



Circles: The “socios” in sociocracy

the teams of people who work together to get something done

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Table of Contents

- 1. Introduction..... 1
 - a. Effectiveness, equivalence and transparency 1
 - b. The life of an organization and dynamicity 2
- 2. The circle 3
 - a. Authority to those who associate together 3
 - b. “High” vs. “low” and circular hierarchy 4
 - c. Every circle has their own piece 6
- 3. Internal structure of a circle 7
 - a. “Content roles”/operational roles 8
- 4. Nested Circles and linking 9
 - b. Nested circles and domains 10
 - c. Double linking and flow of information 11
- 5. Kinds of circles 12
 - d. Basic circles in a sociocratic organization 12
 - e. Specific circles 15
- 6. Kinds of patterns 15
 - f. Variety and dynamic structures 15

1. Introduction

a. Effectiveness, equivalence and transparency

Effectiveness: What we do makes a difference

Equivalence: Everyone’s voice matters. This does not mean we are all identical or equally persuasive. It does mean we exercise “power-with” rather than “power over.”

Transparency: We work openly. No back room deals, secret ballots or private information. Meeting minutes and budgets are accessible to all in the organization.

How can we organize ourselves so that we can support our values of effectiveness, equivalence and transparency through our organizational structure? Sociocracy operates from the assumption that people are capable of making decisions for themselves. Even more than that, they will also be more invested and intrinsically motivated when they make



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their own decisions. This will make the circle's work more effective, as everyone is invested in the circle's success. No decisions that are in the domain of the workers in a circle can be made by anyone outside the circle. There is no one ruling top-down.

We make decisions in a circle with those with whom we work and interact with. Human connection is the basis for all collaboration. True collaboration works best when we show up as complete human beings, with our values, sense of purpose, our struggles and our history. The more we share about ourselves, the better we learn how to work together effectively. There are no secret meetings. We can be heard on any level and can hear what other circles are deciding. Transparency, effectiveness and equivalence go hand in hand.

How we make decisions matters



b. The life of an organization and dynamicity

Dynamicity: the condition of being characterized by constant change, activity, or progress.

Every organization will evolve over time. Some organizations start out as full-fledged organizations, some start out as one circle of people working together. All organizations will go through very similar stages, as they differentiate and mature. What is important is that sociocratic organizational structure is understood as something that is dynamic and is



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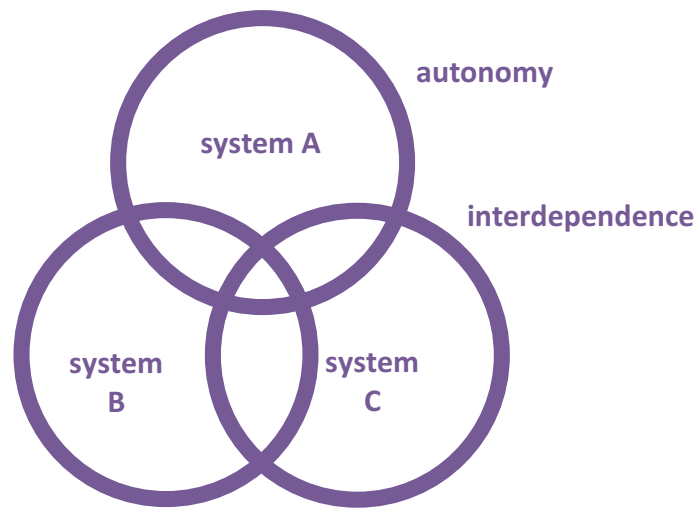


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designed to support work getting done. Nothing in a circle structure is implemented without a reason. Structure and organizational “overhead” will grow and adjust with the organization. A Sociocratic organization can be 3 people small, or ten thousand people large but it always follows the same principles, like a fractal (fractals: a repeating pattern displayed at every scale). That way, grow or shrink, a structural framework for evolution is already present.

How the organization is structured is a decision that is made by the circles themselves. Like a living organism, every part of the system is semi-autonomous and interdependent. Any part of the system can grow and adapt on its own.



2. The circle

Working circles are the heart of every organization. In the working circles, all the day-to-day work of the organization is performed and regulated.

a. Authority to those who associate together

The members of working circles are, at the same time, the policy-makers and the workers in that circle’s operational domain. Sociocracy translates to “those who associate together govern together”. This sounds innocent but it has some revolutionary implications. Its presumption is that those who perform the work in an organization are the experts in that work, and that they have the skills and knowledge to govern how their work is being done. No bosses or outside experts are telling them what to do. (Obviously, they will get help and information as they see the need).

Power is distributed with the work. As many decisions, as possible are made at the most specific level of the organization. That way, any specific circle will be dealing with the specific decisions for their level. For instance, if a pastry-makers unit circle is linked to a



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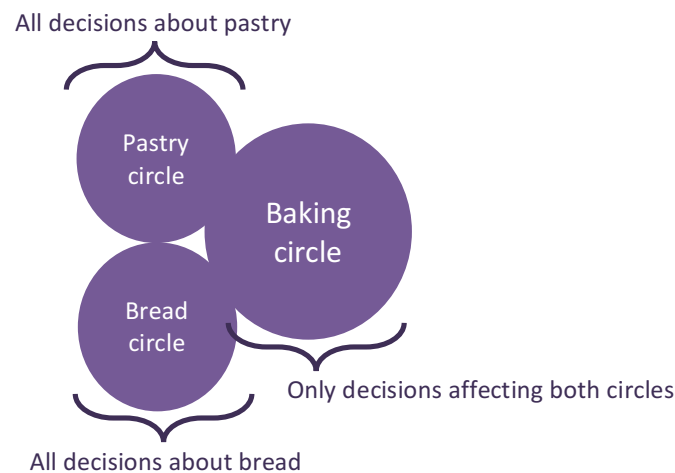
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broader baking circle, the pastry-makers circle will make as many decisions as possible. If the pastry-makers circle needs new equipment, they do not need baking circle's approval. The pastry-makers circle makes that decision themselves, budget permitting. Only decisions that involve the domains of other circles (for instance shared equipment or spending beyond budget) are made in the broader circles.

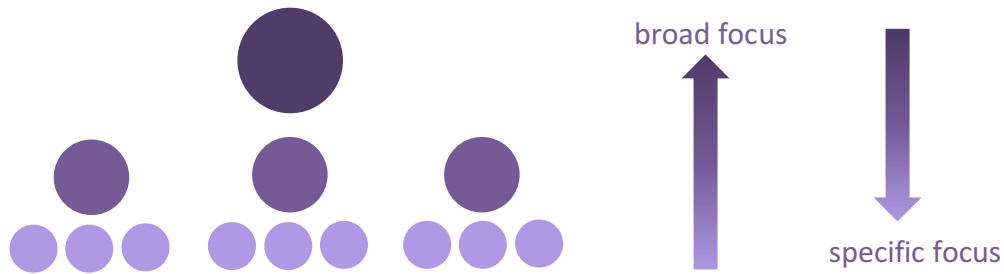


Distributed power has many advantages. A system with distributed power will be nimble and resilient, and carry only a small risk of abuse of power. Workers will have a high level of commitment because they are taking full responsibility. No one will be forced to do anything they see as unnecessary because everyone in the circle will have consented to the policies that govern their work.

b. “High” vs. “low” and circular hierarchy

In talking about circles, we may describe how they are linked to each other. In sociocracy you will hear terms like higher and lower circles, broader/wider and specific/focused circles, up-circles and down-circles, parent and daughter circles, super circles and sub-circles. Some terms trigger in people the fear that sociocratic organizational structure is a power-over system. There is hierarchy in sociocracy - not in the sense of power-over – but in the specificity of domains. The domain level of the shop floor is very specific, while a Board of Directors /Trustees does work that is very broad in scope.

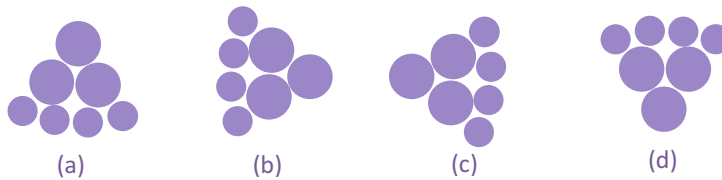




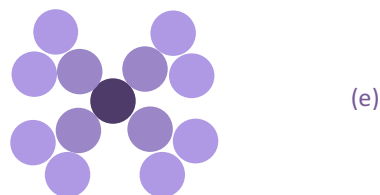
Almost every way of wording has some advantages and disadvantages.

Whatever your preferred wording, here are three things to keep in mind

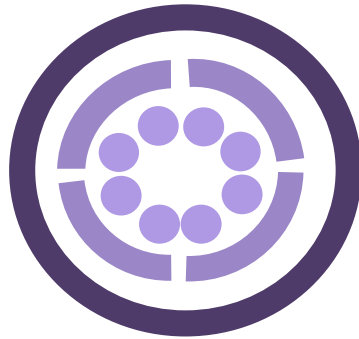
- Every organizational structure can be drawn in different ways. The two structures below (a)-(d) describe the exact same set-up for an organization, some looking more hierarchical, some less so.



We can sometimes avoid hierarchy with drawing a more circular structure (but even that comes with connotations, *periphery vs center* etc.).

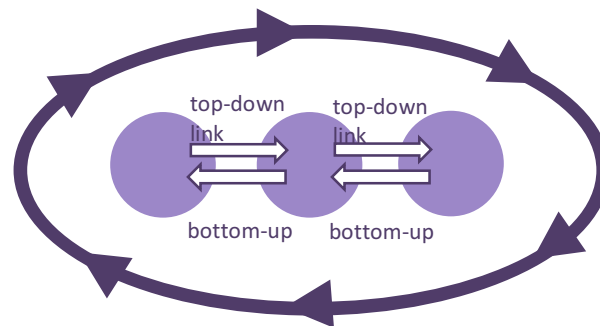


More for the sake of open-mindedness, another visual representation would be to show the most powerful, specific circles in the center. The downside is that the next-broader circles are not circles in the drawing. Despite looking very different, (e) can mean the same as (f): department circles (medium purple) with two sub-circles (light purple) and one circle (dark purple) connecting them!



(f)

- When wrestling with terminology around power and hierarchy in sociocracy, we often use the term *circular hierarchy*. What is meant by that is that each circle has a top-down and a bottom up relationship at the same time (see *double linking* below), which leads to circular hierarchy:



Circular hierarchy

- Another aspect to keep in mind is that how we name the circle layers only refers to how specific the circle's work is. It does not make any assumption to interest, capacity or intelligence of the circle's members. In a sociocratic organization, an individual may be part of a very specific circle and a very broad circle. The individual may fix garden carts and at the same time be part of a circle that does long-term planning. The point is that the circle that oversees carts has very tangible, specific work, *while* a board circle deals with less tangible tasks.

c. Every circle has their own piece

Domain: a circle's area of activities and decision-making authority.

For people who are new to sociocracy, there is typically this moment when they accept that every circle makes decisions within its domain. And then they realize that has implications. If decisions within a circle's domain can affect others, then might that circle make a decision without my consent that affects me and that I don't like? Yes, a circle makes decision within their domain of authority, and that can have impact organization-wide. For instance, a



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membership circle might determine membership fees. In that case, they have authority to determine the membership fees for the *entire* organization. In the same way, a circle that oversees the roads in a community maintains the roads for everyone, not just for the members of that oversight circle. This requires quite a bit of trust, and that trust has to be earned. Trust can be earned through transparency by keeping the wider organizational community informed of upcoming issues and past decisions – transparency. Trust can be earned by gathering feedback from those that will be affected by a policy before a decision is made and when reviewing a past decision. Trust can be earned by quality work. When trust is achieved, then the organization runs like a machine with many small self-controlled gears (as opposed to a machine controlled by one big gear in the center). Think of it this way: you cannot, at the same time, be a member of the food coop and the growers coop and the transportation coop and the building coop and the widget producing coop and the other hundreds of coops it would take to organize human activity. You won't get much done if everyone must consent to everything. In that context, you likely wouldn't even get consent on what should be on meeting agendas! We all have opinions on everything, but we would be exhausted if we actually had to give our opinions about everything. We need to learn to delegate and accept that we will not always get our preferences. In a well-running organization with open feedback loops, trust and compassion are the grease on a busy machine, and more can be accomplished than one person's mind could possibly hold.

3. Internal structure of a circle

With every circle being its own little organism, all circles need some internal structure to function well. Every circle has a leader (top down link) and a delegate (bottom-up link). It will require a facilitator and a secretary to do its work. It will also need a meeting schedule. Meetings can be once a year, every day or anything in between, depending on the nature of the circle's work. You can find more info about "process roles" and what elections look like in sociocracy [here](#). Here is a brief overview.

- A circle leader is paying attention to the circle's operation. What needs to be done, who agreed to do it, how does all the circle's work come together?
- The circle facilitator plans and manages the circle's meetings. The facilitator plans the agenda with input from the leader and the secretary, and guides the members through the agenda items according to sociocratic principles (no one ignored). Leader and the facilitator are separate roles because facilitation and overseeing operations are separate skill set. (The two roles can be held by two different circle members or by the same individual.)
- The delegate is selected by the circle to represent the circle in the next "higher" circle. This creates a double link between two circles (see below).





- The secretary takes notes during the meeting, makes sure the minutes are accessible to everyone in the organization, and maintains the circle's records. Bigger organizations will choose to have a logbook keeper who keeps the records and the current policies in one central place so they can be accessible.

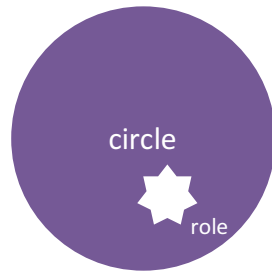
How does having those process roles support the values of effectiveness, equivalence and transparency? All roles with defined area of responsibility and hand-offs between roles serve effectiveness. A leader can contribute significantly to the circle's effectiveness; policy decisions are made by the whole circle and these policies guide those serving in process roles. Equivalence is also embodied in the idea of a double link: we increase the chances of people being heard when we have a second person forming a link between circles. Open meeting minutes and accessible records help ensure transparency.

a. "Content roles"/operational roles

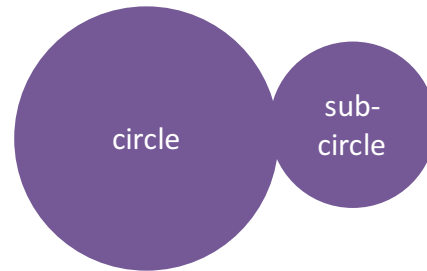
Almost naturally, circles will choose to define what we call content roles: parts of the domain of the circle that are overseen by single circle members in a role. For example, machine maintenance might be in the domain of a circle. That circle may then assign responsibility for copy machine maintenance to one member and furnace maintenance to another member. This supports effectiveness because we do not need to involve every circle member in decisions about routine tasks or operations about which they have little information. Ideally, separating out some areas of responsibility will give the circle some peace of mind and reduce the work load in meetings. The aims and domains of the content roles will be set by the circle, and the holder of the content role will operate according to circle policy. It is a good idea to have some system that creates redundancy (e.g. a second person who knows how to fix the snow blower!) so we do not depend on single individuals. It is important to have a good balance between individual content roles and collective circle work. When everything is separated out into content roles, circles lose coherence. Circles give individuals a sense of belonging and are a place for mutual inspiration and companionship. On the other hand, we do not want to overwhelm a circle, so having some content roles will support the circle in managing their own work. It is up to the circle to decide how they balance delegation of content roles and circle.

What is the difference between content roles and sub-circles? Both strategies, creating content roles and forming a subcircle, help manage the work load of a circle by separating out responsibilities. The difference is that when a circle decides to create a subcircle, the operations and the policy-making are going to be in the subcircle. For a content role, policy-making remains in the original circle.





*Content role within a circle
(policy made in circle only)*



*Circle + sub-circle
(both circle and sub-circle make their own policy)*

A simple example would be a baking circle that focuses on making bread. They now start making pastry as well and they purchase a special machine for that. They might choose to give oversight and operations to a pastry person among the bakers. That means, one of the bakers will now be in charge of the special machine and will make pastry within the baking circle (and maybe alongside with making bread). Let's imagine the pastry part of the enterprise is successful, and more pastry business comes along. The baking circle might get overwhelmed in managing pastry, as there is more attention that needs to be paid to that. There might be more machines, a different time schedule, a separate area in the shop etc. At some point the baking circle might decide to form a pastry sub-circle. Now pastry circle makes policy decision in their domain themselves, and they manage all their operations. They also have their own meeting schedule, process roles and so on. This will only be decided if there is enough work to justify another circle with its own overhead. There will be a double link between the super-circle and the subcircle for flow of information.

Another example might be a membership circle that wants to put some effort into outreach. They might ask one person within the membership circle to coordinate outreach efforts. If this proves successful, and more work is happening in that area, and it is a direction the circle wants to pursue, then they might decide to form a separate outreach circle that meets separately, makes its own policy in the domain of outreach. How exactly the domains are defined so that there is no overlap and no gap between the two circles is in the responsibility of those who decide to form the new circle. You can think of it this way: a content role is a bit like a specialized room in a house, while a new circle is more like its own attached house with its own infrastructure (kitchen?) and house rules.

4. Nested Circles and linking

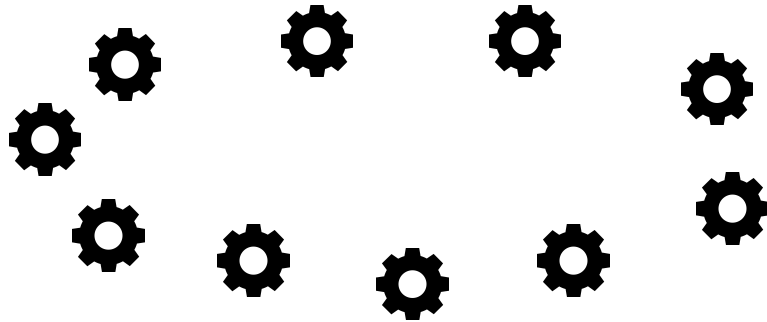
We showed how in sociocracy, as much authority as possible is distributed into small circles. We end up with a picture like this, where every circle is doing their thing, guided by their own policy.



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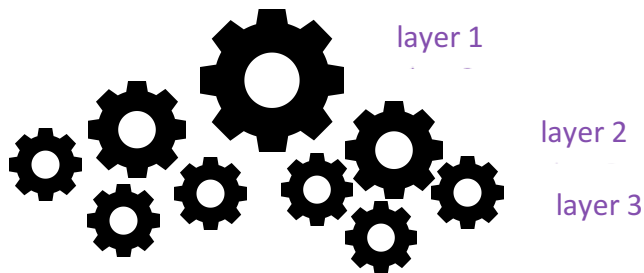




While this is great in how much gets done, how will the circles know about each other? What we need is a way to connect the circles. Like in many other organizations, this is done through nested, linked circles.

a. Nested circles and domains

We want to create a system of circles where all circles are connected with each other. Although there can be varieties of patterns (see [below](#)), the most used is one of layers/layers:



The domains for these circles are nested, i.e. a subcircle is responsible for one part of the domain of its mother circle. In the diagram below, domains are color-coded. The mother circle is responsible for a large domain and passes two domains on to sub-circles.

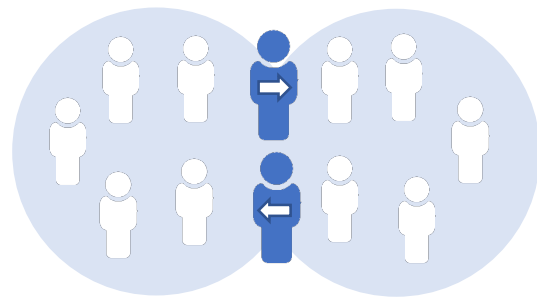


Be careful to design a system where every layer makes sense and are not just intermediate levels. Intermediate levels might just be supporting flow of information between sub-circles, or they might have operational and policy work of their own. This is a subtle difference, but it might become an issue when there are intermediate levels that don't seem to have a reason to have circle meetings because they do not have any "business" of their own. In (b), the "blue" part lies within in the mother circle's domain while two parts are being passed on into sub-circles.

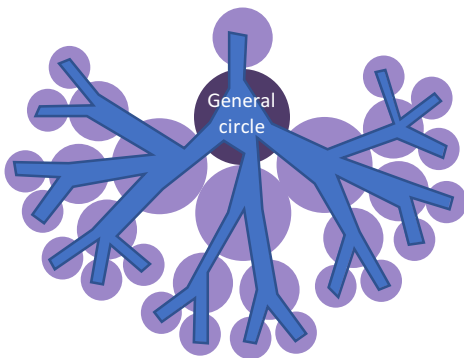
b. Double linking and flow of information

Circles are connected by at least two people serving in the roles of leader and delegate. We create a link in both directions, bottom-up and top-down. This has already been mentioned above when we talked about hierarchy. What we get when we have both links is *circular hierarchy*. It is not only top-down and not only bottom-up but *both*.

That still means that there is hierarchy, in the sense that different layers of circles pay attention to different levels of specificity. The decision-making method of sociocracy is consent on all levels. That means that there cannot be over-powering of a super-circle over a sub-circle since the lower circle has two members that are members of the higher circle,



each making their decisions by consent. Any one member could object to any proposal which means that the higher circle cannot make a decision that everyone in the lower circle is against.

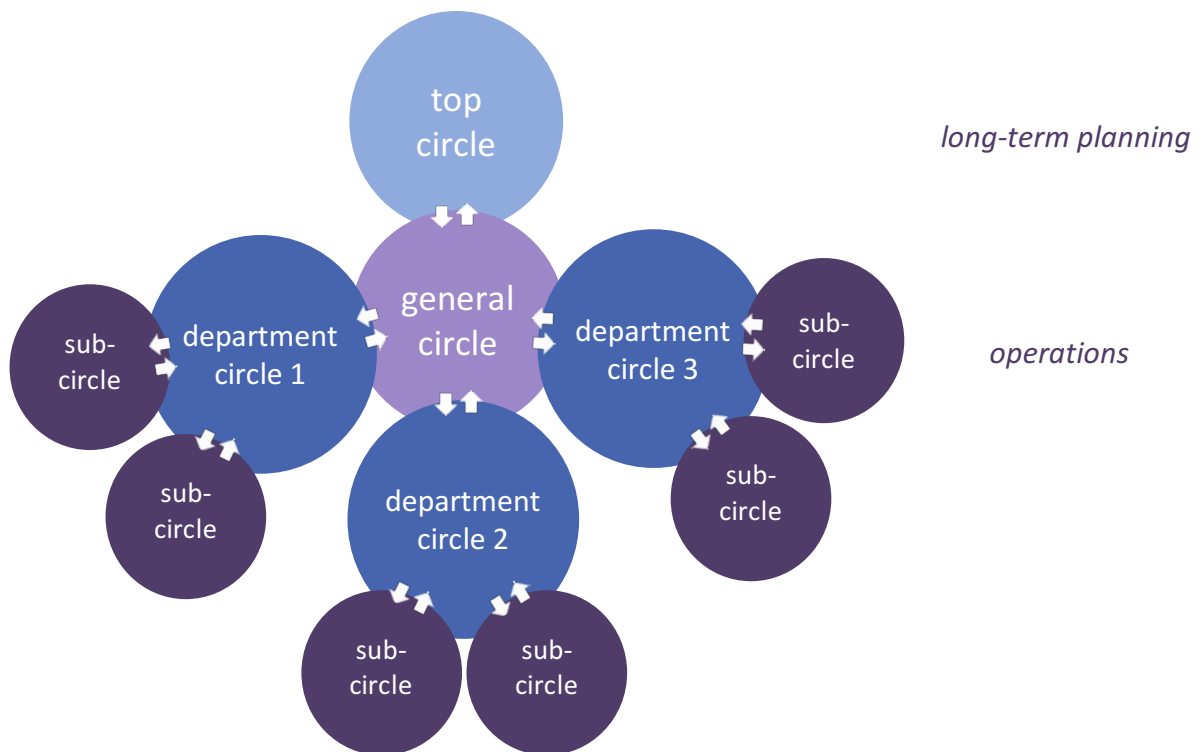


Thus, hierarchy is not about power-over hierarchy but about stratification of specificity. Double-linking, applied in a bigger organization, creates a flow of information in all directions. We need this flow of information to make sure everyone and everything works well together. The leaders and delegates also serve as a filter – no one in an organization can (and wants to) hold all the information from all the circles. Only what is relevant is passed on so we can focus on what's important.

5. Kinds of circles

a. Basic circles in a sociocratic organization

One can run a Sociocratic organization with one circle. As soon the work needs to be more differentiated and/or the organization grows, we go into a more complex structure. We describe the most generic set-up here and describe some special circles in the section following this.



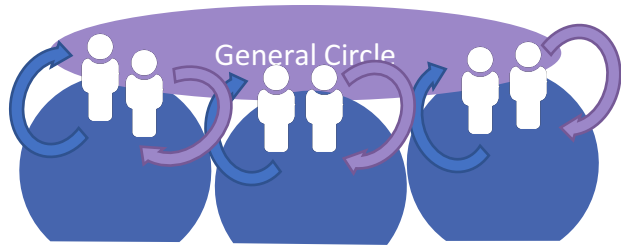
You are already familiar with the level of department circles and its sub-circles. In this diagram, there are three department circles. Any number between 2 and 6 will work, although 3 or 4 seems to be the ideal. Any department circle can have sub-circles. In this diagram, every department circle has two sub-circles, but this is arbitrary. One of them can have 7 sub-circles, or none, or anything in between. There is no reason for them to have the same number of sub-circles, it is only determined by the department circle and their needs. It is not shown in the diagram but any sub-circle can have sub-sub-circles, going down to any level of differentiation that might be needed. (In a new implementation, err on the conservative side and do not start sub-circles until you need them. Work has to drive the formation of sub-circles, not the design board.)

You can see the double link between every level, which is always a leader as top-down link and a delegate as bottom-up link. Let us look more in detail at what this means for the

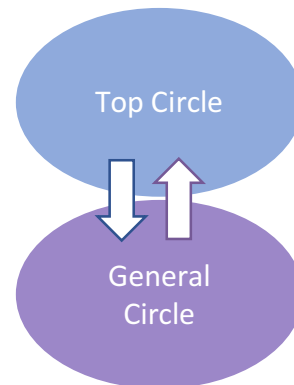




General Circle (GC). The GC is the center of the flow of information for the operational level. (Note: that does not correlate with power. As a matter of fact, there can be GC that do not have authority to decide much at all because all authority lies in the department circles.) The General Circle consists of the leaders and delegates of all department circles. Every department circle has one leader and one delegate. With three department circles, this makes 6 people in the general circle (plus additional members from the top circle, see below). The GC holds the department circles accountable and supports them as a peer support. Imagine you are the leader of a circle. You want to have someone with whom to reflect on your circle, next steps, how things are going etc. You will have the opportunity to talk about that in your General Circle. More than that, it is where the information gets shared. What are you working on? What does Department Circle 1 need to know about Department Circle 3? How can we support each other? Although the roles can blend into each other in reality, the idea is that the delegate reports from the department circle into the General Circle, while the leader – besides their other tasks of leading the circle—take the information from the GC into their department circles.



The top circle (TC) – or any other name you want to give this circle – is a circle that can be compared with the board of directors. A top circle does long-term planning and makes sure the organization stays true to its mission and aim. The top circle does big picture thinking, while the General Circle focuses on operational day-to-day coordination. The TC includes outside experts, often from the legal domain, from a related organization and someone who knows the field well. For instance, a producer coop might have someone from the local food coop on their board, someone from a cooperative development fund, someone from a different worker-coop in the area and whatever makes sense in their context. A cohousing community might have someone from related non-profits in their area on their board, maybe someone from the national cohousing association, a community in the area, and a governance or permaculture expert etc. On the Top Circle level, it is the organization’s opportunity for mutual influence between the outside world and the inside of the organization.



Double link between TC and GC

There are some important differences between a board and a top circle. One is the fact that a TC, like any other sociocratic circle, operates by consent. There is no out-voting/out-numbering board members in sociocracy. One objection from anyone in the top



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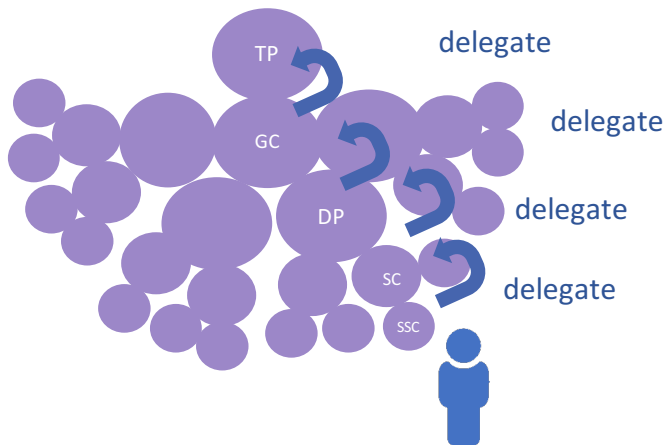


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circle would require addressing the objection and finding a solution together. The other is the double link. There is flow of information in both directions.

The top-down link between TC and GC is the operational leader, or Executive Director or CEO. The bottom-up link is the delegate from the GC. Note that the delegate will be a leader or delegate from one of the department circles. This could be even be a member of the most specific layer of the circle structure:



The double link is more than just being heard on board level. With consent as the decision-making method, workers cannot be ignored. Looking at how the management level is made up from workers, sociocracy is more than giving workers a voice in the management. The workers *are* the management. In the Netherlands, sociocracy's country of origin, companies are required to have a union protecting workers' rights, By law, sociocratic companies are mentioned as companies that can get this requirement waived. When workers are running the organization, and the decision-making method is consent, workers do not need to be protected because they are the center of all decision-making anyway.

Helping circles are ad hoc circles that are only temporary. They could be created to do research and report back to its mother circle or to manage a temporary project. The helping circle has a clear domain and aim which it receives from the circle creating the helping circle. The mother circle would typically select the helping circle's leader and ask the leader to convene the circle. No circle can be without a clear mandate and leadership.

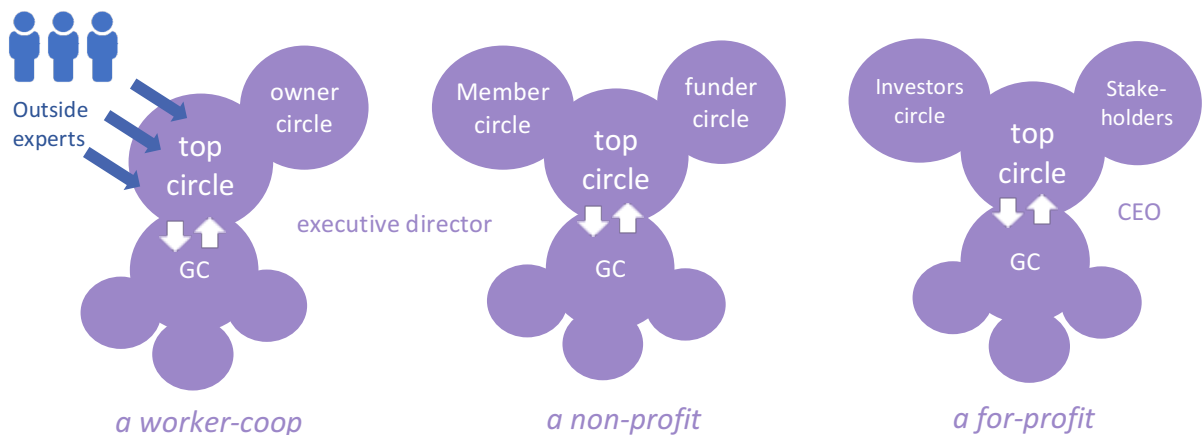


b. Specific circles

So far, we have seen that any full implementation in a Sociocratic organization is more or less the same. There are layered work circles with varying levels of specificity, the General circle for mutual support and flow of information among the department circles and a top circle for long-term planning. The sociocratic circle structure is adaptable.

A useful addition to this structure can be made on the top circle level. Think of it not so much about power, but more about information and collaboration. Who do we want represented on the top circle? Whose input will be valuable? Individual “outside experts” may be recruited to serve on the Top Circle as is typical in any standard Board of Directors. There may be a class of people who could be represented on the Top Circle. A nonprofit may have a general membership or a funders group who selects a delegate to the Top Circle. A for profit may have representation from the shareholders. A worker owned coop may have representation from a worker owner’s circle where those representatives consider the needs of the coop from their perspective as owners rather than as workers.

Having investors or funders or outside experts may trigger fear that they could take over the organization. We cannot say this often enough: investors or funders or outside experts, like anyone else who serves on the top circle, participate in consent decision making. They cannot control the organization by majority rule voting.



The vision for interlinked top circles is that all cooperative organizations can influence and support each other, to everyone’s benefit.

6. Kinds of patterns

a. Variety and dynamic structures

The sample structures shown here are structures that are tried and tested. If you want to benefit from the clarity and connectedness of a Sociocratic structure, then double-linked, nested circles are a good start. The advantages are:



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- Transparency
- Clarity: every topic is in a domain
- Aligned purpose: each individual circle's aims contribute towards aims of the whole organization
- Linked Circles and linked organizations can influence each other for learning and support
- No one's voice is ignored
- Everyone in the organization can find the level of involvement and specificity that works for them

What is important to remember is that the organizational structure has to serve the people who work within it. Do not consider the circle structure as something that is set in stone. The structure adapts to you, not you to the structure. How do we know when it is time to make change in the circle structure? Here are some typical signs that it might be time to change:

- When a circle has more than 7 people, it might want to form a subcircle (this depends on the nature of the work – circles where everyone spends a lot of time together doing the same thing can be large).
- When a circle feels overwhelmed with the level of detail it deals with it may want to redefine its domain and work load so that not everyone has to monitor everything.
- When there are many agenda items that only affect some fraction of the workers. The expectation is that most agenda items are relevant to all circle members. If that is not the case, the circle may want to delegate some subjects to content roles or sub-circles.
- If you have difficulties filling the membership of circles, or if circles don't seem to have the drive it takes to run sustainably, there might be a mismatch among circles, workers and work load.

When you form a subcircle, the mandate/aim of the subcircle must be clear, along with determining who will lead the subcircle and be the first link (later double link) with the mother circle. If you form a subcircle without being clear about who is responsible for convening and managing the circle, then chances are the circle will fade away. If, for whatever reason, you have a convener but no link (for instance if the convener is not part of the mother circle), it will be hard for the mother circle to keep the pulse of that subcircle. If the aim is not clear, then it is likely that the circle will not be able to deliver results but instead spend its time wondering or arguing about what they are supposed to do. Insist on the subcircle having a full-fledged internal structure with a leader, facilitator, delegate, secretary and meeting schedule.

Below is a complete, example organizational structure in a generic form for your reference.

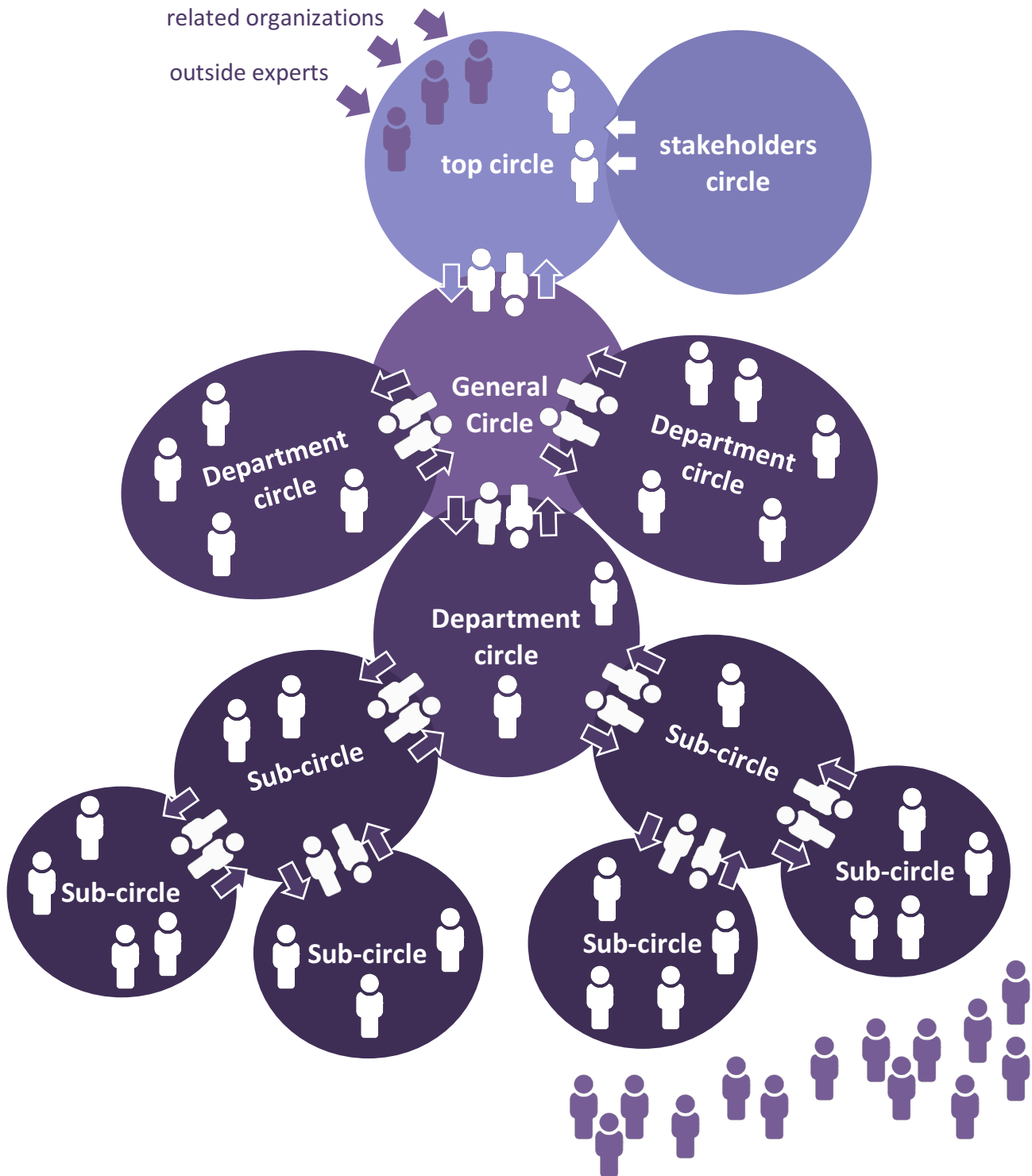


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