

Overview – Sociocracy

What Sociocracy is: Sociocracy (“governance by peers”) is a process for creating harmonious organizations, based on the values of equality, efficiency, and transparency. It is (1) A method for ongoing project management and governance involving groups of people (Circles) and double-links (people in each Circle who represent each Circle and carry information between two Circles), and (2) A decision-making method, “Consent Decision-Making.” A group can adopt ByLaws that anchor these principles into its basic governance structure.

Where it comes from: Sociocracy was developed in the 1970s in the Netherlands by Gerard Endenburg, a Quaker-educated electrical engineer and inventor. When he was in his 30s he became director of his parents’ electronics company, with the mission to make it both financially sustainable as well as harmonious and satisfying for employees. To manage the company he drew from the work of the Quaker Pacifist, Kees Boeke, as well as from the principles of cybernetics — the science of steering and control — systems theory, and other scientific disciplines. His method, which he called Sociocracy, did in fact create a more harmonious, productive workplace. Sociocracy became well known as an effective management practice in the Netherlands, and is now used worldwide in businesses and nonprofits. It also used by an increasing number of ecovillages and intentional communities.

Circles: Circles are linked yet semi-autonomous, self-organizing groups of people sharing a specific Aim (*see below*). A “higher” Circle has a more abstract Aim; i.e., to create and manage a small eco-settlement. “Lower” Circles and sub-Circles have increasingly more concrete Aims; i.e., land-use planning, financial management, membership process, etc.

Double Links: A higher Circle chooses an Operational Leader for the lower Circle — this person helps the lower Circle carry out the aim prescribed for it by the higher Circle. The lower Circle chooses a Representative to the higher Circle — this person represents the lower Circle and describes its needs, interests, and ideas to the higher Circle. The Operational Leader and Representative both fully participate in both Circles, which makes the *double-link* → ← between the two Circles. All higher and lower Circles are double-linked in this way to create a smooth & easy flow of information, suggestions, and proposals.

The Aim of a Circle and “Clients” of a Circle: In Sociocracy, the *Vision* of the organization is “an imagined ultimate future” — the “why” of the organization, the reason it exists. The *Mission* is its Big-Picture intention of what it will do manifest its Vision — the “what” of the organization.

The *Aim* of the organization is a concrete, specific product or service the organization exchanges with others — “clients” — as a way to carry out its Mission. The Aim of a business, for example, may be to provide sturdy, well-constructed bicycles for sale — its clients are the bike-riding public. The Aim of a nonprofit may be to encourage the public to ride bicycles instead of driving — its clients are the public.

The Aim of an ecovillage or intentional community may be to provide all the physical aspects and the services the members need to learn to live as neighbors in a small eco-settlement — their clients are their own members. That is, the ecovillage provides its members “products” (well-maintained roads, the community building, etc.) and “services” (land-use management, financial management, etc.). The ecovillage might also have the aim to teach others what they’re learning about social and ecological sustainability through tours and workshops, based on their experience and learning — their clients are also their tour and

workshop participants.

Each Circle has its own specific Aim. An ecovillage or intentional community might have a General Circle with an Aim to manage all the aspects of building and maintaining the social, physical, and economic aspects of the community. A lower Circle might have the Aim to develop and manage the physical aspects of the community (Land-Use/Site Planning Circle), manage its finances (Finance Circle), or offer visitors tours and workshops (Education Circle).

Governance — The Aim of a Circle and Decision-Making: The Consent Decision-Making process in each Circle is *based on its Aim*. Circle members *consent* to (pass) a proposal if it will help the Circle carry out its Aim. They *object* to a proposal if it will somehow prevent the Circle from carrying out its Aim, or if it will prevent an individual in the Circle from carrying out his or her role or tasks in the Circle, relative to its Aim.

Consent Decision-Making: Decisions are made by "Consent Decision-Making," as everyone in a Circle must give his/her consent to pass a proposal for that Circle. The Facilitator calls on each person in the circle in turn, called "rounds." The first round is clarifying questions about the proposal. The second round is quick reactions to the proposal. The third is the "Consent Round," in which the Facilitator asks each person in turn whether they have a "reasoned, paramount objection" (*see below*) and thus cannot adopt the proposal as it is. In the Consent Round, if someone believes the proposal is "good enough for now" and will allow them to carry out their specific role or tasks relative to the Aim of the Circle, they say "No objection." However, if someone sees that proposal will interfere with the Aim of the Circle or not allow them to effectively carry out their role or tasks relative to the Circle's Aim, they say, "Objection."

When one or more people have an objection to a proposal, the Facilitator and/or the group suggests ways to modify the proposal to address the objection. The Facilitator conducts another Consent Round to see if there are any objections to the modified proposal. This can happen many times, alternating between Consent Rounds and discussing ways to modify the proposal to address new objections that may arise.

A proposal passes when there are no more objections in a Consent Round.

"Good enough for now," "Safe enough to try": People don't need to "approve" or "support" a proposal — but only be willing to try it. A proposal need not be perfect, but merely "good enough for now," or "safe enough to try." This is because the proposal will be periodically reviewed and modified (or eliminated) if needed.

Objecting to a Proposal — "Reasoned, Paramount Objections": In the "Consent Round," the Facilitator asks each person in the Circle, "Do you have a reasoned, paramount objection to this proposal?" In this context, "reasoned" (from the Dutch word for "argued"), means is there a reasonable, logical reason — given the physical conditions and other aspects of the proposal and the Aim of the Circle — that this proposal would not allow the Circle to carry out its Aim, or that the person objecting couldn't carry out their tasks in the Circle if this proposal were adopted. "Paramount" (from a Dutch word meaning a strong felt-sense in the body), means, this a *significant* reason for the person objecting.

"Reasoned paramount objections" are concerns, not blocks. They are welcomed, and used to improve the proposal.

No "calling for consensus": The Facilitator calls for a decision in each Consent Round. There is no specific, separate time that the Facilitator asks the group to approve, stand aside from, or block a proposal. A proposal cannot be blocked, it can only be objected to and then modified. If no one in the Circle can see how to modify a proposal to meet an objection — for example,

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if the proposal was inappropriate or poorly designed — the proposal could be abandoned or referred to a higher Circle, or Special Resolution Circle.

Creating a “Both/and” proposal: When a Circle member objects to a proposal because they oppose the *substance* of the proposal itself, they are asked to suggest a modified “both/and” version” of the proposal, to address both their concerns and the original intent of the proposal. Suggesting a “both/and” proposal is a requirement of the Consent Decision-Making process, because proposals are not stopped, they are simply improved. The intention of a Circle is that everyone collaborates to help the Circle achieve its Aim.

If, after help and encouragement from the Facilitator and Circle members, someone still does not create a “both/and” proposal to address their objection, there are several options for asking the person to leave the Circle. For example, a Circle member might propose that either the Operational Leader or the whole Circle temporarily has the power to remove the person from the Circle. If everyone in the Circle (except the person) consented to this proposal, the person would be asked to leave the Circle.

Evaluate & Respond — Lead/Do/Measure Feedback Loops: In Sociocracy all decisions are subject to periodic review and possible modification (or possibly to be discarded or replaced), depending on how well the implemented decision is found to be working over time. Every proposal has periodically scheduled times to review it over the next few weeks, months, or years — and specific criteria with which to review it. The criteria and review times are built in to the proposal itself. A proposal to build a community library, for example, would have periodic times over, say, the next six months, to assess whether, the library is being used, is kept clean and orderly, and if people return books, for example. If not, the library procedures are changed. And within limits, anyone in the organization can request a new meeting to review and adjust a decision in their Circle.

Evaluation and possible revision of procedures or projects is based on the Sociocratic principle of Lead/Do/Measure. This is a cyclical process in which first, a proposal is passed, say, to build a community library (Lead). Then the library is built and managed by a volunteer staff (Do). Then the library’s effectiveness is evaluated and assessed according to the agreed-upon criteria in the proposal (Measure).

If the ongoing management or physical aspects of the library are changed, this is done through a new proposal in the Consent Decision-Making process (Lead). The changes to the library are implemented (Do). The modified library’s effectiveness is periodically evaluated and assessed according to the original agreed-upon criteria or any new criteria (Measure). Thus, through the ongoing rounds of Lead/Do/Measure, the community library either continues to improve, or is possibly dismantled if it doesn’t work out.

Thus, Sociocracy uses real-world feedback to evaluate and measure the effectiveness of every implemented proposal. Nothing stays stagnant — everything is continually improving or being discarded and replaced by something better.

“Evaluate and Respond,” not “Predict and Control”: In most organizations or ecovillages, people try to guess at all the factors they need to consider in a proposal, and accurately predict what’s likely to happen over the next weeks, months, and years relative to the implementation of the proposal. They are under pressure to “get it right,” because in most organizations — and especially groups that use consensus decision-making — proposals are difficult to change once they’re made. Thus, in most organizations, and in most groups that use consensus, people need to predict as accurately as they can what will happen in the future regarding the issue they’re addressing, and then control the situation they’ve guessed at through an ongoing, nearly unchangeable process.

Sociocracy is based on “evaluate and respond” rather than “predict and control.”

Because proposals can easily be changed, they need only be “good enough for now.”

The Proposal-Forming Process: Proposals that are simple can be created by a Circle member for that Circle, or taken by the Circle’s Representative to the higher Circle. But creating a proposal for a complex issue is done by everyone in the Circle, through Sociocracy’s step-by-step proposal-forming process. This involves identifying all the parts of the issue, then consenting to the completeness of the list, generating proposal ideas in rounds, then appointing one or more people to organize the ideas into a proposal, then consenting to the wording in the proposal. Note: this does not mean consenting to the proposal itself, which will happen later in a different meeting, but just consenting to how the proposal is framed and whether the proposal is clear enough to be easily understood.

Sociocracy Elections: In Sociocracy people are nominated and elected for various roles and tasks, including the Operational Leader of a lower Circle, the Representative to the higher Circle, and the Facilitator of a meeting, or simply those needed to carry out specific projects or tasks.

First the duties of the role are described, say, for the Circle’s bookkeeper. Then people in the Circle suggest the skills and qualities the person filling the role should have, and the length of time the person will be filling the role.

Then each person fills out a small piece of paper with their name and the name of the person they’re nominating and gives this to the Facilitator.

The Facilitator conducts rounds, first asking each person who they nominated and why. Next is the Change Round, in which people can say if they keep their nomination or change to support another person who’s been nominated.

Then the Facilitator nominates someone for the role. The Facilitator’s choice is based on the reasons why each Circle member nominated their candidates, and less importantly on how many nominations each person received.

Next is the Consent Round, in which people say whether they have a reasoned, paramount objection to the person the Facilitator has just nominated for the role. If there are no objections, the person has just been elected to the role. If there is an objection, the group creates a new proposal, which may involve “both/and” solutions for changing the duties of the role, changing the length of term, having two people share the role, or nominating a different person for the role. A community can use the Sociocracy election process even if they don’t use Sociocracy as their governance method. (People tend to love the Sociocracy election process.)

Sociocracy and Consensus: Consent Decision-Making is similar to consensus because everyone must consent to pass a proposal, but there’s no blocking. Objections don’t stop a proposal, but cause it to be modified.

Sociocracy and Holacracy: Holacracy also uses double-linked Circles and revisits and modifies implemented decisions. However, the purpose of a Sociocratic organization is determined by its people; in Holacracy people ask what the organization itself must have as its purpose, given what it is uniquely positioned to do in the world. Implemented proposals are not periodically reviewed with pre-determined criteria, but by a Circle member’s bodily felt-sense of something not being right, a “tension,” re an implemented proposal. The group modifies it in order to resolve the person’s tension.

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