

Google experiments with 'chaos theory'

That precocious 8-year-old, Google, continues to thrive on the edge of chaos, a place that allows innovation and growth.

When Sheryl Sandberg, a vice president who oversees Google's advertising programs, realized that she'd made a multimillion-dollar mistake, she dragged herself across the street to tell her boss, Larry Page, a Google co-founder and "unofficial thought leader."

Here's what she told him: "God, I feel really bad about this." Here's what she told the world: "Bad decision, moved too quickly, no controls in place, wasted some money."

Page accepted her apology and told her something that many great business leaders — including the founder of IBM — have said before him in the face of massive screw-ups. Page said he was glad she'd made the mistake because he wants a company in which "we're moving too quickly and doing too much, not being cautious and doing too little."

No mistakes, he said, means not enough risk.

Google even has a senior VP whom you might call its chief chaos officer. She describes her company as a giant experiment, "the ultimate petri dish." Her goal is to figure out exactly how much management Google needs and then provide a little less. The way to win in rushed, uncertain situations, she says, is to avoid too much structure. In other words, you need a little chaos.

—Adapted from "Chaos by design," Adam Lashinsky, *CNNMoney.com*.