This Unique Leadership Model Will Transform Your Business and Ensure Success

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People coming into the workforce today want to do things differently, and it's critical that, as employers of multiple generations, we figure out how to support each one quickly. The newer generations want more autonomy, and the reality is that entrepreneurial people exist at every level of every sized company. Still, traditional bureaucracies hold them back until they rise to a position of influence.

When structuring an organization — either incorporating another company or entering into a startup and setting out to structure from square one — you have more options than the traditional top-down structure. In our experience, there are better ways of organization that bring out each individual's full potential and drive company growth. But fair warning: This model is more than just shuffling seats — it's a total redesign of the bus.

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Adhocracy as we see it

As opposed to a traditional, bureaucratic business model, adhocracy is a flexible and adaptable organizational structure where groups form when necessary for a particular purpose. The ad hoc, problem-solving work groups of adhocracy, create a business environment more conducive to innovation.

In our “adhocracy,” non-hierarchical business units run independently with their portfolio of clients, but at the end of the day, they are still part of our organization. Within each business unit, there are specific leadership roles: Our “executive squads” – an operational person, a finance person, a technical person and a business development person. No different than a C-suite, each one brings their expertise to be part of a collaborative leadership team to support a business unit. And we mean support – this is not an old-school top-down structure.

Our business units, named after constellations, are all supported by a platform: “Hubble” – the ecosystem’s brain. If I wanted to bring a technical squad to a business unit’s team, we could use Hubble to identify the right people, their location, time zone and rates. We can also use it to seek out particular expertise for a new project or to move someone to a team that needs it.

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Encourage agency and entrepreneurship

The adhocracy model emphasizes leadership – encouraging it from more people at different levels throughout the company. The ability to break things down and reassemble provides organizational fluidity. Teams can identify problems to solve and take action quickly, accomplishing more and bigger efficiency.

Each business unit has the autonomy to design what they’re leading and how they want to run it. They control their growth to fit the project needs, which benefits the greater company growth. They see how their efforts can positively impact the company, which creates a greater sense of ownership,

camaraderie and ultimately, less turnover. It also drives healthy competition: Who will grow bigger or better in pursuing our goals? When more people feel empowered to try and make a difference, more will rise to the occasion and try.

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Take our advice

This model allows everyone to step up, be leaders and drive their unit and company growth. People can broaden their experience within one company, making them more likely to stay than look for other opportunities elsewhere. The products we build for our clients make them better and make us better. We hold no one back.

But this is not a model for an organization looking to stand still; you must have the following recipe to make it work.

1) Have an appetite for radical change

To foster the company-wide shift in mindset required to drive this model to success, it takes a strong group of believers at the C-suite level to go all in on a radical shift from a typical organizational structure. It can’t be achieved by teams alone. At our company, we shifted from an organization passing down directives to allowing individual business units to operate in service to their clients. We even encourage our clients to make this shift when restructuring because we see how it could benefit them, but they realize it requires radical change.

2) Find the right people and rethink their roles.

From within the organization, find back office people capable of this mindset shift and position them to enable these teams. Our executive squads make things happen at our company, so the rest of us support what they need. My role in HR shifted to being more proactive and engaging with these leadership teams

as strategic growth partners. Be on the lookout for people with the natural ability to think like a leader, solve complex problems and seek out opportunities to learn.

3) Stay flexible.

Changes often happen: merging, joining, shifting, expanding portfolios and exploring new industries. Teams can grow to scale to the size they need to take on any project. We've had business units split. We have had business units join. We have had business units give birth to baby business units. We embrace the fluidity — if it makes sense for the executive squad, we're all in favor.

4) Beware the threat of silos

These business units can grow large at a certain point, making it harder to prevent silos. A siloed company cuts off fluid cross-communication needed to support a healthy adhocracy model, so we must be careful about not letting them form. If you follow the Dunbar Theory, then 300 is a critical number. If you go bigger, getting more siloed becomes inevitable. Consider these numbers to set a cap on the size for individual groups but leave them the flexibility to form alliances and grow.

At my company, we devour new books on great business theory, absorb it and run with what seems most likely to work for us. It keeps us evolving all the time. If a better, more proven way of structuring exists, we would look at it critically and see if it might be worthwhile. In most cases, change will happen regardless, so we may as well anticipate it. For now, this model puts us in the best position to do just that.

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