

# GAMUT

Exploring Atomic Organization

# Reciprocity Is An Alternative to Hierarchy

## The Industrial Model Has Limits

For over a century, the *Industrial* model of organization, which is characterized by rigid hierarchy, top-down command, and survival of the fittest competition, has been the default for organizing a business. The model originated and was optimized for 20th century mass production and stable environments, and it is increasingly unsuited for today's tech-enabled, global, and mobile knowledge workforce.

Traditional hierarchies often fall into a *Power Trap*, where organizations exist to preserve the authority of leaders rather than create value for customers. This extractive approach views employees as cogs in an economic machine and labor costs to be minimized rather than assets to be grown. The result is a workforce operating on mercenary performance, delivering only the minimum required to avoid being fired.

It is important to acknowledge that the Industrial model is not inherently wrong and in certain contexts, where the goal is short-term value extraction, tasks are simple and repetitive, or the environment is highly stable, a paternalistic, directive hierarchy can operate with clarity, consistency, and precision. However, when a business requires innovation, complex problem-solving, and sustainable, organic growth over many years, the Industrial model becomes a limiting factor.

## Reciprocity Unlocks Human Potential

An alternative to hierarchy is reciprocity and the *Atomic* model of organization, which is characterized by mutual agreements among mature professionals (called "players"). Reciprocity is built on principles of cooperation rather than paternalism or command-and-control. It shifts the organizational ethos from compliance to discretion, which unlocks the willing contribution of ideas, talent, and energy beyond the bare minimum.

## The Economic Value of Win-Win

Cooperative game theory predicts that win-win behavior creates greater economic value than win-lose behavior in non-zero-sum scenarios. In a reciprocal organization:

- Benefits are additive, not exclusive or conflicted.
- Inclusive and pluralistic practices create a level playing field that encourages investment in new skills and technologies that outperforms extractive and elitist practices.
- Total Motivation (ToMo) (see: [Primed to Perform](#)) is harnessed by emphasizing direct motives (Play, Purpose, Potential) over indirect ones (Emotional or Economic pressure).

# Defining Atomic Organization

Reciprocity is an organizing principle, and *Atomic Organization* is the structural mechanism that makes it possible. In this model, the organization is an **organic, open system** similar to the human body rather than an industrial machine.

## Individual Are the Nucleus of Each Organizational Atom

In a *Traditional* org chart, each person is boxed in under a boss in a series of layers. In an *Atomic* org chart, each person sits at the center of their own organization, with various orbits that include other players and stakeholders, including supervisors, coaches, and clients.

- **Orbits of Interaction:** A player's mass is defined by 5–10 orbits of relationships representing various organizational units (teams, guilds, cohorts, and even life/family loops).
- **Scale:** Humans are socially most successful in groups of about 5–12 (Teams) and maintain stable relationships with roughly 150 people (Community).

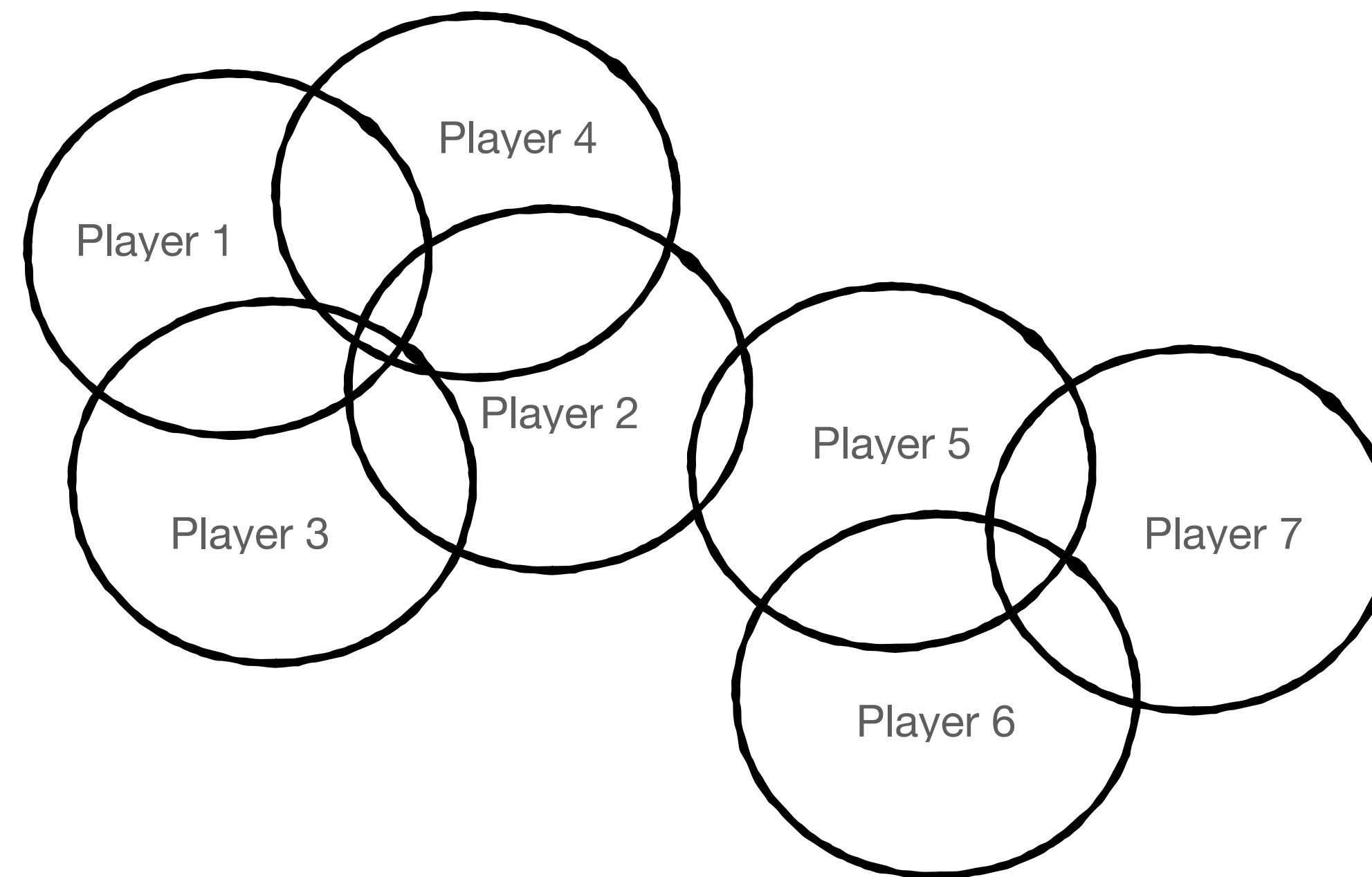
## Value Creation Units: Projects and Portfolios

The Atomic Organization manages work through fluid, transparent structures rather than fixed departments:

- **Projects:** The basic unit of work is owned by small, multidisciplinary groups called *teams/squads* that own specific design and production challenges bound by agreements called charters.
- **Sponsors and Charters:** Every project has a sponsor who pays for defined value and a charter that outlines expected outcomes and constraints. This creates a dynamic and sustainable internal market for value creation that meets enterprise goals.
- **Portfolios:** Projects are grouped into *products* (income-producing) or *services/guilds* (cost-reducing), which ultimately assemble into an Enterprise that operates as a “going concern” in a meaningful external market.

# Players Align Through Agreements

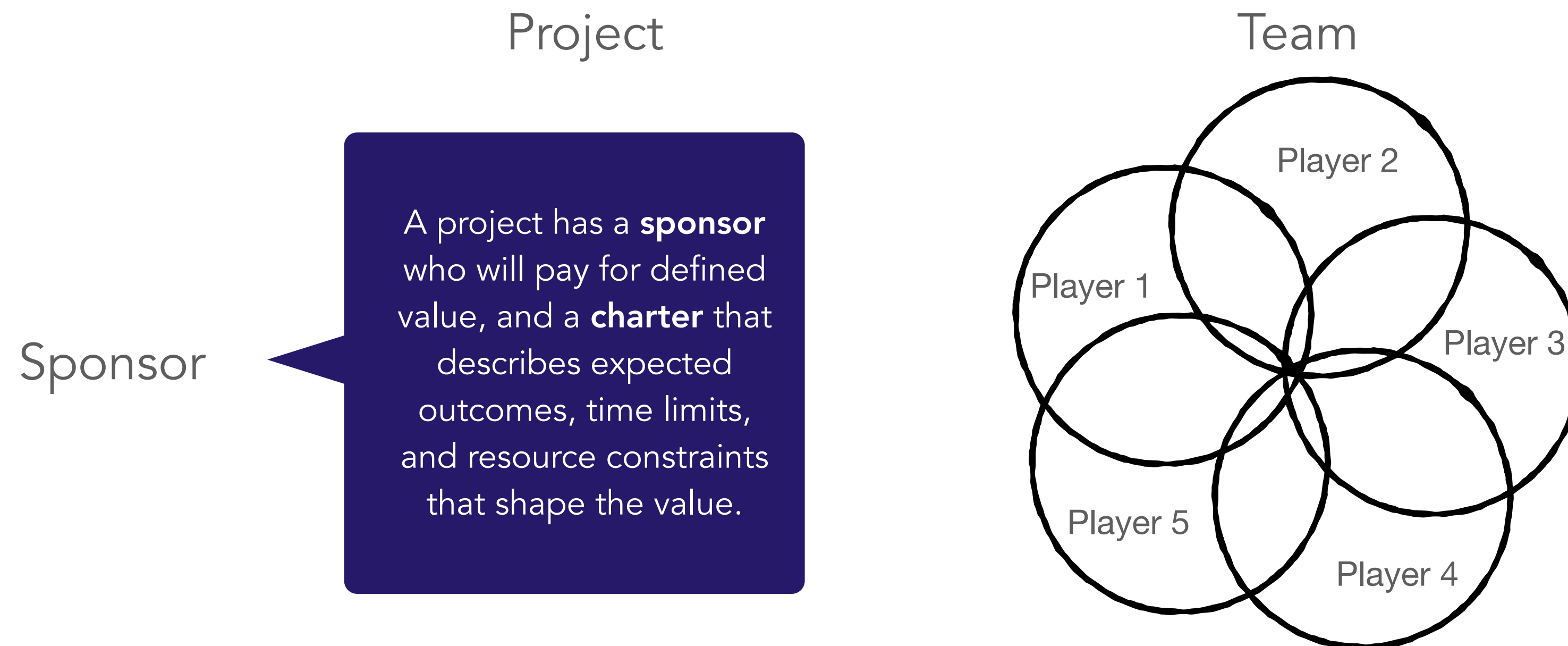
Reciprocity is characterized by mutual agreements among mature professionals we'll call players similar to the term in professional sports. Agreements work best between individuals and small groups, but can be leveraged through collective agreements for larger groups through charters. Discretionary effort is harnessed via stacked agreements among groups of players who align on a purpose, mission, and project. High performance is created through mutual benefit (win-win) where benefits are additive not exclusive or conflicted (win-lose). Agreements require shared information and transparency among players to be fair and sustainable, they do not have to be equal. The term players underscores the ultimate intrinsic motivator (play), where people spend time and energy on things they have a strong desire to do.



# Teams Organize Around Work

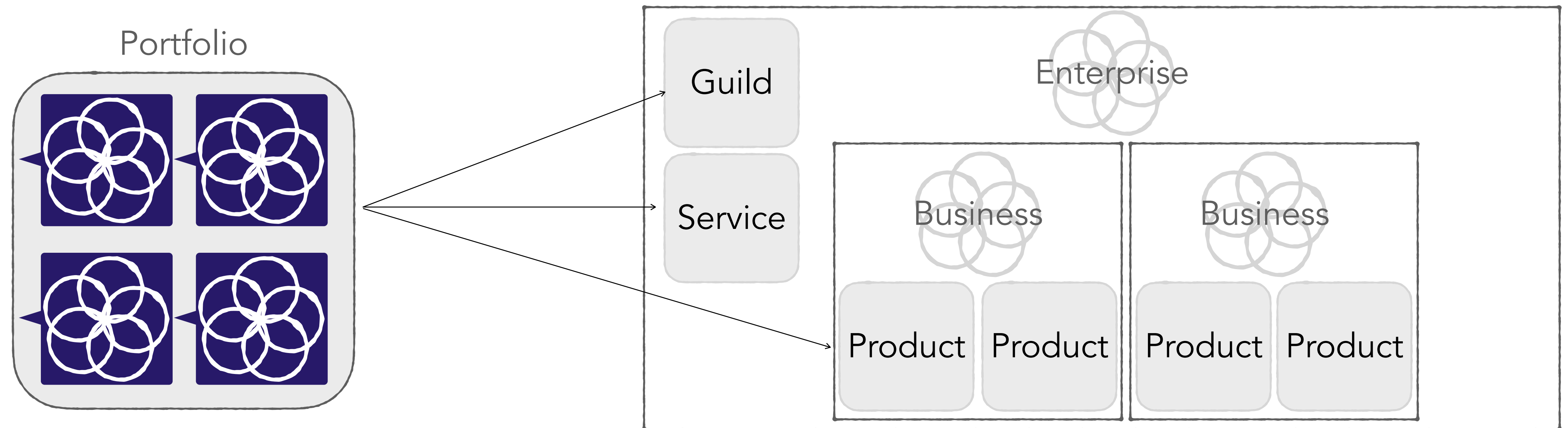
Humans perform to their highest potential in groups, and groups have different dynamics at different sizes. Small groups of 5-12 members provide the best format for high engagement and are often called **Teams**. High engagement requires autonomy, relatedness, and mastery where individual players have opportunity and accountability to influence work outcomes and define work processes.

High performing small groups exhibit a healthy balance in both role differentiation (diversity) skills overlap (redundancy) and require a shared vision and common approach. Professional sports like basketball, hockey, soccer, and football demonstrate these 4 elements in action at the unit scale of a team.



# Projects Are Managed in Portfolios

Projects create value that is accumulated into sets called **Portfolios** that produce income or reduce costs. Income producing portfolios are called **Products** which can further be assembled into a **Business**. Cost reduction projects can be assembled into operational portfolios called **Guilds** or **Services** and are ultimately assembled into an **Enterprise** portfolio. Portfolios have their own Charter (like a project) and also require a Team to manage the operational aspects of that organizational unit.



A project must have a **Sponsor** that governs expected outcomes and other constraints like resources and time. The sponsor could be any player in the enterprise with available capital to invest (e.g. Product Manager; Business Manager; Guild Manager)

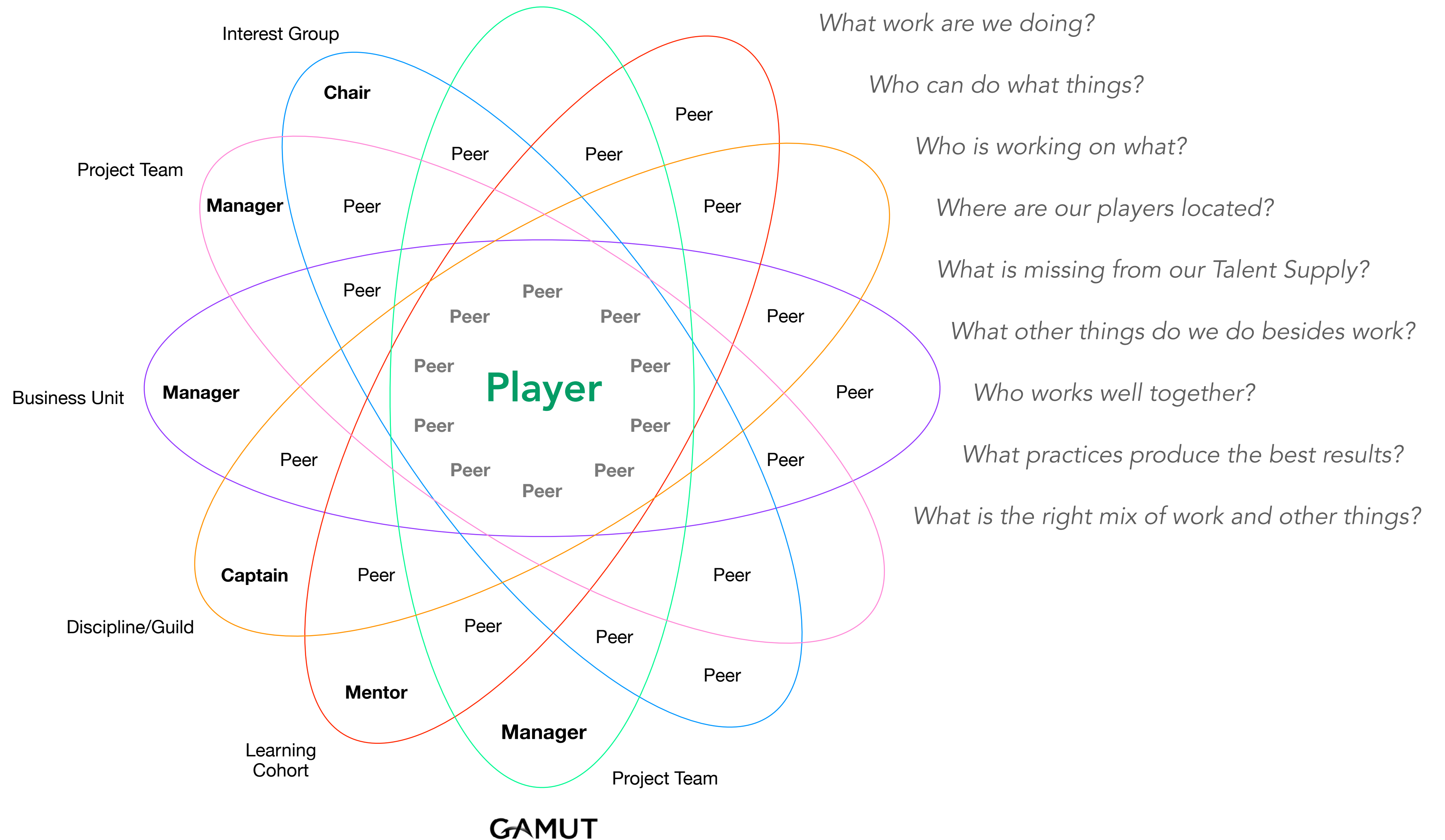
# Players Are the Nucleus Of Their Atomic Structure

## Players Need:

## 5-7 Orbits

## 25-30 Core Members

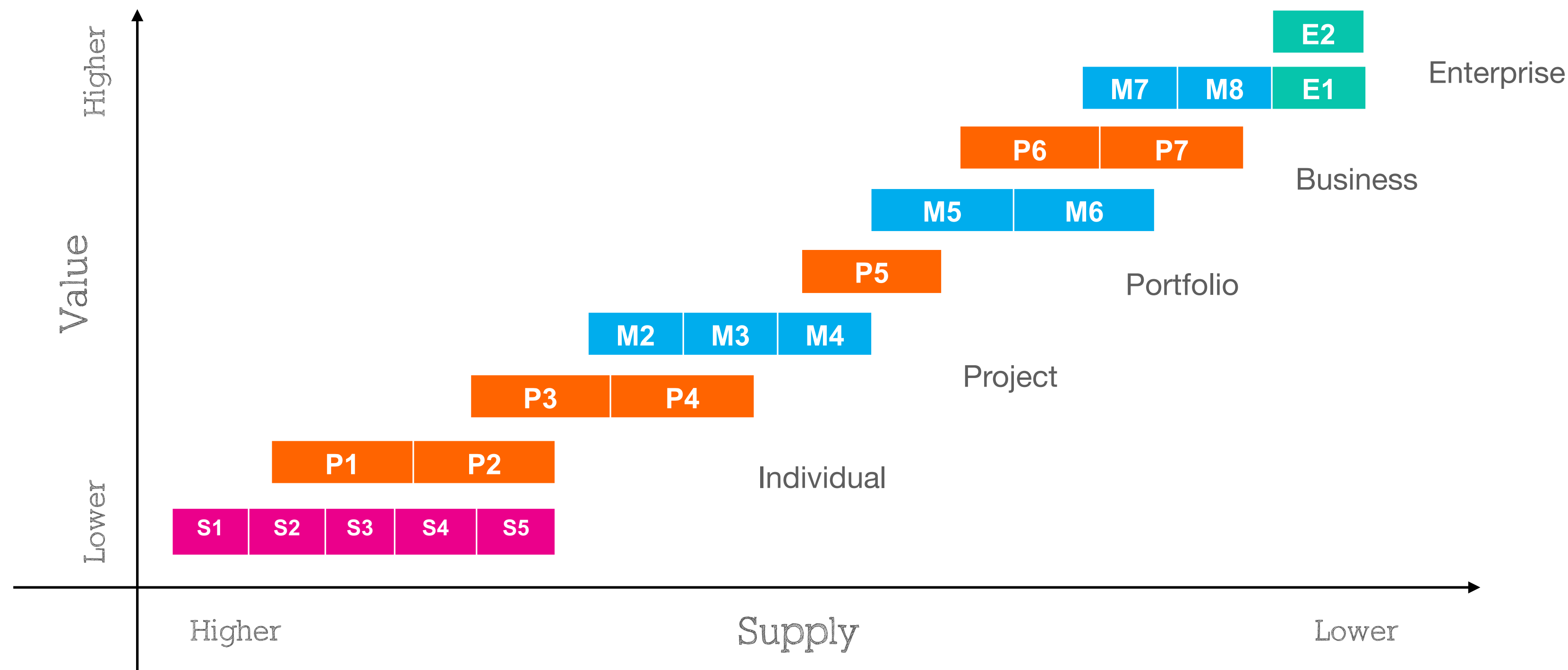
# 100-150 Community



# Supporting Design Concepts

# Roles Have Different Values

There is a market for talent both inside and outside the enterprise. Markets operate on supply and demand, and generally there is high demand and low supply for top Enterprise and Business leaders as their influence on the enterprise and business is greater based on the expectations of those **Roles**. The current global market for exceptional engineering talent is also higher demand, lower supply so players with those **Skills** are considered more valuable because their roles are harder to fill.

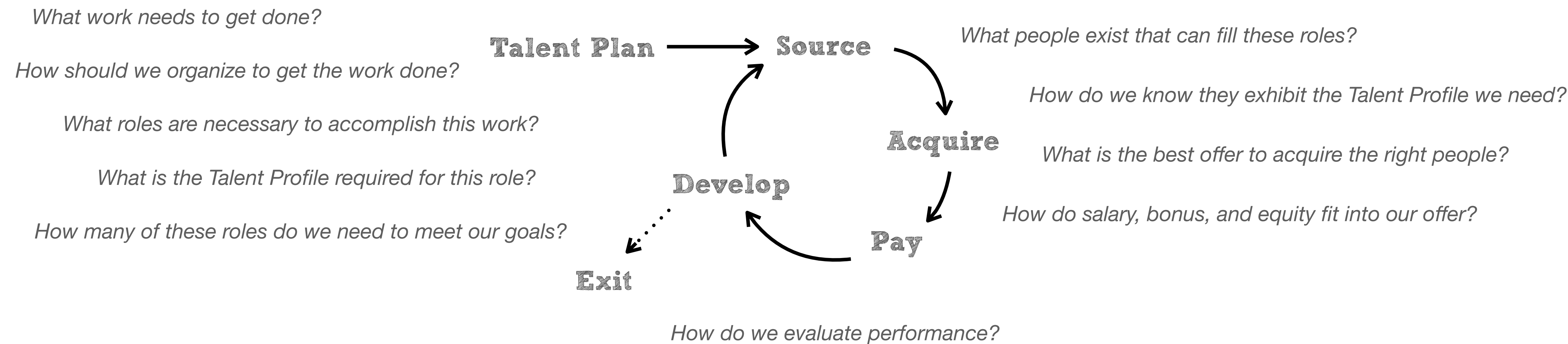


[The Value of Skills. Brian Levine, Mercer Pay Equity Research Series](#)

# Players Have Different Profiles

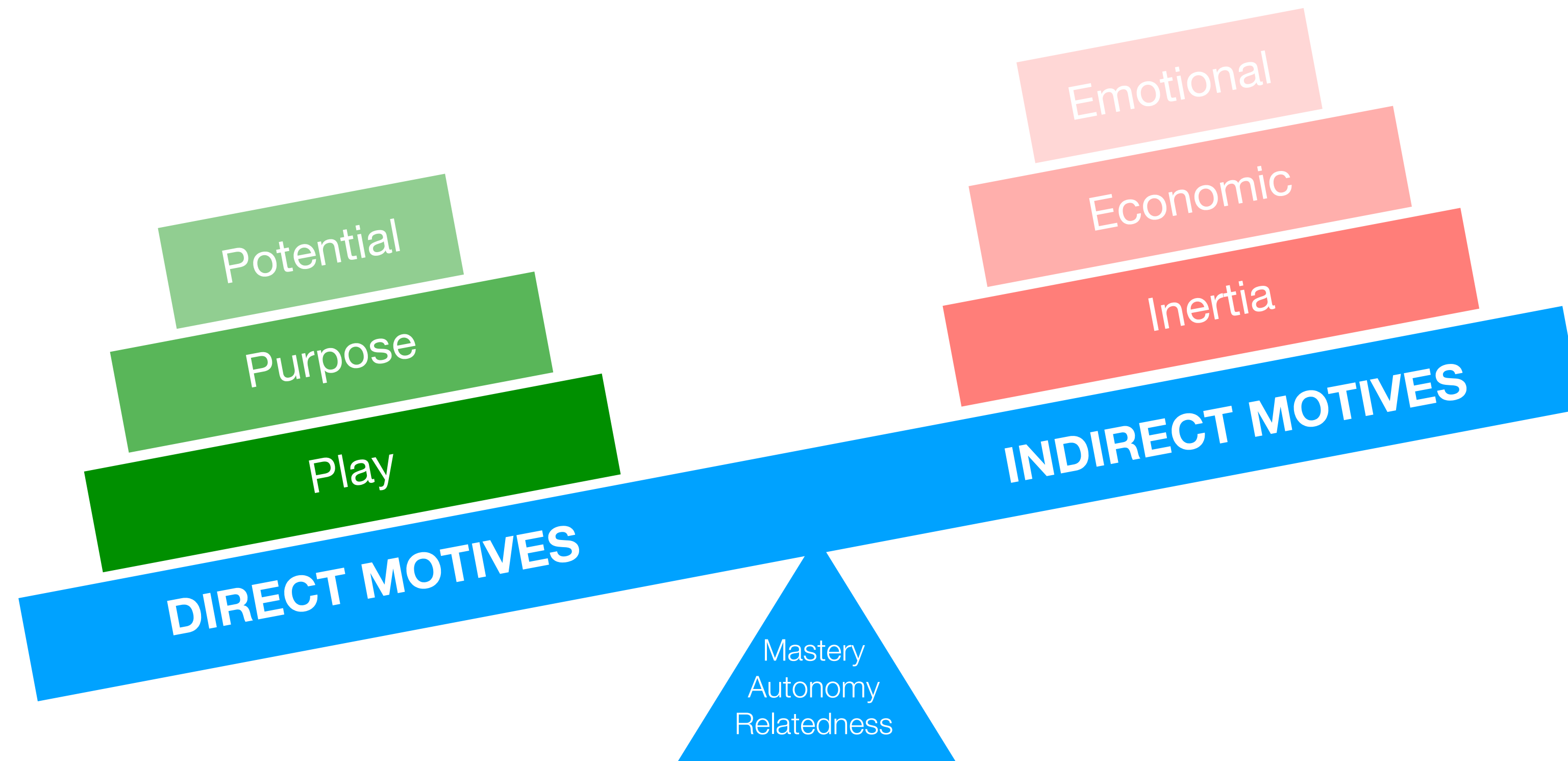
Fitting a player to a role requires a complete and accurate **Talent Profile** to match with **Role Requirements**. An effective **Talent Service** defines the Role Requirements based on the needs of the Project/Portfolio/Business/Enterprise so they can be accessed efficiently as work demands increase and change over time. Similarly the Talent Service must provide an effective framework to identify and manage Talent Profiles for efficient sourcing, matching, and mobility within the Enterprise. The Talent Profile includes the sum total of all relevant information about a Player that supports any talent decisions like who to hire, what to pay them, when/how where to move them, and what work to offer them.

Talent Profile = Skills, Experiences, Attributes, Interests, Availability



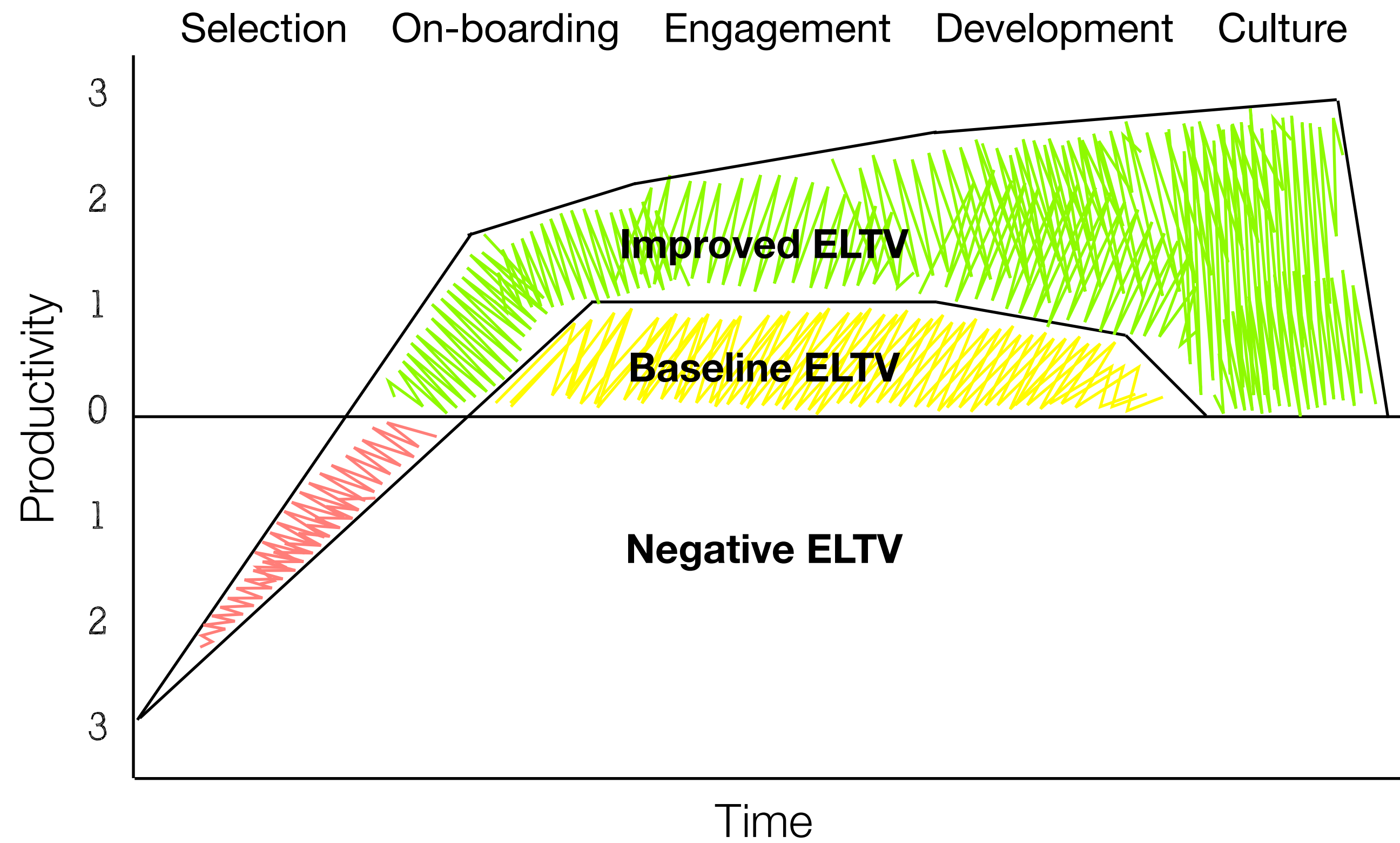
# Total Motivation Is a Balance

*Emphasize the intrinsic motivators and reduce the extrinsic de-motivators*



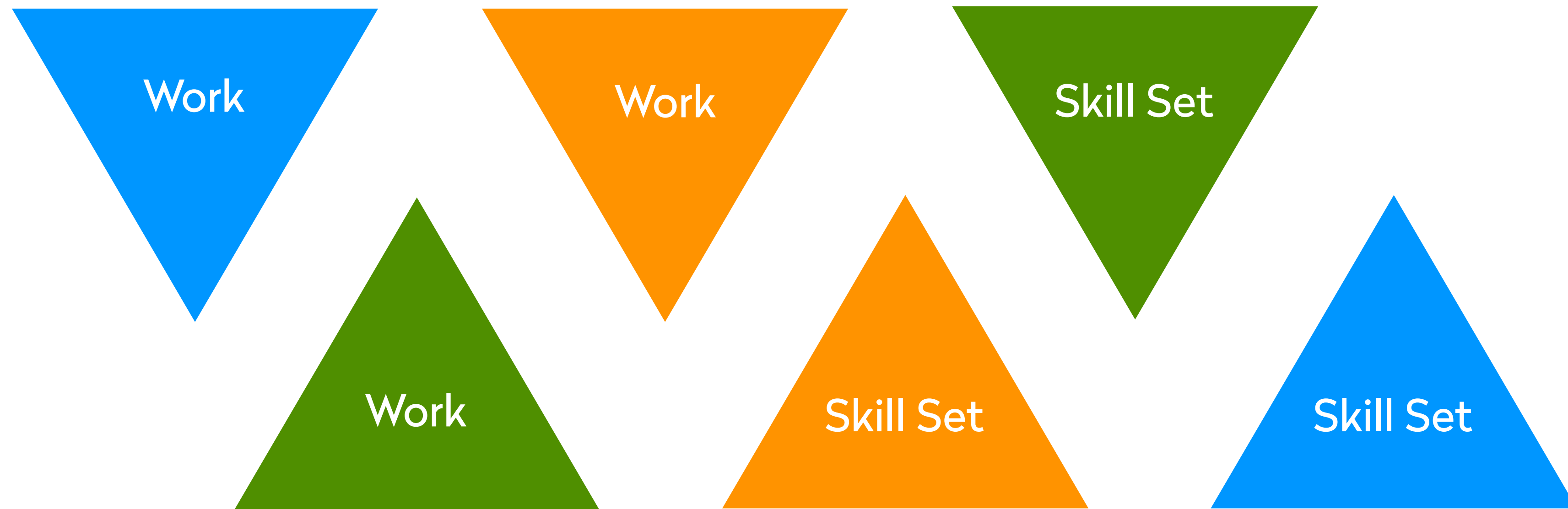
<http://www.vegafactor.com/book/>

# Employee Lifetime Value

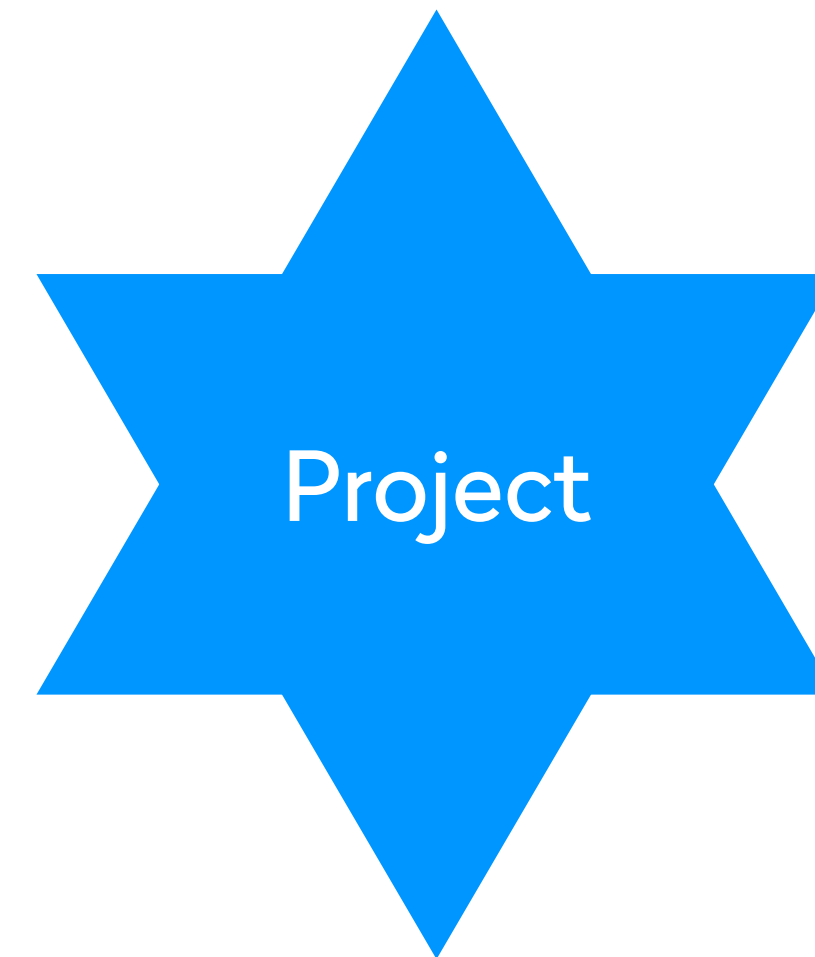
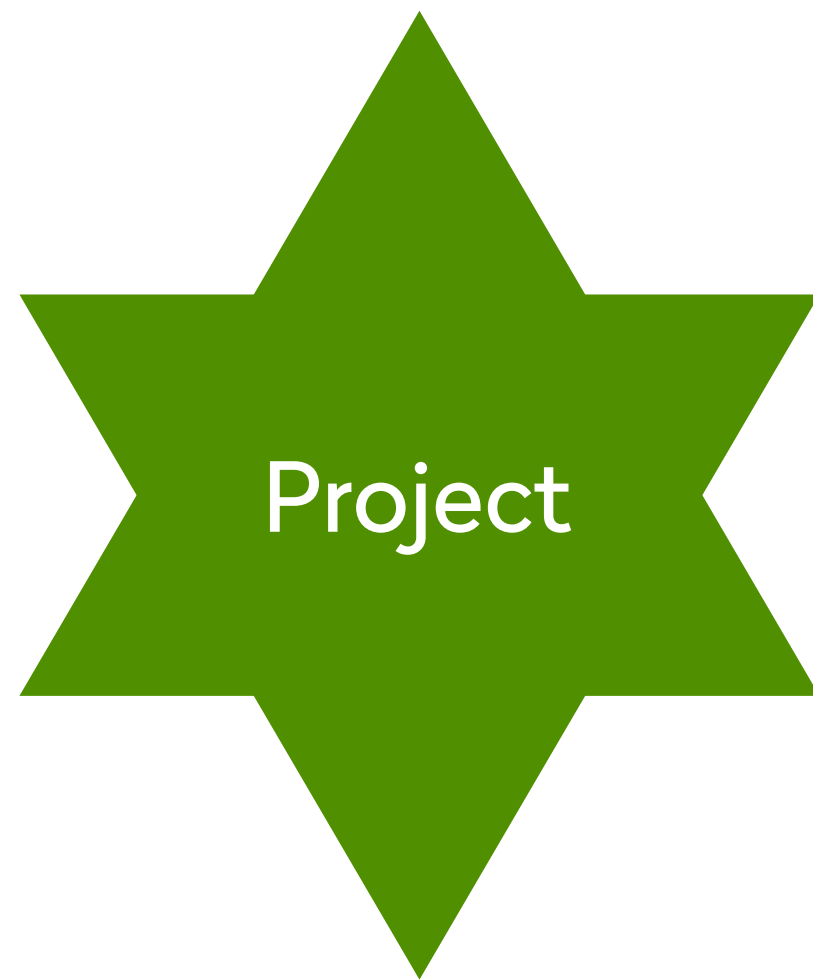


Resource: [Understanding ELTV](#)

# Connecting demand with supply



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