

COLOUR	DESCRIPTION	EXAMPLES – PICTURES
Red	The first organizations consisted of small groups, led by a chief who exercised his power through fear.	Wolf pack. Contemporary examples are organized crime, street gangs and militias.
Amber	Power shifts from powerful personalities to formal roles.	Army.
Orange	The Industrial Revolution leads to hierarchical organizations that are considered machines to be controlled by top management.	Multinational companies. A machine.
Green	The increased level of education, especially in the second half of the twentieth century, makes managers feel that the exercise of hierarchical power is inappropriate. Instead, in a green organization, more power is given to employees, supporting bottom-up processes and creating consensus. However, managers still have the power to decide whether to delegate.	Family. Organizations with a strong culture.
Teal	The work of the teal organization is performed by self-managed teams. There are no layers of middle management, very few staff, and very few rules or control mechanisms. Instead of reporting to team leaders, people are accountable to their colleagues and implement self-organized, collective goals.	Small number of pioneer-organizations

FIGURE 3.29 Frederic Laloux's five types of organizations.