Sociocracy 3.0
And Decision-making in Codento

Karoliina Luoto & Anu Takala · Codento · ScanAgile March 14, 2018
**S3 - short terminology**

<table>
<thead>
<tr>
<th>Circle</th>
<th>An equivalent, semi-autonomous &amp; self-governing group of people collaborating to account for a domain</th>
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<tbody>
<tr>
<td>Driver</td>
<td>A person's or group's motive for responding to a specific situation</td>
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<tr>
<td>Role</td>
<td>An area of accountability defined by a domain and assigned to an individual</td>
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<td><strong>S3 seven principles</strong></td>
<td>The basic ideas that or rule that explains or controls how something happens or works</td>
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<tr>
<td>● Consent</td>
<td>Do things in the absence of reasons not to</td>
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<td>● Equivalence</td>
<td>Involve people in making and evolving decisions that affect them</td>
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<td>● Accountability</td>
<td>Respond when something is needed, do what you agreed to and take ownership for the course of the organization</td>
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<td>● Continuous improvement</td>
<td>Change incrementally to accommodate steady empirical learning</td>
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<td>● Transparency</td>
<td>Make all information accessible to everyone in the organization, unless there is a reason for confidentiality</td>
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<tr>
<td>● Effectiveness</td>
<td>Devote time only to what brings you closer towards achieving your objectives</td>
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<tr>
<td>● Empiricism</td>
<td>Test all assumptions through experiments, continuous revision and falsification.</td>
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Most important meeting patterns
To ensure fluency

- Facilitator
- Scribe

In the most important decision points, visual check on agreement

Worries are important information

Object only when you feel it is harmful to proceed with the suggestion
S3 is **bigger than just decision-making practices**, but since this is the part Codento now uses, we’ll focus on it.

Driver: Explaining S3

Evaluated: March 14 around 14:05

Accountables: Anu Takala and Karoliina Luoto

**Driver**
The people in this room do not have a shared understanding on Sociocracy 3.0 or how it works in practice. Some way of sharing knowledge is needed.

**Proposal Text**
Karoliina and Anu will explain the basic S3 decision-making patterns. To get a feel of how it works, the session will also be facilitated with S3 tools.

**Evaluation Process and Criteria**
At the end of the session, we will see if the room feels the driver is solved. This will be measured by consent.
Karoliina Luoto

Lean agile consultant
Facilitator of culture circle and member of tactics circle
With a change leadership and product development background

Anu Takala

Lean agile consultant, project manager
Member of culture and method circles
Experience in cultural changes (Agile and DevOps transformations) and product/software/IT development

Codento

35 employees ja 15 contractors developing software and ways of working
Sosiocracy 3.0 and Codento

1. Codento’s story is the usual: growing company with no formal organization structure, rising need of middle management
2. Teal + engineers who like methods = ?
3. In Christmas 2016 James Priest and Lili David facilitated a company-wide 3-day bootcamp
4. Years 2017-2018 have been about adopting S3 patterns for decision-making
5. During this time Codento has grown from 25 to 35 persons
Teal…

…and Sosiocracy 3.0

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Sosiocracy 3.0 - What is needed from me?

• Ask help
• Ask for feedback

Artful participation

*Is my behaviour, in this moment, the greatest contribution I can give to the effectiveness of this collaboration?*
How is this materializing in your organizations now?

Photo: Karoliina Luoto
Drivers aka common goals
In the centre of development

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Drivers are refined from Tensions

Notice Tension
Describe situation: what’s happening, what’s needed?

Understand Driver
Can this help or harm the organization?

Qualify Driver
Is the description of the driver clear enough?
Is the driver relevant for us to respond to?

Consent to Driver

Decide
How will we respond?

Act (or schedule for later)

Drop (or refer to another domain)

Delegate
Whose domain of accountability is this?

Drop it

Individual Accountability

Those Accountable for the Domain

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Circle, role and agreement
Possible actions to solve a driver

1. **Action**: Do it yourself

2. Circle

3. Role

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How does this feel as an idea for organization?
Circles in Codento — Now

Weekly circle is the topmost decision-maker
Other manifestations of S3 in Codento

1. Transparency of decisions for everyone:
   • Drivers, circles, circle facilitators and members visible in wiki
   • Circles’ Trello boards open for everyone
2. Biggest decisions made or informed in weekly circle
3. Drivers inspected in company-wide workshops, 2-3/y
4. S3 essential part of organization introduction for new people
5. Under construction now:
   • Better visibility to financial data to help peer decision-making
   • S3 facilitator circle for even more composed meeting work
Biggest learnings
So far

1. S3 is a great way to ensure the whole company works on most pressing issues - it distributes decision-making and development work & pulls in people who traditionally have been left on the outskirts of decision making

2. Change is a bit distressing, and that’s okay - we are in it together and we are allowed to be humans, still

3. S3 recommends pulling new patterns only by pressing needs - don’t fix what is not broken
So, how do we feel about our driver now?
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Further reading on Sociocracy 3.0

http://sociocracy30.org/
Thanking you for your attention!

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Picture credits: Heather Aitken