

With Sociocracy, Hierarchy Becomes Agile

Sociocracy (also known as dynamic governance) is a ground-breaking approach to decision-making, organizational and corporate governance, and project management that creates more inclusive and effective organizations.

People at all organizational levels make policy decisions that govern their own work. Communication flows bottom-up as well as top-down. The method takes a structural approach to improving communication and decision-making, and fosters employee/member engagement, a culture of ownership, and an agile organization. Businesses, non-profits, educational bodies, health care organizations, and community groups use it.

Sociocracy = governance by the socios (from Latin, *socius*, “companion”), people who have a social relationship with each other. It was developed in the Netherlands beginning over 40 years ago. Organizations around the world use it because it unleashes creativity and strengthens financial viability.

To learn more

- See short videos, free articles and case studies, and a book about sociocracy at www.sociocracyconsulting.com/about/resources.
- At www.sociocracyconsulting.com, sign up for an online class in *Foundations of Sociocracy*, and join the email list to receive short announcements of trainings and presentations.
- See article *Chain of Consent*, <http://www.freestandingagility.com/featured/chain-of-consent/>.



Experience with Sociocracy

“When I was an enlisted man in the Navy, I wondered why the officers didn’t listen to our good ideas. When I became an officer, I wondered why I could never get the enlisted men to tell me what they were thinking. I tell you from experience that sociocracy solves this problem from both ends.

“We saw increased profits within the first year of using sociocracy. Having the method in place helped in the economic downturn. We could think together more readily to reassess our business strategies; having everyone’s help has lifted some weight off my shoulders.” –Richard Heitfield, President, Creative Urethanes, Inc., manufacturer of specialty urethane parts including skateboard wheels, Winchester, VA

“With this framework, my teams and I were able to lead our company to significant improvements in both product quality and time to market performance.” –Christopher Sullivan, Director of Software and Platform Development, Markem-Imaje, Keene, NH

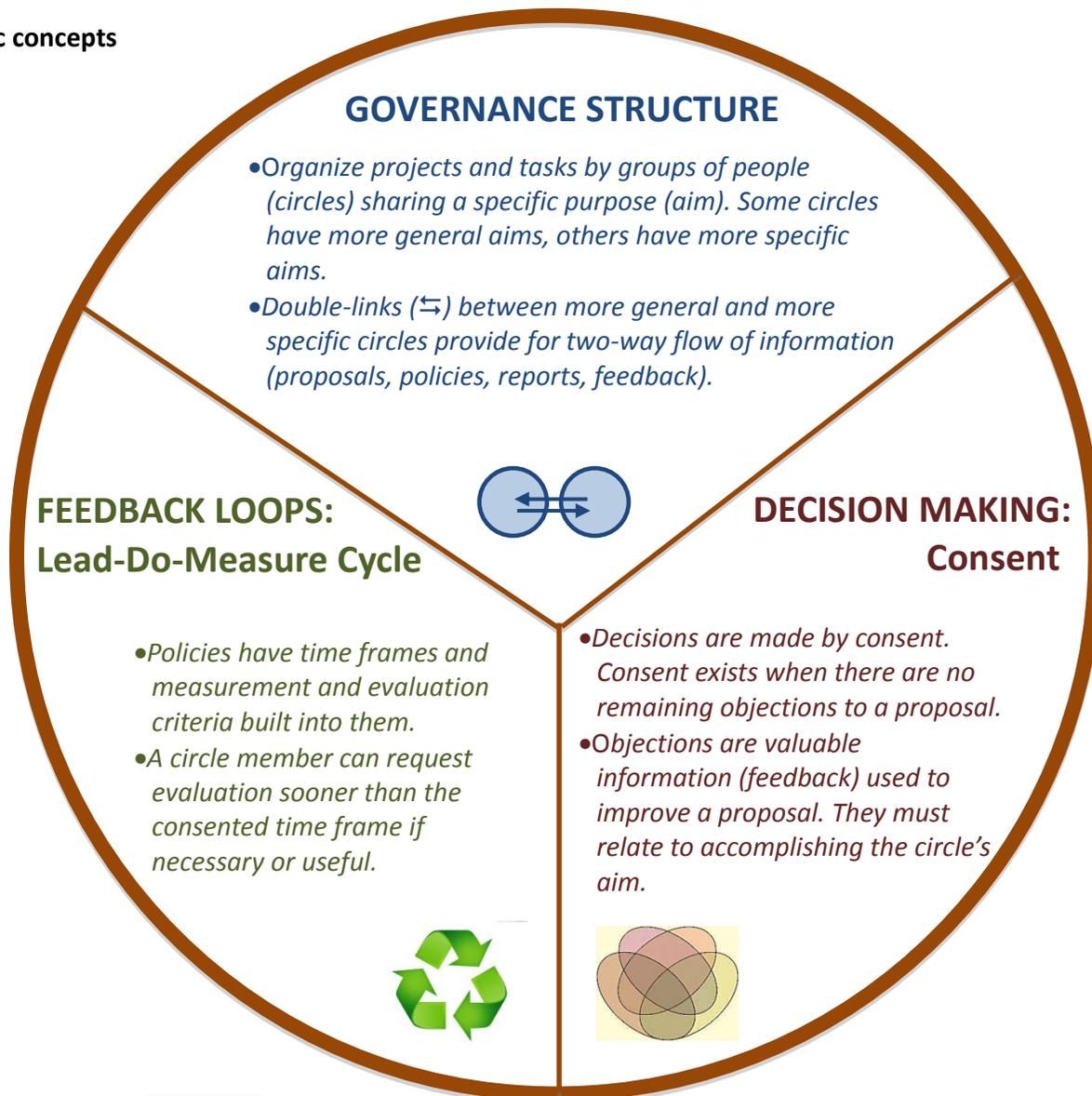
Overview of Sociocracy

Sociocracy allows an organization to manage itself efficiently while incorporating the wisdom of each member. Drawing on cybernetics and systems theory and coming to us from the Netherlands, sociocracy enables groups to be dynamic and rejuvenating. It gives everyone in an organization an ear, a voice, and informed influence over policy that affects them. Businesses, non-profits, educational bodies, health care organizations, and community groups use it because it unleashes creativity and strengthens financial viability in sustainable ways.

Values

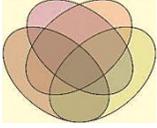
- **Equivalence:** Individuals function as peers in deciding how to accomplish their collective aims.
- **Effectiveness:** Designing for action; continuous development toward accomplishing aims and goals.
- **Transparency:** Direct access to all policy documents and records relating to one's work.

Basic concepts

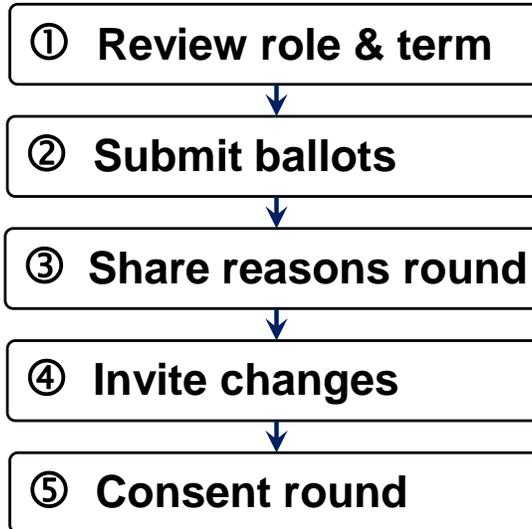


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Sociocracy is a governance structure and decision-making method with feedback loops.



Sociocracy Selection Process



Do

- Nominate candidates independently, without discussion first.
- Facilitator proposes candidate based on arguments. Numeric majority is less important than strength of reasons.
- Ask for the candidate's consent last.

Do not

- Select for an unlimited term.
- Ask for a volunteer.
- Inquire who is interested or who is not.
- Have a dialog during a Round.
- Seek the perfect candidate; recall that each candidate has strengths and weaknesses.

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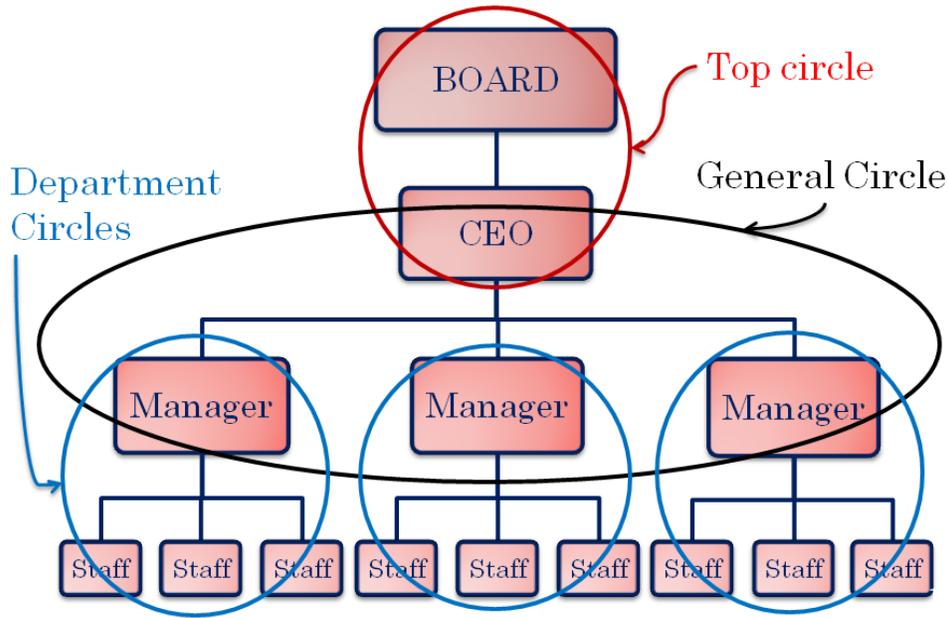
www.SociocracyConsulting.com
240-468-7102

Your name: _____

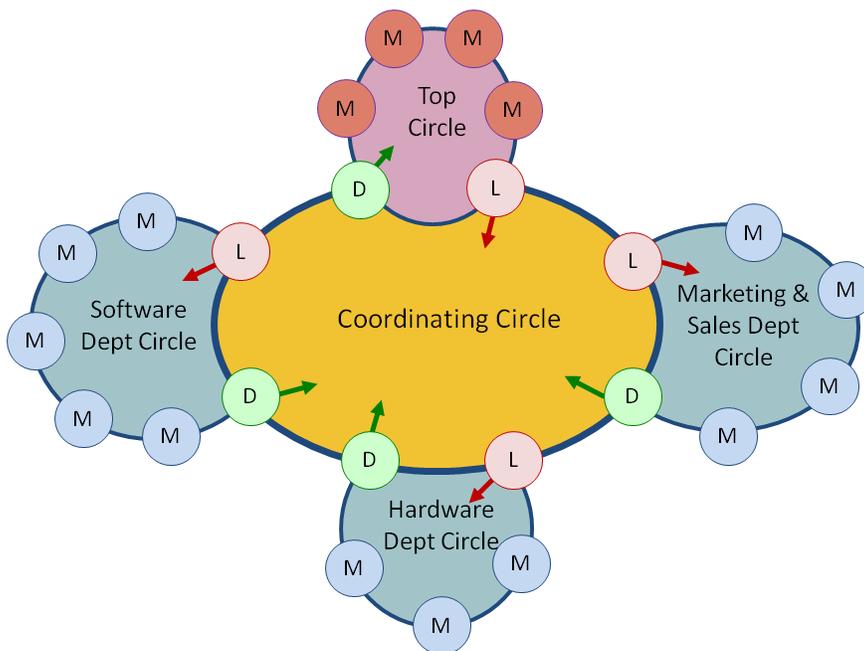
nominates

Name of
candidate: _____

Sociocratic Organizational Structure



The typical organizational chart can be referred to as a “rake structure,” and is the basis for day-to-day operations. For purposes of setting policy to guide operations, each group of people who work together meets periodically as a circle in which the hierarchy is temporarily dissolved, all voices are equivalent, and policy decisions are made by consent. The figure below is a different way to represent the same structure for making policy.



In sociocracy, authority for policy decisions is delegated to small groups of members (M) called circles with distinct aims and domains. Each circle is connected to the next more abstract level circle by two people – a product owner or other operational leader (L, in red), and a delegate (D, in green) selected by the more specific circle – who are full members of both circles. This is called double linking. The result is to link the circles for flow of policies, information, and feedback, in multiple directions. Circles may have sub-circles; the number of circles and of levels depends on the size and complexity of the organization.

