



## **Conversation with Ted Rau**

**Ashley Hopkinson**

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**Ashley Hopkinson: Can you introduce yourself and tell me a little bit about what you do?**

**Ted Rau:** I'm one of the co-founders of Sociocracy For All. I encountered sociocracy when I moved into an intentional community in 2012 that is using sociocracy and have since worked with a lot of clients and students and organizations that use sociocracy. So we support them in finding sociocracy, learning about it, practicing it, and using it in their own organizations.

**Ashley Hopkinson: Can you share more about what brought you to sociocracy? What led you to want to be a part of founding an organization like this?**

**Ted Rau:** The biggest piece for me was just seeing how sociocracy felt in that community that I lived in. I was like wait, this can be done. This is not how other organizations functioned. Other organizations were not as enjoyable as this is. So whatever this is, I need to understand and tell other people about it.

This might be a little of a crazy thought for some, but imagine you encountered a cure for a disease or something. You would also feel that urge of like, wait, we could cure this? Let's tell people about it. So very much like that. And if you think about how many people suffer in their organizations because they're not being heard or because just decisions are not made in a respectful manner, that's sucking a lot of life energy out of these people. So the joy and the connectedness that I felt in meetings was the flip side of the suffering that I saw. So it's translated into (my) responsibility to share.

**Ashley Hopkinson: Responsibility to share, I like that framing. Can you define what sociocracy is and talk to me a little bit about the work you do and how you see that work making a difference?**

**Ted Rau:** Sociocracy, it's a governance system, so it helps us make decisions and decide who decides what. Ideally, in an organization, not everybody's involved in all the decisions because otherwise, you're going to talk about who has to fill the printer or whatever with paper. So there has to be some division of labor, but then how do you make sure that people are heard on decisions that they're impacted by and that they have some expertise in? ...Sometimes I talk about it as the plumbing or the wiring between the people and the people on the project and the decisions to make it all work.

So as a governance system, sociocracy comes with three parts. One is how do we decide? And the main decision-making method in sociocracy is what we call consent. That's where in a group of people we don't talk and talk and talk until everybody says, "Oh yeah, that's exactly what we should do." And everybody's convinced and persuaded, but we talk until a decision is good enough. It's kind of a pragmatic choice to focus more on doing and less on hypothesizing and convincing other people. So we move forward when there's no objection, that's consent.

The second part is who decides what, and it's a distributed decision-making system. So typically what happens is that we have individual groups that we call circles, so committees and they hold a particular area of decision-making in the organization.

For example, a website (so a website circle, let's say this is four people. They make the decisions about the website and they have nobody ruling into that area of decision-making because they're it. So in a way that leads to a system where all the decisions are made somewhere, but there's no one boss that can decide everything or even override other people's decisions. But there's a particular way of connecting that. So for example, let's say we have a communication circle that then will have a sub-circle for the website and a sub-circle for social media and social media that might have a sub-circle for Instagram and a sub-circle for (something else).

The way they're connected is that, let's say you have an Instagram circle, two people from the Instagram circle will also be members on social media circle and two people from social media circle will also be members of communications. So that way we have the whole chain well-connected and everybody really knows what's happening.

In addition, that's the third piece; there is a lot of the system that can self-repair because every circle can decide the decision-making power of the circle underneath. So they're basically being granted that area of decision-making from the people in the circle "above them" so that we can flexibly change locally who's deciding what.

So for example, if the Instagram circle decides that they also now want to do another platform, they could ask in social media and say, "Hey, we are also willing to take on another one." And social media circle can say, "Oh yeah, sure." So they just make sure that it's aligned and that everything is well-connected. They don't tell other people what to decide. They just make sure that everything has a place where it can be decided and that distribution of decision-making areas make sense.

**Ashley Hopkinson: And how have you seen that distribution of decision-making make a difference? When you walk into a space and you're like, okay, sociocracy is at work here. What do you notice from people working within this circular way?**

**Ted Rau:** So you walk in the organization, the people who you meet would already be the people who are the decision-makers and the doers. So they are not only doing the things but they're also empowered to make decisions about those things. So you would not hear phrases like, "Oh, I can't decide that. Let me ask my manager." That is not a phrase that ever happens in a sociomantic situation because you're it.

You've already been empowered in your role and as a member of the circle to make certain decisions. What might happen is if they say, "Oh, let me check with this in that circle because there might be some impact on them," but that is not that you have to ask them for permission, it's just that you check for feedback to make sure it's also going to be aligned with what they do.

Another piece is that decision-making then happens in a way that really all the voices are heard. For example, one very practical thing that you would notice if you walk into a meeting is that they talk in rounds like the good old, several millennia-old circle practice of everybody speaking one at a time until everybody has spoken. And that way people are heard the first time, people know that their voice matters.

People can bring all the ideas that they have and the decision that we'll make based on that will already hold all of those different perspectives. So people tend to be more invested in the decisions because they were part of it. The decisions tend to be better aligned with the actual work because the workers are there making the decisions and there's typically more responsiveness as in, again, you don't have to go ask somebody else and go up the chain of command because you can already make the decisions locally.

**Ashley Hopkinson: Where do you see successful work towards this being done? Is anyone actively doing this in governance in a way that is tangible that you've seen? Do you have a case study that**

**you could share that illustrates sort of sociocracy at work so we have something to sort of ground with it?**

**Ted Rau:** So sociocracy is used in hundreds of organizations by now. I'll go to case studies in just a moment, I'll just set the context for it first.

The typical organizations that it's strong in... it's very frequently used in by now are intentional communities, worker-run nonprofits, co-ops, and businesses that care about hearing more of the worker's voice ...a wide variety. That said, I want to pick two case studies.

One is going from a very horizontal and flat organization into something with a little bit more stratification and more structure. I remember talking to an intentional community that ...once a month everybody would come together and make decisions. So we're talking about a group of 50 people. I remember a particular situation, I was actually observing that group because they had asked me for some input. And what happened was that one of the members there was complaining that certain events weren't working for her.

Like she was saying, "when we come together to eat, I can't really hear" because she was hard of hearing and "we don't use amplification for events." And so she kind of had a whole array of things, but she's saying, "The way we run things isn't working for me." And what then happens is typically people are like, "Oh, I can work with you on that, I can work with you on this and we can talk about that." But her reaction to all those offers was actually, "well that's great, but I don't think it will really actually address the core issue."

Now she couldn't really put her finger on what the core issue was. And I would say the core issue was that there was not enough agency to change things on an organizational level because somebody can help for an afternoon, or for the event next Saturday, but nobody has the oomph to really change the system so that in all the different places we take care of people who are hard of hearing.

So typically before-and-after in situations like that in intentional communities that struggle with these kinds of issues is that then they institute circles and all of a sudden they have a circle where we can go that then has the longer-term attention that can really look at that.

So I've seen a lot of these before-and-afters of nobody's somehow in charge because we're all in charge, to now we have a circle where we can go and now these things actually move forward. So that's in intentional communities and in co-ops that go from flat to more structured, that's a very, very common experience. A colleague of mine uses a fun phrase showing that before and after, it's a little bit of a joke, but actually there's some big truth to it. And that's the slogan of before sociocracy in

these communities, everybody knows how little we're doing. And then after, everybody knows...because all of a sudden there's so much activity in so many different places.

So that's a very common story... A nonprofit that I worked with that was very hierarchical and was trying to dance the dance between, oh, we're all one big family, and we all like each other. And yet there was an executive director, so they kind of had two parallel systems.

One is where they were all friends making decisions together, but then there was also the formal structure where all of a sudden the boss did have to say, "No, actually you can't do that," or, "No, actually you're fired," or, "No, actually we don't have money for this," and pulling the plug. So they were flip-flopping a lot in their minds of wait, but we're friends, but wait, we're also an organization and they could not reconcile it.

Now in the after the sociocratic system then means that the executive director doesn't just have absolute power and can pull this plug and so on. But it's very clear where those decisions are made and all of a sudden everybody's a decision-maker somewhere, and it's very clear how those decisions are distributed. So now there's more of a system that can hold it and it's aligned with our mutual respect for expertise and our contribution to the project instead of everybody's (working) as a family and then somebody overrules us. So they were able to harmonize it into a system that was really fitting who they wanted to be.

**Ashley Hopkinson: In both of those examples, do you think what specifically made the difference was the practice of working across circles and people having a place to go?**

**Ted Rau:** I would say the fact that they now have a place where things can get decided that's not the top or nobody. If you look at it in the extremes and that the intentional community, everybody decided, which translates to, nobody decides when we're honest, but let's say everybody decides or no one decides, and then the other one is one person decides, and instead we kind of almost forming a stratification in the middle and all of a sudden we have places where that agency can be held. That I think is the main difference. I want to add one other piece to put more clarity on it is that if we have a circle that is making decisions in a certain domain, we ask them also to take in feedback. So for example, the finances circle in my organization changed the way we calculate people's pay.

And so we worked up a proposal and then we asked for feedback and then we took the feedback and we incorporated it, and then we asked for feedback again, and then we made the decision. So although we were empowered to make the decision, it's not that we ignore what everybody else wants and say, "Well we're the decision maker so that we decide." There's still this back and forth between

whoever the stakeholders are...to include their voice. So there's kind of including voices in two ways. One is as decision makers as part of a circle and the other one as people who we ask for input that then we incorporate.

**Ashley Hopkinson: Thank you for sharing that. Given the work that you've been doing for a while, what would you say is a teachable lesson that can be taken from your specific approach to well-being, which in this case is sociocracy and having that shared decision-making power?**

**Ted Rau:** The word that comes up the most for me around wellbeing is the interface with responsibility. When we give decision-making power to a group or an individual, the other side of the coin of the power is the responsibility. And many people have not been exposed to situations where that is the case. So often people want the power and then all of a sudden they're in power and they're like, "Oh crap and I'm also responsible."

So that's a fun one, but then what one has to learn, I remember I had to learn that. That was the hardest lesson for me to embody, in such a system all of a sudden you're responsible. So you can't just say, "Oh, I think this is a crappy decision that you're trying to make, but go ahead." You can't say that because if you see something that's off, you should say it because why wouldn't you? So all of a sudden the whole whining, rolling our eyes, saying, "Look at them," the whole us versus them, actually all of that falls flat.

And you have to constantly ask yourself, how am I a part of this? How am I a part of the problem? This is a line that I love. If you're not a part of the problem, you can't be part of the solution.

So you have to look at your own stuff, see, okay, where's me and my contribution? Where's my team's contribution? Where can I either change the decision or give feedback so other people change the decision or let it go, but then let it go and let people do their thing? But there's not much room for in-between.

All the in-between creates this weird friction and just toxicity in the system that's really backfiring on groups quite a bit. So self-responsibility is knowing what your boundaries are and holding that really well. That's incredibly hard and incredibly vital to the system.

Sociocracy works a hundred times better when people have that and if they don't have it yet, sociocracy exposes relentlessly all those places where people try to wiggle their way out of it and basically puts a magnifying glass on it and then people are exposed to learning that lesson.

**Ashley Hopkinson: I appreciate you saying that because I think that in having a lot of great conversations I've had around well-being economics where it intersects is taking the idea that you have in theory and actually putting it into work, and it takes a lot of accountability for everyone in the room to really work in this more cooperative way. So I appreciate you calling that out because I think that is when the, what's the saying, the rubber meets the road or that's when you really have to live into your values in a way that takes on some personal responsibility.**

**This is a really broad question, but given the right support, I wonder what programs or initiatives would you like to see expand or grow when it comes to sociocracy work. Is there a big-picture vision you have or a dream you have of what you would like to see expand when it comes to this kind of work in terms of having a more democratized way of working and within these spaces?**

**Ted Rau:** My big vision is to change the expectation. So many people are assuming that meetings are just crappy. That's just how life is and that's not how life is. I think you can totally have the expectation that a meeting is respectful, you're heard, you can contribute. It's on point, it's relevant, it's as efficient as you want it. I'm not saying it has to be inefficient. If you want to make half of the meeting chatty, do that. But being intentional about it. I would like to see our expectations raise our bar. It's like you don't have to live with that crappy governance system. You don't have to live in a top-down system. It's not the only way of being effective and then the other piece that is very much related to that is my big-picture vision.

...So I do a lot of facilitation training and sometimes I want to bang my head against the wall because I'm like, why do I even have to explain this? Why does my daughter in high school learn advanced calculus but does not learn how to run a meeting? Why is this not taught in school? Why is this not just obvious by eighth grade? I feel like I'm explaining so many common sense things. It's really burning me out, honestly. It's like we should not have to do this. We should as a nonprofit, not even exist. But I mean that's true for most of the nonprofits.

...So many times when I teach, I have this voice in my head of just like, I shouldn't even be here because this should not be necessary. But I guess it goes together with changing the expectation of our governance systems are ridiculous, obsolete, and people don't know that there's an alternative...it's been ingrained in our thinking that in order to get things done, you need to have a boss. So we all do it and so many people don't even look for alternatives because they just assume that things just have to suck. That's just how it is.

**Ashley Hopkinson: It's actually timely that you went into that because my next question was to ask you about the challenges that you faced in this work, and that sounds like a big challenge**

**that the baseline is missing because one of the definitions around wellbeing is what does it mean to have systems that better serve communities? And a lot of people are challenged by the organizational structure at work. There's a lot of grief, pain, burnout, all these different things.**

**Even with knowing there are alternative organizational structures, what are some of the challenges that you face when you go into cooperatives? What are some things that you actively do to manage those challenges as people navigate alternative ways to work?**

**Ted Rau:** ... We get tripped up in an interesting tension, and it is, so if you implement a system like sociocracy, you have to have that moment of transitioning from the old system to the new system. Your old system is either that you don't have any structure or that you have a top-down structure. That's typically the two situations we walk into.

Now in a, we don't have any structure system, like that intentional community that I quoted. You would have to – with no strong existing system – decide that you want to adopt a system. That gets a little circular because I had a community reach out to me and they told me the following: we need a better governance system and we know it. Everybody in my group agrees that we want to hire you to help us, but we don't know how to make the decision to hire you...you know what happened with that group? I never heard from them again. I've since learned they fell apart.

Let's say they had managed to call me in, I would've still had to deal with the problem of how do we build that first building block? Who decides how we decide and how do we decide how we decide? So I deal a lot with circular things. Actually, I wrote one book called “Who Decides Who Decides?” Because I was so done with that. Who decides who decides?

Basically, it walks a group that is still small through how you make that first step and then imagine you have a hierarchical system. It doesn't actually get much better. The story is different there, but just as tricky because now let's say two scenarios. One is it's a bottom-up movement. The people who were at the bottom of the organization say, "We want sociocracy." Well, it's very unlikely that they're going to be able to persuade their leadership, but let's say the leadership wants sociocracy, that happens too. I have CEOs that read books and were like, "Oh my God, this is what I want." But now of course the people in that system have been in a power-over system so long that they're like, "Oh, that's what he wants now."

And they don't trust, and that makes perfect sense. Why would they trust anything that comes top-down? Like really a leader wants to empower you? There must be something wrong with that.



...So I guess the explanation that I've come to for myself is that it is just such a deep paradigmatic transformation that one has to somehow shepherd along like a nonlinear change. You have to somehow increase just enough cohesion and willingness and buy-in ...in the system that people are able to jump off that cliff in good faith and together that they land in the new system. But it's really hard to transition an old system into a new system...There are a lot of challenges here, and I'm deeply familiar with them all.

The last one, I'll keep it short...on an individual level, we're part of so many systems and beliefs. You can't just say, "Oh, change this one... Change how you show up here." Change how you do that. This whole, how do they think about themselves? How do they relate to power? How do they relate to their own agency? Like you open a whole can of worms.

For example, one small, but actually quite significant thing is that sometimes in for-profits, people are like, "Wait, but what about my title? What about my career? What do I write on LinkedIn?"

And in the beginning I was like, gee, people have problems. I kind of looked down and I was like, I don't care what you put on LinkedIn. That seems like a small problem. But then actually I opened up to that a little bit and was like, right, these people have gotten a mortgage based on their career trajectory. That's what they went to school for. You can't just say, "Oh, sorry, it doesn't count anymore." You can't do that.

So there's just such a broader system of systems that's holding everything in place and if you mess with one part of it, you can't just ignore the rest. So everything is held in place in a way. So those are some of the challenges.

**Ashley Hopkinson: That was helpful. I think organizational structure work feels like something we all want to say, "Of course, I want that. I want organizations where people feel empowered." But the actual working of that, I think it's good to know the issues that come along with it.**

**I also wanted to ask you about external systems because as a society we work in silos and we've got a lot of polarization happening. Do you have any thoughts on how we can develop a more collective vision of well-being, when even within organizations, we're bringing in all this external stuff. For example, you may have socioeconomic issues that come into organizations or race and other equity issues. So how do you manage the push-pull of external system issues while managing internal organization?**

**Ted Rau:** Well, I wish I did. The one thing..and it seems like a small contribution, but maybe there's something deeper here. We're very much aware that what we do in organizations has to be embedded in bigger change. So that goes to societal level changes.

I see organizations as in between people's personal development and then societal with all the things you mentioned, socioeconomic, race, equity, all of that... One mistake, I would call it a mistake that some people make is to say, "Oh, if you would do rounds on consent decision-making, then we're all equals, level playing field, and things like class, gender, race are basically not in the picture anymore."

We're like, "Whoa, hold on. They totally are. You can't just declare them away because you have a new governance system." That's not how this works. So in all the different ways, one has to just see it as one of the parts.

I guess the question then for me is, okay, how do you address that? And all the best we've come up with is (to) point to the other systems and do our job really well and hope that in combination something will happen.

**Ashley Hopkinson: I appreciate that. I think that, yes, you can't live in all of those different spaces, but I was imagining it can be confronting when you step in to do organizational work and you realize a lot of external things are coming in that are just as challenging and are part of the society that we're in.**

**Ted Rau:** Yes, for sure. They're all always there.

**Ashley Hopkinson: What have been some of the ways in which you have found either working collaboratively or in partnerships that might've helped your work with sociocracy? Have you worked across different areas with partners and what value have you found in that?**

**Ted Rau:** We have what we call a sector approach. So to give you an example of that, intentional communities, which I've mentioned a few times now...they're kind of our oldest and most developed sector. I've seen in the last 10 years, in intentional communities from hardly anybody knows it to now, if you look at intentional communities, they're either aware of sociocracy or they're doing it. So there's now hundreds of communities using sociocracy, and that happened in the last 10 years.

Now a similar thing is just lagging behind is happening in co-ops, like in worker co-ops in particular, not so much consumer co-ops but in worker co-ops in North America for sure. And then a few other sectors like that...It's kind of the timeline of a sector is..10 to 15 years and I can see them all kind of crawling or inching along.

..So within the sectors we then, for example, in intentional communities we're very much partnered with all the other players in that system, and in co-ops we started that in cooperative law, for example. We have a bunch of connections like that and the deeper we are already in that sector, the more we look at other people... we're trying to transform the system to make sociocracy not an outlandish choice, but kind of like, oh yeah, this is just what we do.

And that goes sector by sector...sometimes people are like, 'oh, we're a bookkeeping co-op in this state...is there another co-op that does exactly what we do with sociocracy'?

People want to know they're not alone. They would want to know they're not crazy. So that credibility of the system is important, and that is built sector by sector and language by language.

**Ashley Hopkinson: Going sector by sector, is this a part of how you view systems change, is that a fair affair assertion?**

**Ted Rau:** Yes, and then there's also the part that we've already talked about...what needs to happen in terms of personal growth, what needs to happen in terms of societal changes.

For example, there's a lot of strain on sociocracy... if individuals are not ready for it. And there's also a lot of strain on the system...if the equity in that situation isn't such that it doesn't get dragged into the organization. For example, pay policies are tricky. If you're dealing with a lot of inequality around pay, it's going to be really hard to make a good policy internally. In our society there's just a lot of inequality. It's hard.

**Ashley Hopkinson: That is right at the heart of it, socio-economics too. It's like, wait, you want me to be empowered to make decision-making? How does that affect my pay? Thank you for bringing that to the table.**

**Ted Rau:** And what is fair pay? Because if you all of a sudden make a pay policy with more people, with more feedback from more people, then you're going to get into these deep discussions. And it's easy, for example, if the boss makes secret salaries, non-transparently, and everybody says like, "Yeah, sure, the boss is an asshole." Like, okay, great. That's an easy reduction of the story. If now you have the chance to design the pay rates in your organization, you're going to find yourself exposed to the same issues.

It's because there's not one elegant solution that makes everybody happy. So now you have to somehow tweak it and massage it in a way that you want it and design your system. It's not going to be

perfect, but then you have to deal with the feedback in the organization and have that transparent, open conversation about it. So it's quite a feat. Quite a feat.

**Ashley Hopkinson: What energizes you about this work and gives you a glimmer of hope?**

**Ted Rau:** Well, in terms of how we work internally, it's just feeling that sense of belonging and the sense of joy of having agency and togetherness in our decisions. That's fun. So doing the work itself is fun. And the other one is talking to students, clients who tell me their stories about how they were able to transform or notice they had to leave if an organization was not willing to transform and are closer to the organizations they want to be in.

**Ashley Hopkinson: Thank you, Ted. I appreciate your time.**

*Ashley Hopkinson is an award-winning journalist, newsroom entrepreneur and leader dedicated to excellent storytelling and mission-driven media. She currently manages the Solutions Insights Lab, an initiative of the Solutions Journalism Network. She is based in New Orleans, Louisiana.*

*\* This conversation has been edited and condensed.*