










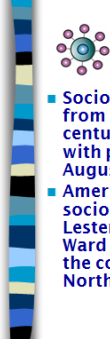





<p style="text-align: center;"><b>SOCIOCRACY</b> A New Structure For Ethical Governance</p>  <p style="text-align: center;"><i>Created by members of the network SociocracyinAction.ca</i></p> 	<p><b>SOCIOCRACY 101</b> <b>A New Power Structure For Ethical Governance</b> <i>Created by members of the network SociocracyinAction.ca</i></p> <ul style="list-style-type: none"> <li>❖ (This bullet style and font indicate speakers notes)</li> <li>❖ Sociocracy is considered to be an evolutionary step forward from democracy. This presentation is based on a book published in April 2007, “<i>We the People: Consenting to a Deeper Democracy, A Complete Guide to Sociocratic Principles and Methods.</i>” by John Buck and Sharon Villines. <a href="http://www.sociocracy.info">www.sociocracy.info</a></li> </ul>
 <p style="text-align: center;"> <b>Presentation Format</b></p> <ul style="list-style-type: none"> <li>■ Part 1 – Introduction to Sociocracy</li> <li>■ Part 2 – Applicability and Benefits</li> <li>■ Part 3 – Practices &amp; Processes</li> <li>■ Part 4 – Implementation</li> </ul> 	<p><b>Presentation Format</b></p> <ul style="list-style-type: none"> <li>❖ This PowerPoint presentation is broken into four sections that can be presented as a whole or in smaller pieces to allow time for the information to be discussed and absorbed.</li> </ul> <ul style="list-style-type: none"> <li>■ Part 1 – Introduction to Sociocracy</li> <li>■ Part 2 – Applicability and Benefits</li> <li>■ Part 3 – Practices &amp; Processes</li> <li>■ Part 4 – Implementation</li> </ul>
 <p style="text-align: center;"> <b>Introduction to Sociocracy</b></p> <ul style="list-style-type: none"> <li>• Based on both governing principles &amp; practical methods</li> <li>• Produces the kind of organizations that social theorists advocate</li> </ul> 	<p><b>Introduction to Sociocracy</b> Based on both governing principles &amp; practical methods</p> <ul style="list-style-type: none"> <li>❖ One principal is that of equivalency....all stakeholders including employees have a say in policy decisions that directly affect them</li> </ul> <p>Produces the kind of organizations social theorists advocate</p> <ul style="list-style-type: none"> <li>❖ ISO 9000 certification is easier to gain with no special preparation because the highest quality management standards are intrinsic to the way Sociocracy functions</li> </ul>
 <p style="text-align: center;"> <b>Introduction to Sociocracy (cont)</b></p> <ul style="list-style-type: none"> <li>• Fully utilizes the talent, commitment, and resources of all people</li> <li>• Creates a new structure for corporate financing</li> <li>• Is simultaneously conservative and revolutionary</li> </ul> 	<p><b>Introduction to Sociocracy (cont)</b></p> <p>Fully utilizes the talent, commitment, and resources of everyone</p> <ul style="list-style-type: none"> <li>❖ It offers a dynamic balance of power in the workplace</li> </ul> <p>Creates a new structure for corporate financing</p> <ul style="list-style-type: none"> <li>❖ It is the first true alternative to the autocratic management structure and the investment-capital control of corporations.</li> <li>❖ The results of implementation are equally</li> </ul>









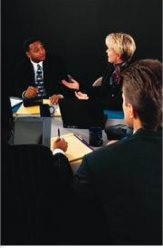


	<p>dramatic in non-profit organizations, community associations, school systems, social activist organizations and profit making corporations.</p> <ul style="list-style-type: none"><li>❖ Sociocracy encourages the profit and productivity of capitalism and the market economy. At the same time it is deeply committed to the ideals of freedom and individualism that led to the social and political revolutions of the 18th century, the scientific revolution of the late 19th century, and the humanist movements of the twentieth century</li></ul> <p>Simultaneously conservative and revolutionary</p> <ul style="list-style-type: none"><li>❖ (For more about this subject see an article at <a href="http://www.sociocracyinaction.ca">www.sociocracyinaction.ca</a> )</li><li>❖ Sociocracy is based on the latest theories in cybernetics and complexity theory, incorporating the best of the last 100 years of management theory.</li><li>❖ Human nature and the pursuit of happiness has had a greater influence on our businesses and governments than the more obvious economic, political, or religious influences.</li><li>❖ It is important to review these beliefs because although sociocracy is based on scientific principles, it seeks to create, above all, organizations that respect human rights, particularly the rights to be free and the right to pursue happiness.</li></ul>
 <p><b>History</b></p> <ul style="list-style-type: none"><li>■ Sociocracy dates from 19<sup>th</sup> century France with philosopher Auguste Comte</li><li>■ American sociologist Lester Frank Ward brought the concepts to North America</li></ul> 	<p>Sociocracy dates from 19<sup>th</sup> century France with philosopher Auguste Comte</p> <ul style="list-style-type: none"><li>❖ Auguste Comte did some of the earliest thinking on Sociology</li></ul> <p>American sociologist Lester Frank Ward brought the concepts to North America</p> <ul style="list-style-type: none"><li>❖ Lester Frank Ward is the father of Sociology in America. He believed that if society could be guided by the will and intellect of all individuals combined, society would become the greatest force ever known.</li></ul>









 <h3>History (cont)</h3>  <ul style="list-style-type: none"><li>■ Kees Boeke defined the first principles and put them into practice in his school in Holland in the 1930's</li></ul>	<h3>History (cont)</h3> <p>Kees Boeke (pronounced Case Boo-ka) defined the first principles and put them into practice in his school in the 1930's</p> <ul style="list-style-type: none"><li>❖ He was a peace activist. The school he founded in the Netherlands in 1926 was a laboratory for the development of Sociocracy where majority rule was rejected in favor of full inclusiveness. Queen Juliana chose this school for her children after returning from Canada after WWII.</li></ul>
 <h3>History (cont)</h3>  <ul style="list-style-type: none"><li>■ Gerard Endenburg refined and expanded Sociocracy.</li><li>■ He formed an electronics firm as a laboratory, that is still a thriving enterprise after 50 years</li></ul>	<h3>History (cont)</h3> <p>Gerard Endenburg refined and expanded sociocracy.</p> <ul style="list-style-type: none"><li>❖ Gerard Endenburg an inventor, an engineer and an entrepreneur studied under Boeke. He formed an electronics firm as a laboratory that is still a thriving enterprise after 50 years.</li><li>❖ The company he founded, Endenburg Electrotechniek, is exempt under labor regulations in the Netherlands from the requirement to have works councils (which are similar to labor unions) because Sociocracy protects the workers much better.</li><li>❖ Now the "Sociocratisch Centrum" in Rotterdam serves as the world wide focus for the continued development of the method and training of consultants.</li></ul>
 <h3>The Need</h3>  <ul style="list-style-type: none"><li>■ Consensus alone does not offer organizational structure or governance</li><li>■ Groups using consensus are often disorganized and have communication difficulties in spite of being inclusive</li></ul>	<h3>The Need</h3> <p>Consensus alone does not offer organizational structure or governance</p> <ul style="list-style-type: none"><li>❖ Consensus does not scale well above 8 to 10 people.</li></ul> <p>Groups using consensus are often disorganized and have communication difficulties in spite of being inclusive.</p> <ul style="list-style-type: none"><li>❖ A high level of commitment and time are necessary for consensus to function well.</li><li>❖ Most organizations, including cooperatives and other community groups do not have the level of commitment needed....</li><li>❖ Sociocracy addresses the need for those involved to get things done.</li><li>❖ Consensus is about the good of the whole rather than the individual...which sounds good at first but unless the individual's needs are also considered there will be resentments and discord.</li></ul>






 <p> <b>The Need</b> (cont)</p> <ul style="list-style-type: none"><li>■ Democracy, which is based on majority rule is not working effectively</li><li>■ Today's workers do not have a high level of commitment to their organizations</li></ul> 	<h3>The Need (cont)</h3> <p>Democracy based on majority rule is not working.</p> <ul style="list-style-type: none"><li>❖ Parliamentary procedure can be manipulated by a majority who want to influence a decision unfairly.</li><li>❖ Rule of the many by the few is not working and the few are becoming more vocal and angry about it, like perhaps “Occupy Wall Street.”</li><li>❖ People are not feeling enfranchised and display apathy on voting day</li></ul> <p>Today's workers do not have a high level of commitment to their organizations</p> <ul style="list-style-type: none"><li>❖ People are not empowered in hierarchies. Policy and communication flows mainly downward.</li><li>❖ When inclusiveness is a goal how can the needs of the individual be ignored?</li><li>❖ Sociocracy allows all perspectives to be included in policy decisions at all levels.</li></ul>
 <p> <b>The Benefits</b></p>  <p>Sociocracy produces:</p> <ul style="list-style-type: none"><li>■ Knowledge transfer throughout all levels of the organization.</li><li>■ Happy, fulfilled and empowered people are the result.</li></ul>	<h3>The Benefits - Sociocracy produces:</h3> <p>Knowledge transfer throughout all levels of the organization.</p> <ul style="list-style-type: none"><li>❖ Because the information is held at the circle level and includes all people, the knowledge is shared.</li></ul> <p>Happy, fulfilled and empowered people are the result</p> <ul style="list-style-type: none"><li>❖ Because Sociocracy includes all people in an organization, people effectively become the organization and do not see it apart from them.</li></ul>
 <p> <b>Benefits</b> (cont)</p>  <ul style="list-style-type: none"><li>■ Creative thinking by everyone in the organization flourishes when they realize they are being heard</li><li>■ Organizations become more effective, flatter, responsive, transparent and productive</li></ul>	<h3>Benefits (cont)</h3> <p>Creative thinking by everyone in the organization flourishes when they realize they are being heard</p> <ul style="list-style-type: none"><li>❖ Being heard empowers people and this sparks creativity at all levels.</li></ul> <p>Organizations become more effective, flatter, responsive, transparent and productive</p> <ul style="list-style-type: none"><li>❖ Implementing Sociocracy in an organization could lead to becoming known as one of the “Best Places to Work”</li></ul>




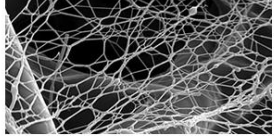

 <h3>Values</h3>  <ul style="list-style-type: none"> <li>Valid objections are welcome and considering better solutions is encouraged at the same time that forward movement is sought.</li> </ul>	<h3>Values</h3> <p>Valid objections are welcome and considering better solutions is encouraged at the same time that forward movement is sought.</p> <ul style="list-style-type: none"> <li>The processes create space for everyone to discuss ideas as equals</li> </ul>
 <p>Incorporates a development program for all members of an organization</p>	<h3>Values (cont)</h3> <p>Incorporates a development program for all members of an organization</p> <ul style="list-style-type: none"> <li>Giving a voice to everyone requires a higher level of skill and personal responsibility than many of us have so it is important to include a percentage of a corporate budget to ongoing training in Sociocracy</li> </ul>
 <h3>Four Governing Principles</h3> <ol style="list-style-type: none"> <li>Circle organization structure</li> <li>Consent governs policy decision-making</li> <li>Double Linking is inherent in the structure</li> <li>Selection of People in open discussion to roles &amp; responsibilities</li> </ol>	<h3>Four Governing Principles</h3> <ul style="list-style-type: none"> <li>Sociocracy is a paradigm shift in governance and organizational thinking.</li> <li>Each Principle is covered in more detail on subsequent slides</li> <li>The full benefits of Sociocracy can best be attained by the inclusion of all 4 principles.       <ol style="list-style-type: none"> <li>Circle organization structure</li> <li>Consent governs policy decision-making</li> <li>Double Linking</li> <li>Selection of People in open discussion to roles &amp; responsibilities</li> </ol> </li> </ul>
 <h3>1. Circles</h3>  <ul style="list-style-type: none"> <li>A working circle is semi-autonomous; making policy decisions within its own domain.</li> </ul>	<h3>1. Circles</h3> <p>A circle is semi-autonomous; making policy decisions within its domain.</p> <ul style="list-style-type: none"> <li>Circles make up the structure of a Sociocratic organization.</li> <li>Information is provided from lower circles and communicated to the next higher circle.</li> <li>The purpose of having a circle meeting is to make decisions, not to Do the work. They are not staff meetings.</li> </ul>

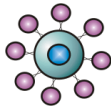




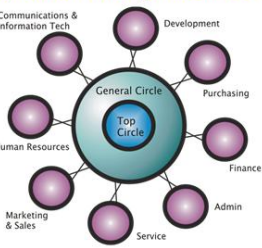
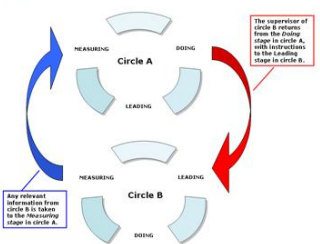


 <p><b>Circles (cont)</b></p> <ul style="list-style-type: none"> <li>■ Circles have their own aims and designate functions to their members.</li> <li>■ The hierarchy in Sociocracy reflects different levels and circles of work...not control</li> </ul>	<p><b>Circles (cont)</b> Circles have their own aims and designate functions to their members.</p> <ul style="list-style-type: none"> <li>❖ Lower circles aims are usually determined at the next higher circle</li> </ul> <p>Hierarchy in Sociocracy reflects different levels of work...not control</p> <ul style="list-style-type: none"> <li>❖ Individuals in a circle work toward the aim of that circle and create policies that guide the work</li> </ul>
 <p><b>2. Consent</b></p> <ul style="list-style-type: none"> <li>■ Consent means there are no argued and paramount objections to a proposed policy decision</li> <li>■ If the objection can't be resolved the proposal doesn't go forward</li> <li>■ Not every decision requires consent</li> </ul>	<p><b>2. Consent</b> Consent means there are no argued and paramount objections to a proposed policy decision</p> <ul style="list-style-type: none"> <li>❖ When a proposal is made at any level, all participants are asked if they have an objection. If there is a reasonable objection, a discussion ensues and the proposal may be reworked in order to satisfy and incorporate the solution in the decision.</li> </ul> <p>If the objection can't be resolved the proposal doesn't go forward</p> <ul style="list-style-type: none"> <li>❖ Someone is empowered by the group to determine if an objection is reasonable, unlike in consensus where someone can object and block proposals for no good reason or unnecessarily drag out discussion.</li> </ul> <p>Not every decision requires consent</p> <ul style="list-style-type: none"> <li>❖ Many decisions are not made by consent. Rather, with consent, persons or groups can be given authority to make independent decisions. (i.e. What kind of pizza to order decided by the majority)</li> <li>❖ Circles attempt to develop policies that allow decisions to be made by individuals within certain constraints or guidelines.</li> </ul>
 <p><b>3. Double Linking /Representation</b></p> <ul style="list-style-type: none"> <li>■ Makes a connection between two circles</li> <li>■ Is a dynamic process by design</li> </ul>	<p><b>3. Double Linking</b> Makes a connection between two circles</p> <ul style="list-style-type: none"> <li>❖ A double link is formed by a functional leader (selected by the circle above) and two or more representatives (selected from within the circle) who all then participate fully in the decision-making of the next higher circle.</li> </ul> <p>Is a dynamic process by design</p> <ul style="list-style-type: none"> <li>❖ More than acting, changing, or growing, dynamic means acting with intention.</li> <li>❖ Dynamic does not mean bigger or newer...it</li> </ul>









 <p><b>Double Linking (cont)</b></p> <ul style="list-style-type: none"> <li>Organizations must be able to adapt appropriately to changes</li> </ul>	<p>means effective and responsive.</p> <p><b>Double Linking (cont)</b> Organizations must be able to adapt appropriately to changes</p> <ul style="list-style-type: none"> <li>❖ Double representation is unlike traditional hierarchies that use top-down command and control structures.</li> <li>❖ An example of double linking is the way Ternary Software an American company, offers its services to startup companies. Instead of charging up-front fees for services, Ternary acts as the client's software department. This works because representatives from both organizations sit on the other's circle, participating fully in decisions that affect their relationship and needs.</li> </ul>
 <p><b>Double Linking (cont)</b></p> <ul style="list-style-type: none"> <li>Double linking allows heterarchies to increase communication throughout the organizations.</li> </ul>	<p><b>Double Linking (cont)</b> Double linking allows for heterarchies that increase communication throughout the organization.</p> <ul style="list-style-type: none"> <li>❖ A heterarchy is a network of elements sharing common goals in which each element shares the same "horizontal" position of power and authority, each having an equal role or stake in the organization.</li> <li>❖ A heterarchy may be independent or at some level in a hierarchy. Each level in a hierarchical system is composed of a heterarchy which contains its constituent elements.</li> <li>❖ In a heterarchy, however, a node can be connected to any of its surrounding nodes without needing to go through or get permission from some other node</li> <li>❖ Heterarchies perform like a fishnet or spider web, a series of connections between peers.</li> </ul>
 <p><b>4. Open Selections</b></p> <ul style="list-style-type: none"> <li>Circles select people for roles and responsibilities in open discussion by consent</li> <li>The process is highly affirming</li> </ul>	<p><b>4. Open Selections</b> Circles select people for roles and responsibilities in open discussion by consent</p> <ul style="list-style-type: none"> <li>❖ This process clarifies expectations allowing leaders and those charged with responsibilities to understand what is expected of them.</li> <li>❖ Candidates have a chance to agree or to disagree, in an attempt to fulfill various expectations</li> <li>❖ The needs of the organization and the work group are thoroughly discussed.</li> </ul> <p>The process is highly affirming</p> <ul style="list-style-type: none"> <li>❖ People are openly appreciated and acknowledged</li> </ul>



 <h3>Open Selections (cont)</h3> <ul style="list-style-type: none"> <li>Eliminates leadership by someone who is not trusted</li> <li>No winners or losers</li> </ul> 	<p>for their strengths</p> <h3>Open Selections (cont)</h3> <p>Eliminates leadership is by someone who is not trusted</p> <ul style="list-style-type: none"> <li>❖ When representation is not a question of power but of trust, the choice of a suitable person can be made fairly easily and without unpleasantness</li> <li>■ <b>No winners or losers</b></li> <li>❖ Friction is reduced and productivity increases when everyone accepts the final selection as the best choice.</li> </ul>
<h3>Example of Circle Organizational Chart</h3>  <p>The crossed lines between circles represent double linking. Each circle has both a manager appointed from the circle above and a representative selected from within the circle as well who speaks to policy at the next higher circle. These roles are never played by the same person.</p>	<h3>Example of Circle Organizational Chart</h3> <p>The crossed lines between circles represent double links</p> <p>Each circle has both a manager appointed from the circle above and a representative selected from within the circle who speaks to policy at the next higher circle.</p> <p>These roles are never assumed by the same person.</p> <ul style="list-style-type: none"> <li>❖ The network Sociocracy In Action created the above design and uses it as their logo.</li> <li>❖ Each circle of the organization is autonomous with connection above and below.</li> <li>❖ The Sociocracy In Action logo example does not show the links to and from the Top Circle, but in Sociocracy there is double linking here as well.</li> </ul>
<h3>Double Linking</h3>  <p>Any relevant information from Circle B is taken to the 'DOING' edge in Circle A.</p> <p>The supervisor of Circle B returns from the 'DOING' edge in Circle A, with information to the 'LEADING' edge in Circle B.</p>	<h3>Another example of Double Linking</h3> <ul style="list-style-type: none"> <li>❖ Double linking allows for information flow.</li> <li>❖ It encourages people to be involved in all levels of the organization.</li> <li>❖ It is a means to pass on good ideas so that they have a chance to be incorporated</li> </ul>













 <p><b>Agreements to Maintain Equivalence</b></p> <ul style="list-style-type: none"> <li>Everyone has a right to be part of a decision that affects them</li> <li>Every decision may be reexamined at any time</li> </ul>	<p><b>Agreements to Maintain Equivalence</b> Everyone has a right to be part of a decision that affects them</p> <ul style="list-style-type: none"> <li>❖ When people experience meetings using sociocratic principles they say it feels right.</li> <li>❖ When your concerns are heard and respected, skepticism evaporates and trust gets to be built.</li> </ul> <p>Every decision may be reexamined at any time</p> <ul style="list-style-type: none"> <li>❖ Groups are more inclined to say “Let’s try it” when they know that if unexpected results become apparent, the decision can be revisited.</li> </ul>
 <p><b>Agreements to Maintain Equivalence</b></p> <ul style="list-style-type: none"> <li>No secrets may be kept</li> <li>Everything is open to discussion</li> </ul> 	<p><b>Agreements to Maintain Equivalence (cont)</b> No secrets may be kept</p> <ul style="list-style-type: none"> <li>❖ When you participate knowing that secrecy is not part of the process, one becomes empowered.</li> <li>❖ Anyone is able to interject important information into the process.</li> </ul> <p>Everything is open to discussion</p> <ul style="list-style-type: none"> <li>❖ Openness reduces politics, gossip and fosters ethical governance</li> </ul>
 <p><b>Part Two</b></p> <ul style="list-style-type: none"> <li>How would Sociocracy apply to your situation?</li> <li>What are the advantages &amp; disadvantages of implementing Sociocracy?</li> </ul>	<p><b>Part Two</b> <b>How would Sociocracy apply to your situation?</b></p> <p><b>What are the advantages &amp; disadvantages of implementing Sociocracy?</b></p>
 <p><b>Applicability</b></p>  <p>Sociocracy is applicable in cases of:</p> <ul style="list-style-type: none"> <li>Transformation processes where support may be needed.</li> <li>Changes in culture affecting all employees.</li> </ul>	<p><b>Applicability</b> Sociocracy is applicable in cases of: Transformation processes where support may be needed.</p> <ul style="list-style-type: none"> <li>❖ During change of governance structure to Sociocracy, assistance may be needed to integrate the new concepts in the organization.</li> </ul> <p>Changes in culture affecting all employees.</p> <ul style="list-style-type: none"> <li>❖ Sociocracy has proven to be very helpful when change happens in many different types of organizations.</li> <li>❖ The Sociocratic process empowers people and lets them relax as change happens.</li> <li>❖ Staff sees that decisions can be modified at any time.</li> </ul>



 <p><b>Applicability</b></p> <ul style="list-style-type: none"> <li>■ Results-oriented remuneration.</li> <li>■ Conflict situations.</li> <li>■ Crisis situations.</li> </ul>	<p><b>Applicability (cont)</b> Results-oriented remuneration.</p> <ul style="list-style-type: none"> <li>❖ <b>In Sociocracy it is easier to reward good performance</b></li> </ul> <p>Conflict situations.</p> <ul style="list-style-type: none"> <li>❖ <b>When there is conflict Sociocracy allows people to be involved and not feel left out</b></li> </ul> <p>Crisis situations.</p> <ul style="list-style-type: none"> <li>❖ <b>Sociocracy is a valuable tool in crisis because it keeps everyone involved and informed of the important decisions to be made.</b></li> </ul>
 <p><b>Applicability</b></p> <ul style="list-style-type: none"> <li>■ Sociocracy helps with:             <ul style="list-style-type: none"> <li>&gt; Inter-active participation</li> <li>&gt; guiding teams</li> <li>&gt; relatively autonomous task groups.</li> </ul> </li> </ul>	<p><b>Applicability (cont)</b> Sociocracy helps with: Inter-active participation, guiding teams, &amp; relatively autonomous task groups.</p> <ul style="list-style-type: none"> <li>❖ <b>The process values inclusion of all members and ideas</b></li> </ul>
 <p><b>Applicability</b></p> <p>Sociocracy supports:</p> <ul style="list-style-type: none"> <li>■ Total quality management / client-oriented organizations.</li> <li>■ Human resource management by increasing effectiveness in production and the (re)design of processes.</li> </ul>	<p><b>Applicability (cont)</b> Sociocracy supports: Total quality management / client-oriented organizations.</p> <p>Human resource management by increasing effectiveness in production and the (re)design of processes.</p> <ul style="list-style-type: none"> <li>❖ <b>People and their ideas make an effective force in an organization</b></li> </ul>
 <p><b>The Advantages</b></p> <p>Sociocracy:</p> <ul style="list-style-type: none"> <li>■ Engages and utilizes the wisdom and energy of every member of the organization.</li> <li>■ Promotes creativity and problem solving throughout the organization</li> </ul>	<p><b>The Advantages</b> <b>Sociocracy:</b> Engages and utilizes the wisdom and energy of every member of the organization.</p> <p>Promotes creativity and problem solving throughout the organization</p>











<p> <b>The Advantages</b></p>  <p>Sociocracy:</p> <ul style="list-style-type: none"><li>■ Supports the interests of investors, shareholders, management and staff</li><li>■ Eases qualifying for ISO 9000 certification</li></ul>	<p><b>Advantages (cont)</b> Supports the interests of investors, shareholders, management and staff</p> <p>Eases qualifying for ISO 9000 certification</p> <ul style="list-style-type: none"><li>❖ <b>Companies operating Sociocratically have found that the certification process for ISO9000 is not as arduous as others have found.</b></li></ul>
<p> <b>The Advantages</b></p> <p>Sociocracy:</p> <ul style="list-style-type: none"><li>■ Generates high quality products and services.</li><li>■ Speeds adaptation to change.</li></ul> 	<p><b>Advantages (cont)</b> Sociocracy: Generates high quality products and services.</p> <ul style="list-style-type: none"><li>❖ <b>Because employees are happier and more involved production is enhanced</b></li><li>❖ <b>Creative solutions to problems are found at all levels and therefore production increases</b></li></ul> <p>Speeds adaptation to change.</p> <ul style="list-style-type: none"><li>❖ <b>As workers start to believe that they have direct impact to proposed changes, they buy into the concepts quicker.</b></li></ul>
<p> <b>The Advantages</b></p>  <p>■ Increases staff commitment to and identification with the organization.</p> <p>■ Results in fewer more satisfying meetings.</p>	<p><b>Advantages (cont)</b> Increases staff commitment to and identification with the organization.</p> <ul style="list-style-type: none"><li>❖ <b>Sociocracy provides a structure to recognize that people are the most important part of organizations.</b></li><li>❖ <b>When workers are included in a Sociocratic process they are more satisfied, making the organization a better place to work.</b></li><li>❖ <b>Happy people are good for organizations</b></li></ul> <p>Results in fewer more satisfying meetings.</p>
<p> <b>The Advantages</b></p>  <p>■ Companies operating with Sociocracy find that:</p> <ul style="list-style-type: none"><li>■ Sick leave is reduced</li><li>■ Safety records improve</li></ul>	<p><b>Advantages (cont)</b> Companies operating with Sociocracy find that: Sick leave is reduced</p> <ul style="list-style-type: none"><li>❖ <b>Employees that are feeling good about their work do not stay home unless they are really sick.</b></li></ul> <p>Safety records improve</p> <ul style="list-style-type: none"><li>❖ <b>If employees feel that they are part of the whole and have input in how things happen, then this transfers to the job site and results in less safety issues because workers are engaged.</b></li></ul>



 <p><b>The Advantages</b></p> <p>Sociocracy:</p> <ul style="list-style-type: none"> <li>■ Raises awareness of costs.</li> <li>■ Improves client orientation.</li> <li>■ Decreases the odds of burnout.</li> <li>■ Builds program self-discipline.</li> <li>■ Supports leadership among peers.</li> </ul>	<p><b>Advantages (cont)</b></p> <p>Raises awareness of costs.          Improves client orientation.          Decreases the odds of burnout.          Builds program self-discipline.          Supports leadership among peers.</p> <ul style="list-style-type: none"> <li>❖ Because employees are involved and empowered all aspects of business are enhanced</li> </ul>
 <p><b>Advantages (for Non-Profits)</b></p> <ul style="list-style-type: none"> <li>■ Gives organizational continuity when many volunteers are present.</li> <li>■ Supports fundraising.</li> </ul>	<p><b>Advantages (for Non-Profits)</b></p> <p>Gives organizational continuity when many volunteers are present.</p> <ul style="list-style-type: none"> <li>❖ In non-profit situations the organizational advantages of sociocracy helps to keep everyone informed.</li> <li>❖ No decisions are hidden, thus confusing volunteers.</li> </ul> <p>Supports fundraising.</p> <ul style="list-style-type: none"> <li>❖ Workers and volunteers are more connected to the goals and therefore spend more effort when fundraising.</li> </ul>
 <p><b>More Advantages (for Non-Profits)</b></p> <ul style="list-style-type: none"> <li>■ Includes a consensus building process without the disadvantages.</li> <li>■ Measuring results are not viewed with fear</li> </ul>	<p><b>More Advantages (for Non-Profits)</b></p> <p>Includes a consensus building process without the disadvantages.</p> <ul style="list-style-type: none"> <li>❖ Sociocracy builds consensus throughout volunteer organizations because decisions are made utilizing consent at all circle levels.</li> </ul> <p>Measuring results not viewed with fear.</p> <ul style="list-style-type: none"> <li>❖ Being involved in initial decision making helps reduce the fear when evaluating performance.</li> <li>❖ Leading, doing, measuring happens all the time, so it is not fearful when results are reviewed.</li> </ul>
 <p><b>The Disadvantages</b></p> <p>Sociocracy:</p> <ul style="list-style-type: none"> <li>■ Requires careful implementation planning.</li> <li>■ Necessitates training in new concepts and ongoing development programs.</li> </ul>	<p><b>The Disadvantages</b></p> <p>Sociocracy:</p> <p>Requires careful implementation planning.</p> <ul style="list-style-type: none"> <li>❖ Creating sociocracy within an organization takes a paradigm shift in thought. It takes time for people to “get” it.</li> </ul> <p>Necessitates training in new concepts and ongoing development programs.</p> <ul style="list-style-type: none"> <li>❖ Training of people is needed, because people have to learn to trust in the system. There is a new language developing to communicate Sociocratically and there is a learning curve to climb.</li> <li>❖ The old way of doing things is often hard to let go</li> </ul>

















	<p>of, especially for some managers whose leadership style is to exercise “power” over their employees.</p>
 <p> <b>Disadvantages</b></p>  <ul style="list-style-type: none"> <li>■ May arouse varying intense emotions during implementation (skepticism, elation, anxiety, excitement).</li> <li>■ May be uncomfortable at first for those not accustomed to sharing the responsibility of difficult decisions.</li> </ul>	<p><b>Disadvantages (cont)</b>        May arouse varying intense emotions during implementation (skepticism, elation, anxiety, and excitement).</p> <ul style="list-style-type: none"> <li>❖ Because the process is so different, people often get worked up emotionally.</li> </ul> <p>May be uncomfortable at first for those not accustomed to sharing the responsibility of difficult decisions.</p> <ul style="list-style-type: none"> <li>❖ The Sociocratic process itself will help to calm people’s fears and emotions.</li> <li>❖ It is ok to express how one feels about proposals. Concepts &amp; theories are new and can be difficult to bend your mind around.</li> <li>❖ Experiencing the practice of Sociocracy is the way most people are convinced</li> </ul>
 <p> <b>Sociocracy Today</b></p> <ul style="list-style-type: none"> <li>■ Cohousing and Intentional Communities have been early adopters</li> </ul> 	<p><b>Sociocracy Today</b>        Cohousing and intentional communities have been early adopters</p> <ul style="list-style-type: none"> <li>❖ Cohousing is a model of housing where residents share many common elements including some community meals. Folks who are sharing aspects of housing have a huge financial and emotional need to get along. Champlain Valley Cohousing in Vermont is one example of a group successfully using Sociocracy to govern themselves.</li> <li>❖ Sharing housing requires lots of meetings and discussion...Sociocracy has helped these communities make decisions with less angst and in less time.</li> </ul>
 <p> <b>Sociocracy Today</b></p>  <ul style="list-style-type: none"> <li>■ Many organizations in the Netherlands have decades of success</li> <li>■ Many other organizations around the world are experimenting with Sociocracy</li> </ul>	<p><b>Sociocracy Today (cont)</b>        Many organizations in the Netherlands have decades of success</p> <ul style="list-style-type: none"> <li>❖ Sociocracy in their governance structure is a benefit to a company and they continue to utilize its concepts.</li> </ul> <p>Many other organizations around the world are experimenting with Sociocracy</p> <ul style="list-style-type: none"> <li>❖ Even partial implementation of Sociocracy and it’s principals and processes are helpful to an organization.</li> <li>❖ It can take many years to fully implement Sociocracy.</li> </ul>





 <h3>Sociocratic Selection Process</h3>  <ul style="list-style-type: none"> <li>■ Step 1 - Establish task to be performed</li> <li>■ Step 2 - Complete individual ballots</li> <li>■ Step 3 - Individual Comments</li> <li>■ Step 4 - Request for Changes to ballot</li> </ul>	<h3>Sociocratic Selection Process</h3> <ul style="list-style-type: none"> <li>❖ People are selected by a clear process that occurs in rounds. In a circle meeting. There is no voting and the process is not referred to as an election.</li> </ul> <p>Step 1 - Establish task to be performed  Step 2 - Complete individual ballots  Step 3 - Individual Comments</p> <ul style="list-style-type: none"> <li>❖ Called the “Say Why” round</li> </ul> <p>Step 4 - Request for Changes to ballot</p> <ul style="list-style-type: none"> <li>❖ Called the “Change” round</li> </ul>
 <h3>Sociocratic Selection Process</h3>  <ul style="list-style-type: none"> <li>■ Step 5 - Facilitator proposes candidate</li> <li>■ Step 6 - Discussion</li> <li>■ Step 7 - Consent Round</li> <li>■ Step 8 - Go back to Step 5 if there is an objection</li> </ul>	<h3>Sociocratic Selection Process (cont)</h3> <p>Step 5 - Facilitator proposes candidate  Step 6 - Discussion  Step 7 - Consent Round</p> <ul style="list-style-type: none"> <li>❖ The selection process usually picks the best person for the job. Several people may be competent to do a particular job and responsibilities are often rotated after period of time.</li> <li>❖ Anyone can assist in doing the work</li> </ul> <p>Step 8 - Go back to Step 5 if there is an objection</p> <ul style="list-style-type: none"> <li>❖ The process is highly affirming. You can't help but feel good if some people think you would be good at a job and say why they think so, even if you don't want or get the job.</li> </ul>
 <h3>Decision-Making Process</h3>  <ul style="list-style-type: none"> <li>■ Consent to the issue What is the picture?</li> <li>■ Generate a proposal What is our opinion or request?</li> <li>■ Consent to the proposal What is our decision?</li> </ul>	<h3>Decision-Making Process</h3> <p>Consent to the issue. What is the picture?</p> <ul style="list-style-type: none"> <li>❖ To make decisions all concerned must participate in the consent of the issue</li> </ul> <p>Generate a proposal  What is our opinion or request?</p> <ul style="list-style-type: none"> <li>❖ The issue(s) are then discussed while generating the proposal.</li> </ul> <p>Consent to the proposal  What is our decision?</p> <ul style="list-style-type: none"> <li>❖ Once the proposal is finalized another round is taken where people participate in the consent of the proposal.</li> <li>❖ It is not a “voting” round, but rather a round where people determine if they have a “reasonable or paramount” objection.</li> <li>❖ If they do then the process halts until the new “perspective” is included in the proposal.</li> <li>❖ Consent is then once again asked of all participants.</li> </ul>



 <h3>Consent to a Proposal</h3>  <ul style="list-style-type: none"> <li>■ Step 1 - Present Proposal</li> <li>■ Step 2 - Clarifying Round</li> <li>■ Step 3 - Quick Reaction Round</li> <li>■ Step 4 - Amendments</li> <li>■ Step 5 - Consent Round</li> </ul>	<h3>Consent to a Proposal</h3> <ul style="list-style-type: none"> <li>❖ Proposals of significance need to be prepared and circulated ahead of the meeting where a decision is hoped for.</li> </ul> <p>Step 1 - Present Proposal</p> <ul style="list-style-type: none"> <li>❖ Make the proposal clear without more than one general issue. Don't make it too complex.</li> </ul> <p>Step 2 - Clarifying Round</p> <ul style="list-style-type: none"> <li>❖ Questions only</li> </ul> <p>Step 3 - Quick Reaction Round</p> <ul style="list-style-type: none"> <li>❖ No discussion takes place in the quick reaction round.</li> </ul> <p>Step 4 - Amendments</p> <ul style="list-style-type: none"> <li>❖ Proposal can be reworded</li> </ul> <p>Step 5 - Consent Round</p> <ul style="list-style-type: none"> <li>❖ The Consent Round is decision time. Each person is polled to see if they have any paramount objection to the proposal as it stands.</li> </ul>
 <h3>Consent to a Proposal</h3>  <ul style="list-style-type: none"> <li>■ Step 6 - Consent Round</li> <li>■ Step 7- Go back to Step 3 if there are more objections</li> </ul>	<h3>Consent to a Proposal (cont)</h3> <p>Step 6 - Consent Round</p> <p>Step 7- Go back to Step 3 if there are more objections</p> <ul style="list-style-type: none"> <li>❖ If a circle can't come to a decision on an item that requires action, a time limit can be made and if exceeded, the decision is bumped to the next higher circle for resolution.</li> </ul>
 <h3>Leading, Doing, Measuring</h3>  <ul style="list-style-type: none"> <li>■ The circle process governs these three functions.</li> <li>■ All Circles spend time on all three functions.</li> <li>■ Decisions on policy are made at the level where the work will be done.</li> </ul>	<h3>Leading, Doing, Measuring</h3> <p>The circle process governs these three functions.</p> <ul style="list-style-type: none"> <li>❖ Also expressed as <b>Input, Transformation, Output</b></li> </ul> <p>All Circles spend time on all three functions.</p> <p>Decisions on policy are made at the level where the work will be done.</p>





## 9 Block Chart

	Input	Transformation	Output
Lead			
Do			
Measure			

### 9 Block Chart

- ❖ A nine block chart can be used as a tool to help evaluate processes and identify faulty or missing pieces.
- ❖ The chart covers Input, Transformation and Output for each function.
- ❖ There is little fear of the measuring process compared to organizations where funding or compensation is directly affected.
- ❖ In Sociocracy, when an evaluation of results shows something didn't work as expected it is much easier to revisit the details and adjust accordingly
- ❖ The first step is to plan the input column (the leading), then outline the transforming (doing) and then describe the (measure) output in each of the rows
- ❖ Leading – set criteria create schedules, develop procedures. Formulate the plan
- ❖ Doing – Organize, Provide for, Maintain and Implement
- ❖ Measuring – Seek information, review, evaluate and record
- ❖ There is a example of this chart on the Yahoo Sociocracy Group web site
- ❖ Some organizations find this 9 block chart awkward to work with and continue to use other planning tools



## Part Four

### Ready to Implement Sociocracy?

### Part Four - Ready to Implement Sociocracy?

- ❖ Part Four provides some tools to implement Sociocracy
- ❖ Implementation can be done in stages/phases.
- ❖ One project or one group can give part of it a try.
- ❖ For example, one Cohousing group has an outside facilitator come once a year to help with board selection



## Implementation: The Steps












- Step 1 - Get commitment of Senior Management Owners and the Board
- Step 2 - An Implementation Circle is formed
- Step 3 - Sociocratic Methods are installed in the Organization
- Step 4 - A Board or TOP Circle is established
- Step 5 - Performance is Evaluated








### The Steps

- Step 1 - Get commitment of Senior Management Owners and the Board
- Step 2 - Form Implementation Circle
- Step 3 - Install Sociocratic Methods in the Organization
- Step 4 - Establish Board Circle
- Step 5 - Evaluate Performance



 <p> <b>Step 1 – Commitment of Top Management</b></p> <ul style="list-style-type: none"> <li>■ Establish or reaffirm corporate vision and values.</li> <li>■ Identify Benefits of Integrating Sociocratic Method</li> <li>■ Make Commitment to Implement</li> </ul> 	<p><b>Step 1 – Commitment of Top Management (Cont)</b></p> <ul style="list-style-type: none"> <li>❖ Top management needs to be completely “on-board” and agree with the objectives of Sociocracy</li> </ul> <p>Establish or reaffirm corporate vision and values. Identify Benefits of Integrating Sociocratic Method Make Commitment to Implement</p> <ul style="list-style-type: none"> <li>❖ Implementation is quite involved at the beginning of introducing Sociocracy in an organization</li> </ul>
 <p> <b>Step 2 – Form the Implementation Circle</b></p>  <ul style="list-style-type: none"> <li>■ This circle consists of the CEO, selected top managers and others.</li> <li>■ The purpose is to develop an implementation plan.</li> <li>■ People take training in Sociocracy</li> <li>■ Operations then begin to conduct operations Sociocratically.</li> </ul>	<p><b>Step 2 – Form the Implementation Circle</b></p> <p>This circle consists of the CEO, selected top managers and others. The purpose is to develop an implementation plan.</p> <p>People take training in Sociocracy</p> <ul style="list-style-type: none"> <li>❖ People need to be trained and they need to have patience</li> <li>❖ It takes time for people to “get” it, to learn a new way of relating and to get over their fears.</li> <li>❖ Each circle needs to initially be led by someone with meeting facilitation training</li> </ul> <p>Operations then begin to conduct operations Sociocratically.</p>
 <p> <b>Step 3 – Install Sociocratic Methods in Organization</b></p>  <ul style="list-style-type: none"> <li>■ Organize all work processes</li> <li>■ Create a structure throughout the organization.</li> <li>■ Train newly selected circle meeting facilitators</li> <li>■ Train staff</li> </ul>	<p><b>Step 3 – Install Sociocratic Methods in Organization</b></p> <p>Organize all work processes Create a structure throughout the organization.</p> <p>Train newly selected circle meeting facilitators</p> <ul style="list-style-type: none"> <li>❖ See links on last slide to connect with certified trainers and facilitators</li> </ul> <p>Train staff</p> <ul style="list-style-type: none"> <li>❖ Training is critical</li> <li>❖ There may be a lot of angst in the implementation process.</li> <li>❖ This will pass as people find they are empowered.</li> <li>❖ .</li> </ul>



 <h3>Step 4 - Establish Board Circle</h3>  <ul style="list-style-type: none"> <li>■ Establish that money is “an earned measurements” criteria of work</li> <li>■ Develop remuneration formulas based on contribution</li> <li>■ Develop an explicit financial feedback system</li> <li>■ Revise corporation and by-law structure (optional if necessary)</li> </ul>	<h3>Step 4 - Establish Board Circle</h3> <p>Establish “money earned as measurements” criteria</p> <ul style="list-style-type: none"> <li>❖ <b>The financial structure of remuneration will probably need to change.</b></li> </ul> <p>Develop remuneration formulas based on contribution.</p> <ul style="list-style-type: none"> <li>❖ <b>It is important that all people know how this will work.</b></li> <li>❖ <b>Transparency is critical.</b></li> </ul> <p>Develop explicit financial feedback system. Revise incorporation and by-law structure (optional)</p>
 <h3>Step 5 Evaluate Performance</h3> <ul style="list-style-type: none"> <li>■ Monitor the performance of individual circles and the organization.</li> <li>■ Obtain feedback from representatives and supervisors in each group (or circle)</li> </ul> 	<h3>Step 5 Evaluate Performance</h3> <p>Monitor the performance of individual circles and the organization.</p> <ul style="list-style-type: none"> <li>❖ <b>Evaluation of the process brings good changes to structure</b></li> </ul> <p>Obtain feedback from representatives and supervisors in each group or circle</p> <ul style="list-style-type: none"> <li>❖ <b>Feedback should be encouraged and needs to be communicated to everyone.</b></li> <li>❖ <b>Transparency is critical for all employees to be empowered to embrace change</b></li> </ul>
  <p><b>Sociocracy In Action</b> Is a network of individuals and organizations dedicated to the practice and expansion of Sociocracy in North America. We are supported financially by FGM Alternatives and based in Calgary, Alberta. The sale of this presentation supports our aims.</p>	<h3>Sociocracy In Action (SIA)</h3> <p>The presentation is available at <a href="http://www.sociocracyinaction.ca/presentations">www.sociocracyinaction.ca/presentations</a></p>
 <h3>Links</h3> <ul style="list-style-type: none"> <li>■ <a href="http://www.sociocracy.biz">www.sociocracy.biz</a> the global website of the Sociocratic Centers in Holland</li> <li>■ <a href="http://www.sociocracy.info">www.sociocracy.info</a> A US based site with the basics and information and book “We The People”</li> <li>■ <a href="http://www.Governancealive.com">www.Governancealive.com</a></li> <li>■ <a href="http://www.champainvalleycohousing.org/index.cgi">http://www.champainvalleycohousing.org/index.cgi</a> A Cohousing Project basing their governance on Sociocracy</li> <li>■ <a href="http://ecovill.com/Pages/governance.html">http://ecovill.com/Pages/governance.html</a> EcoVillage of Loudoun County, Virginia.</li> <li>■ <a href="http://www.socionet.us">www.socionet.us</a> For training sessions and practice groups</li> <li>■ <a href="http://tech.groups.yahoo.com/group/sociocracy">http://tech.groups.yahoo.com/group/sociocracy</a> A message board group that is the best place to ask questions and get support when learning or implementing Sociocracy</li> </ul>	