancing through it results from peer evaluation, "not by making sure you look good in front of some boss," Sheridan says. Finally at Valve, each project or product group ranks its own members to determine a person's relative value and, consequently, compensation. —V.L.



baseball. You earn greater respect by becoming a better first baseman, not by trying to take someone's position as catcher."

Dana Ardia adds: "Boss is an antiquated word. We're talking about leadership. In flatter organizations, people are encouraged to be leaders in their own areas of expertise."

Granted, bolstering abilities is also a route to leadership at traditional corporations, but not always. In a hierarchy, bosses are not necessarily leaders and leaders are not necessarily bosses. The former occurs when managers haven't earned the esteem of others; the latter happens when individuals are able to influence peers despite a title. Ideally, companies should promote leaders to bosses, but again, that's not how it always works.

So if leading is more important than, and independent of, bossing, why have bosses?

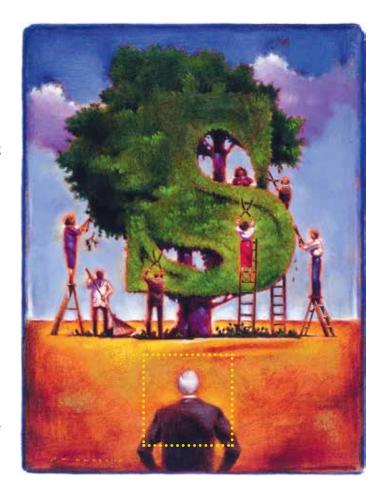
As Stephen Courtright says, "In a bossless office, you don't get rid of leadership—you get rid of hierarchy. It's easy to lean on formal authority to motivate people, but one of the biggest predictors of being a good leader is being able to influence others without that authority."

No one arrives at a bossless organization a leader. Since you can't force obedience, you must earn followership. Morning Star points out: "Leadership roles must be cultivated and earned. Those who are willing to pay the price of developing high-quality relationships and exhibiting leadership qualities by excellent performance, modeling exemplary behaviors, communicating, envisioning, initiating and caring will be viewed by colleagues as leaders."

"We have no illusion that everyone is equal in terms of abilities and contributions," explains Morning Star's Green, "so hierarchies will form, but they're informally based on your social capital. When colleagues call meetings and nobody shows up, that's very telling. You realize that you don't yet have their buy-in." Only when individuals have demonstrated expertise and eagerness to coach, guide, and inspire others do they win peer admiration. Good mentors become good leaders.

"Traditional organizations often establish mentoring programs, but they only last for a few weeks," says Menlo's Sheridan. "People can never keep appointments because other priorities come up, so the program fizzles." At Menlo, everyone must be mentor and mentee to succeed.

Leaders in bossless environments also typically take on duties outside their regular work. Morning Star designates people to help coordinate communication, mediate conflicts, and identify areas of improvement—roaming HR proxies, minus the right to discipline. At Ciplex, teams have "scrum masters" who help move things along, but as Zach Ferres states, "A scrum master does not tell people what to do or how to do it."



If leading is more important than, and independent of, bossing, why have bosses?

Meanwhile, even chief executives are sometimes subject to the "voice of the organization," as Terri Kelly puts it. In 2005, she became CEO after the company's board pooled employees to pick their next leader (people were able to name any worker). Would your CEO win a similar vote?

AVOIDING CHAOS

In Valve's handbook, a glossary lists "Gabe Newell—Of all the people at this company who aren't your boss, Gabe is the MOST not your boss, if you get what we're saying." You get it: Newell isn't but kind of is but not really but sort of is boss, but let's be real—only a boss can declare that he isn't a boss.

Just like at traditional organizations, a bossless workplace's top boss establishes the company's mission, sets general strategic goals, settles major disputes, and acts as the corporate face. Though a chief executive may wear the crown, he dons a robe that signifies a more collaborative role.

"A CEO in a bossless environment provides parameters so that it's a lot less likely that individuals will make decisions that will be contrary to the organization's interests," Courtright says. "The CEO doesn't step back and say, 'Do whatever you want."

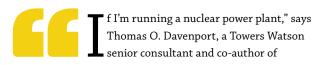
Actually, some do. At Valve, Newell doesn't tell anyone which projects to work on. Rather, the company encourages workers to think about where they can add value most. Valve points out that while "other companies have people allocate a percentage of their time to self-directed projects"—undoubtedly a reference to Google's recently killed "20 percent time" and to what Gore's founder once called "dabble time"—at Valve, "that percentage is 100," says the company. "Employees vote on projects with their feet." You work on what you want to work on by . . . working on it.

Similarly, as Brandon Keepers, a software developer at GitHub, writes on his personal blog, every employee "has the responsibility to sell their ideas to the rest of the company. I quickly learned that if I can't get anyone else interested in the project that I want to work on, then either I poorly articulated my vision, or more likely, it does not benefit the company."

That sounds nice, but if employees are working through their own Choose Your Own Work Adventure novels, how does a company prevent catastrophic endings?

Bossless firms generally reply that they constantly seek internal and external feedback, track results, and encourage communication among peers. If that seems like a weak strategy—if one at all—it is. Bossless organizations acknowledge that communication is a nagging struggle. "Our biggest challenge is figuring out how to create a dynamic of easy, open relationships horizontally. We opened up R&D sessions, hold webinars, have a retreat coming up. But this is still something we're trying to get better at," Ciplex's Zach Ferres confesses.

Ultimately, companies claim that it all comes down to hiring the right people. (See "Fitting In—or Not" on page 29.) When you have intrinsically motivated individuals devoted to a company's success, you no longer need all the checks and balances, carrots and sticks, meetings and more meetings found at hierarchical organizations. That logic is hard to prove, and hard to disprove. As Paul Green states, "I don't have any objective data to back this up, but more often than not, our way of doing things gets things right."



Manager Redefined, "I don't want people making certain decisions autonomously, without line of sight that only a leader can provide." Putting aside the possibility that studies indicate that empowering all workers can improve plant safety, Davenport isn't unreasonable in questioning the applicability of bosslessness. Obviously, it's impossible to cover every scenario of when and how a bossless structure might work, but one thing that certainly won't is firing all your managers—at least not right away.

Which isn't to say that dismantling a pyramid is impossible. Ciplex did it. But then, a digital-marketing agency with fewer than fifty employees is hardly P&G. Can't really see a big consumer-goods corporation suddenly take Wite-Out to most of its org chart, huh? "If a company already has a hierarchical structure and wants to adopt bosslessness, it can't just say, 'Let's get rid of all the managers and see what happens.' It will quickly fall apart," Kathryn Shaw warns.

Stephen Courtright offers a cautionary tale: Years ago, he worked with a manufacturing organization that adopted a bossless model. After training teams to self-manage, "the company set them loose," he says. "Employees loved not having a boss breathing down their throat, but they were so productive that they began to over-produce their product. Soon, there was a huge stockpile of unused inventory. The company gave them all the autonomy but no boundaries." Thus, Courtright suggests setting goals with people, then letting them decide how to meet them. "You can still do that in a hierarchy."

"If you're a big company, you don't blow up all the bosses," adds Davenport, who recommends separating disadvantages of hierarchy from values of local leadership "by more or less getting out of the way. Be available when people need resources, information, and guidance. Facilitate, but don't be an overt boss. Think of your role as a manager less as a hierarchical designation and more as a source of performance support."

"Many times, people look at companies like ours, with a lot of derision of traditionally structured companies," says Morning Star's Green. "It's hard for me to jump on that bandwagon wholeheartedly, to argue that many of the companies that we admire and whose products we use daily are doing everything completely wrong, so I wouldn't necessarily say that hierarchy doesn't ever work."

The goal is to make it work for you. Even though you work in a formal hierarchy, you can informally ignore it in some ways. Allow your workers more freedom to decide if not totally what then at least how, where, and when they work. Build smaller teams, without using rank to designate their leaders. Actually, try not to pull rank at all.

In other words, trust your people so they trust you. Your company may not go bossless, but you can still boss less. ■