

# Distributed Leadership

From Pyramids to Networks:  
The Changing Leadership Landscape

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There is broad agreement that the world has become more complex, fast-paced, hazardous and unpredictable. Economies in crisis, natural disasters, nuclear proliferation, global warming, starvation and disease – the list is long and daunting. For companies, fears might include shrinking revenues, increasingly competitive markets, exponential rates of change, or a never-ending race for new product development.

So far, our leadership has been woefully inadequate at solving these problems. The recent past has showcased a leadership stage featuring Greek tragedies filled with leaders who are toxic and corrupt, out of touch and unable to act—witness the political divide, sexual harassment scandals, and the high rates of Silicon Valley CEO firings.

Addressing these issues will require cooperation, reliance on others and a willingness to engage internally and externally, up and down organizational hierarchies. It will involve working together with people who are different from us, sometimes leading and sometimes following. It will require “distributed leadership.”

What is distributed leadership? It involves leadership practices that are more collaborative, open and decentralized -- designed to mesh more effectively with new forms of work and new technologies. It is a kind of leadership that blends top-down, and bottom-up decision making. And while it is difficult to leave behind models of the pyramid with the omniscient, omnipotent leader at the top, organizations are beginning to view leadership not as an individual characteristic, but as a system involving networks of leaders—some formal and others informal—operating at all levels of an organization and often across organizational boundaries. The result is that organizations can more effectively mobilize the collective intelligence, motivation, and creative talent of their employees, partners and customers.

The MIT Leadership Center supported a project to identify distributed leadership practices, mapping their dynamics, and evaluating their effectiveness so that we know more about what it is and how to make it work at the firm level. Deep dive research at specific companies has led to the first stage of this research: identifying patterns of distributed leadership at the firm level. This work has resulted in the following set of initial definitions and frameworks.

## **Definitions**

***Leadership:*** Taking responsibility to engage with others to identify and achieve shared purpose in the face of uncertainty (Ganz, 2009). This definition assumes that leadership is a social process that produces contextual awareness (sensemaking), direction (visioning), commitment (relating), and aligned action (inventing) (Ancona, Malone, Orlikowski, Senge 2007). In our work we distinguish between two “ideal types” of leadership:

***Command and Control Leadership:*** leadership exercised individually by those in formal positions of authority in a clearly defined hierarchy using top-down decision-making.

***Distributed Leadership:*** leadership exercised by multiple leaders throughout the organization -- some in formal positions of authority and some not --working collaboratively across organizational levels and boundaries.

## **Framework 1: Organizational Contexts**

Experimentation with distributed leadership is occurring in different organizational contexts. These settings are like petri dishes, each offering different contexts in which experimentation is occurring and each in turn affecting which practices arise and which ones succeed. We have identified four such organizational contexts:

**Traditional Hierarchies** like IBM, Cisco, and Best Buy that are trying to introduce distributed practices as an overlay on a traditional hierarchy. This category also includes professional organizations, which may have fewer levels and be governed by a partnership model, but are nonetheless trying to shift from their top-down, centralized control to distributed leadership.

**Distributed DNA (Flat) Organizations** like Google, W.L. Gore and Whole Foods that have minimized hierarchy and maximized collaboration with multi-directional influence from their inception.

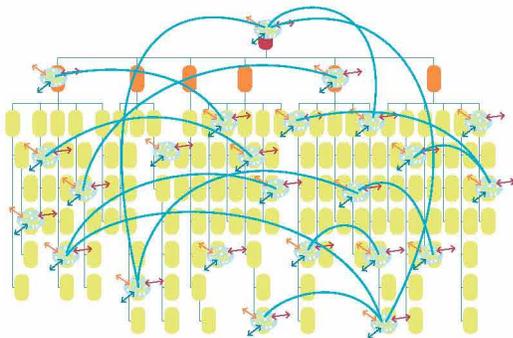
**Nimble Networks** such as Wikipedia, open source projects, and Nasa's use of external networks for innovation, that are composed of individuals or networks working semi-autonomously that may never take on a formal organizational form but nevertheless produce complex outputs.

**Cross-Organizational Collaborations** such as joint ventures in Silicon Valley, collaborative agreements between big pharma and small bio-tech companies, or value chain collaborations including corporations, NGOs, and local suppliers that partner across sectors to provide predictable raw material delivery and sustainable work practices.

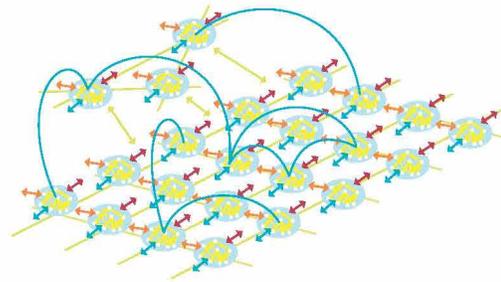
Figure 1 provides graphic representations of the four organizational contexts. In understanding distributed leadership practices it is important to identify the context in which it occurs, and what can be learned both within each organizational context and across them.

**FIGURE 1. ORGANIZATIONAL CONTEXTS**

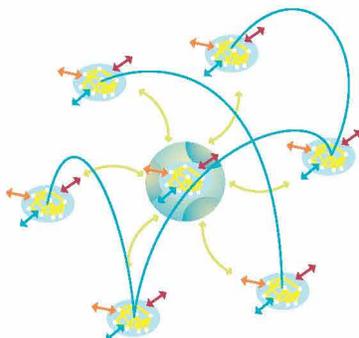
**Distributed Leadership in Hierarchies**



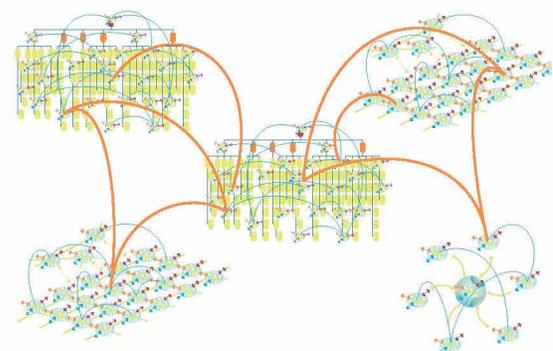
**Distributed Leadership in Flat Organizations**



**Distributed Leadership in Nimble Networks**



**Distributed Leadership Across Organizations**



## **Framework 2: Common Elements of Distributed Leadership Systems**

While many organizations are experimenting with selected distributed leadership practices, some have woven together multiple practices into broader distributed leadership systems. Our early case studies have identified five common elements that seem to characterize these systems:

**1. *Spontaneous Forms of Collaboration.*** While organizations that rely on command and control leadership and those that rely on distributed leadership may both exhibit significant levels of collaboration, the latter appear to involve more fluid and spontaneous forms. For example, when there was a technical glitch at the interface of work done by three groups at a company with command and control leadership, the organization arranged for a meeting of the three group managers to discuss the problem and decide how to proceed. In an organization with distributed leadership facing a similar problem, members from each of the groups “swarmed” together when the glitch was identified, did a quick diagnosis, brainstormed solutions, and immediately sent a small group out to a local supplier to find a part to fix the problem. Other spontaneous collaborations blend different perspectives and result in innovative ideas.

**2. *Multi-directional Influence.*** In one company moving toward a more distributed form of leadership the senior manager stopped making the choices about which new product ideas would move forward. Instead she created a cross-organizational committee, gave them a budget, and told them to choose which projects to fund. These decisions then prompted new, on-going dialogue between the committee and the manager about funding levels and strategic direction. We saw similar multi-directional influence in organizations that relied more fully on distributed leadership practices. In one organization key decisions are even made by external partners. Going hand in hand with bottom-up influence is the autonomy given to people to make decisions.

**3. *Local Entrepreneurship.*** Several companies with strong distributed leadership we studied offered many examples of employee-initiated change. At one high-tech manufacturing company, for instance, engineers hatched many new product ideas in their “doodle time”. Many of these engineers were then able to attract sufficient interest and commitment from coworkers, get funding, and actually create new businesses for their firm. Local entrepreneurship is supported by high levels of environmental sensing, seizing opportunities, and an organization that empowers employees to act. In addition, many other leaders coach entrepreneurial leaders so that they can move their ideas and products through the organization.

**4. *Global Purpose Mindset.*** In organizations with command and control leadership, the top of the organization sets strategy and others implement their specific part. In organizations with distributed leadership, however, there appears to be more widespread and in-depth understanding of the shared purpose and vision of the organization. In one organization we visited everyone from the top of the organization to low-level technicians could talk about the organizational vision—as well as the markets they served, the financial return they needed, and the resources they could use. People did not have a sense of their job in isolation, but rather held a sense of the whole. In addition, people felt that they had freedom to act in new ways to contribute to the global purpose and even shape it.

**5. Peer Mitigation of Risk.** In organizations with high levels of distributed leadership there was clear evidence of shared accountability for organizational survival and mitigation of risk. While organizations practicing command and control leadership often have specialized risk assessment groups and risk limitation rules, more distributed forms seem to augment these mechanisms with shared cultural norms supporting smaller bets on a broader array of new products and markets. People throughout the organization regulate themselves and check on others to be sure that no one is putting the whole organization in jeopardy.

While our research is still in its early stages and this list will likely evolve, it is clear that in systems of distributed leadership many more individuals take on the role of leader—whether they have formal positions of authority or not. These leaders engage proactively and collaboratively to create change, rather than waiting for direction from above. And they do so not chaotically but in alignment with the shared global purpose that focuses and guides action and with mutual regulation to avoid excess risk.

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