

The Starfish and the Spider: *The Unstoppable Power of Leaderless Organizations*



Book's Argument: An original theory about memory held that a given memory lived within one cell hosted in particular neurons that report to hippocampus. Jerry Lettvin (MIT) then proposed that memory is distributed across various parts of the brain. For Brafman and Beckstrom, this feature actually makes our brain more resilient. As they make their case, the authors draw from this and contend that the absence of structure, leadership, and formal organization is now a major asset as the rules of the game have changed.

Key Takeaways: In an environment where there is no clear leader, no hierarchy, and no headquarters, the best a person can do to influence others is to **lead by example**. In an open system, everyone is entitled to make their own decisions. There are still rules and norms but they are not enforced by any one person. Power is distributed among all people, within each individual – free to do what they want. Others follow because they truly want to, not because they have to. Decisions are made all over the place – “everybody, everywhere.” Finally, the flexibility, shared power, and ambiguity that constitute this structure make it immune to centralized attacks.

A decentralized organization stands on five legs and is optimal when all five are working together. Circles embrace a common heritage and tradition as well as their own particular habits and norms that preserve independence and autonomy. The **catalyst** gets it going then cedes control to the members. **Ideology** manifests a sense of community, freedom, and trust while serving as the glue that holds it together. There must be a **preexisting** platform that empowers membership and a higher tolerance for innovation. The **network** slowly gains trust and friendship. Lastly, the **champion** is relentless in promoting the new idea.

| <i>Characteristics</i> | Centralized | Decentralized |
|---|--|--|
| Person in charge | Yes | No |
| Headquarters | Yes | Wherever group decides to meet |
| If thump on head, will it die | Yes | No |
| Clear division of roles | Departments; roles & responsibilities | Anyone can do anything |
| If take out a unit, is organization harmed | Each department important – if remove, organization suffers | Autonomous – organization is just fine despite removal |
| Knowledge and power | Concentrated | Distributed |
| Flexible or rigid | Rigid | Flexible |
| Count employees or participants | Yes | No |
| Working groups funded by organization or self-funding | Redistribute revenue to ensure adequate departmental funding | Self-funding; no central well of money |
| Communicate directly or through intermediaries | Intermediaries | Directly |

Best Quote: “When you give people freedom, you get chaos, but you also get incredible creativity. ...everyone tries to contribute to the community...” – Brafman and Beckstrom

Why it's important: The sweet spot for a given organization is the point along the centralized-decentralized continuum that yields the best competitive position. It is most beneficial to view employees as key assets and empower them. Their opinions matter.