# Power and decision-making in networks

# Disclaimer

This briefing is a summary of various resources (listed below). You should not take the information provided here as a given: the concepts and theories we found useful may or may not apply to your network. We also acknowledge that similar theories and concepts appear in systems change, community organising and social change literature.

If you find yourself disagreeing with or questioning some of the points in this briefing, please make a note of it, as there will be an opportunity to discuss during our online session.

## How to use this resource

Reading this document front-to-back may be a bit of an information overload. It might be easier to dip in and out of it according to your interests and current network issues. If you would rather read the whole thing one go - that's also great!

This resource aims to:

- Provide background for your online session on 8th February
- Support you in learning about power and decision-making models in networks and accessing further reading and resources

Below is a table of contents that will help you navigate this briefing. Each section gives an overview of the topic and then poses some questions that you may want to think about in relation to your own network.

We hope you find this useful, happy reading!

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# **1. Introduction**

This briefing introduces the topic of power distribution and decision-making in networks. We have drawn from networks, organisational and decision-making literature to collate a series of models for each topic. This is not a definitive list, as the literature is vast and wide-ranging. We selected a range of examples and resources that should act as a prompt to kick-start your thinking about how your networks may be structured to reflect your desired balance of power and decision-making processes.

This resource should help you tackle questions such as:

- Does my network have to choose between being 'democratic' / egalitarian and getting things done?
- How should power be distributed within a network, and what does this mean for decision-making?

# 2. Distributing power: hierarchy or heterarchy?

Power is "the ability or capacity to do something or act in a particular way." as well as "the capacity or ability to direct or influence the behaviour of others or the course of events". Power can be distributed in various different ways, depending on the aims of your network, its needs, values and activities. So for example, if your network is providing services, power may be distributed very differently compared to a campaigning network. Below we look at different ways of organising power distribution.

## 2.1 Spreading power & decision-making across your network

'Heterarchy' is a term often used to describe the opposite of hierarchy. It is a way of spreading out, or decentralising decision-making rather than concentrating it within an individual or group. Below is a case study examining two contrasting examples of hurricane relief networks, one with a hierarchical structure, the other non-hierarchical.

"We judge networks by how well they solve problems": two examples of hurricane response networks

FEMA and Hurricane Katrina

In 2009, Hurricane Katrina damaged over 90,000 sq. miles of Louisiana and Mississippi. Basic infrastructure such as power, communications, water, transportation was destroyed. The Federal Emergency Management Agency (FEMA) was charged with coordinating federal, state and local agencies in a massive relief effort. They set very optimistic goals: search and rescue operations within a week, restoring power and communications within two weeks and getting basic food and necessities distribution working within a month. The network achieved none of these objectives. They encountered challenges such as: poor coordination, jurisdictional disputes, fraud, waste of funds. Many pinned this down to leadership issues, but there are good reasons to believe that no hierarchical, centrally directed network such as FEMA could have met those expectations.

#### Occupy Wall Street and Hurricane Sandy

After Hurricane Sandy in 2012, Occupy Wall Street converged in Rockaway (Queens), to mobilise their networks to provide food, supplies and shelter for many people in need. Over the next few months, more than 50,000 people volunteered and self-organised to provide meals, shelter and medicine. As time went on, increasing numbers of those involved were local residents. These efforts were not organised by the Red Cross or FEMA, but by an ever-expanding group of network leaders who identified needs and then worked with small groups of others to meet those needs. This was achieved by drawing more and more people in to take action, and when they were ready, to take the lead and responsibility for an unmet need. The network transitioned from providing help with basic needs to setting up local mould remediation crews and a medical clinic.

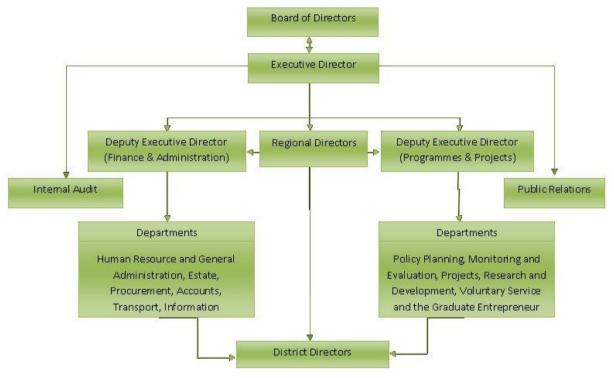
#### Sources:

What are you learning about network leadership? Interview with June Holley Decision-making in very large networks

What factors determined the failure or success of these hurricane relief networks? One way in which power manifests itself is through the ability to make decisions and implement them. In the context of many separate organisations with different goals and ways of working, the best course of action involved spreading out decision-making power among groups carrying out action on the ground. While FEMA had a hierarchical, centralised power and decision-making structure, Occupy Wall Street devolved decision-making power to network members. This is not to say that hierarchy is never the right answer, however networks should carefully consider how they are organised depending on the results they mean to achieve. In this context, allowing people on the ground to make decisions proved to be a more effective model.

## 2.2 Alternative models of distributing power

Most of us are familiar with hierarchical modes of organising: companies are usually structured as hierarchies, where members are ranked according to status and authority. This is often represented visually by company organograms.



Wikimedia Commons

Despite the fact hierarchies are commonly used to organise teams and organisations, they are perhaps not the best way of thinking about distributing power and decision-making abilities within a network. Below we outline some alternative models, and signpost relevant resources where you can find out more.

**Flat organisations:** An organisation with few or no levels of middle management between staff and executives.

**Example:** <u>Otesha Project UK</u> spent six months transitioning to a non-hierarchical structure. From having one executive director, it shifted into a team of five co-directors, alongside paid interns with an equal say but with no managerial or administrative responsibility.

Holacracy is based on:

- Clear roles: defined around the work, updated regularly, people fill several roles
- Distributed authority: decisions are made locally
- Rapid iterations: the organisational structure is updated via small iterations and every team self-organises
- Transparent rules: everyone is bound by the same rules and these are visible to all

**Example:** <u>Zappos</u>, an online shoe and clothes shop based in Las Vegas, have been trialling holacracy since 2013. Employees 'self-manage' and do not report to a direct manager so they have more input in decision making.

**Sociocracy** is a system of governance using consent decision making. It has been advocated as a management system that distributes leadership and power throughout the organisation.

**Example:** <u>Scorcher Bakery Co-op</u> is organised through four production cycles: bread, pastry, kitchen and store front. Each cycle has a representative and a leader, who regularly meet with the board. The board is elected by the worker-owner circle.

**Peer governance:** Bottom-up mode of participative decision-making experimented in peer projects. Openness, networking, participation and transparency are the main characteristics of this model. Measures are put in place to organise participants so that they have equal possibilities to participate. A related concept is 'panarchy', inspired by the functioning and cycles of ecosystems.

**Example:** <u>Wikipedia</u> is a free, open content online encyclopedia created through the collaborative effort of a community of users. Anyone registered on the site can create an article for publication. Wikipedia depends upon the vigilance of editors to find and reverse incorrect changes to content.

## Bonus example: The Pirate's Code

Pirate ships developed models that in many ways anticipated those of later Western democracies. First, pirates adopted a system of divided and limited power. Captains had total authority during battle, when debate and disagreement were likely to be both inefficient and dangerous. Outside of battle, the quartermaster, not the captain, was in charge—responsible for food rations, discipline, and the allocation of plunder. On most ships, the distribution of booty was set down in writing, and it was relatively equal; pirate captains often received only twice as many shares as crewmen. (Privateer captains typically received fourteen times as much loot as crewmen.) The most powerful check on captains and quartermasters was that they did not hold their positions by natural right or blood or success in combat; the crew

elected them and could depose them. And when questions arose about the rules that governed behavior on board, interpretation was left not to the captain but to a jury of crewmen.

The pirate system was also based on an important insight: leaders who are great in a battle or some other crisis are not necessarily great managers, and concentrating power in one pair of hands often leads to bad decision-making.

If you would like to find out more about these models, the <u>P2P Foundation Wiki</u> is a great place to start.

## **Questions:**

Do these examples of non-hierarchical structures look useful for your network?

Do you know of any other particularly useful models?

Are you thinking of or already implementing non-hierarchical structures in your network?

## 2.3 Is non-hierarchy always a good idea?

After reading about these non-hierarchical structures it may be tempting to think they are the only way to manage networks. Indeed, one key aspect of peer networking is sharing power and responsibility. However if your structure is currently hierarchical and you are thinking of transitioning to a more non-hierarchical one, there are some important factors to consider. We will address the processes around decentralisation and devolving power in the next briefing and session, but we have listed some initial key questions to consider below:

- 1. **Do you actually want to let go of power?** Co-operative working means those in positions of authority must be genuinely ready to let go of the perks of authority.
- Are you very concerned with time? Especially while getting used to new ways of working, decision-making will take more time. Involving whole teams in planning stages will be slower and involve more discussion, questions and exploring challenges from different angles. This results in much more thoughtful and effective results, but it takes time.
- 3. Are you happy with how you're working now? If it ain't broke, don't fix it.

Source: Non-hierarchical structures: could it work for you?

# 3. How do we make decisions in networks?

Both hierarchical and nonhierarchical models of organising networks need well thought out decision-making processes. There are many different ways of making decisions in groups. Some may work better for your network and its specific purposes, and others may not suit you and your members. Below we have provided some key questions to ask when thinking about establishing a decision-making process.

- 1. Who cares? Determine who genuinely wants to be involved in the decision along with those who will be affected. These are your candidates for involvement. Don't involve people who don't care.
- 2. **Who knows?** Identify who has the expertise you need to make the best decision. Encourage these people to take part.
- 3. **Who must agree?** Think of those whose cooperation you might need in the form of authority of influence in any decisions you might make. It's better to involve these people than to surprise them and then suffer their open resistance.
- 4. How many people is it worth involving? Your goal should be to involve the fewest number of people while still considering the quality of the decision along with the support that people will give it. Ask: "Do we have enough people to make a good choice? Will others have to be involved to gain their commitment?"

Source: Patterson, Grenny, McMillan and Switzler in 4 Decision Making Models

Additionally, Plastrik and Taylor suggest some network-specific principles to keep in mind:

## Two principles of adaptive network management

- Be obsessive about making and implementing decisions that enable the members. It's their network, whatever the governance structure that's been put into place, whatever the skills and intelligence of the coordinators doing much of the work.
- Be adapting, willing and able to constantly and often rapidly make and implement decisions that take into account the members' many different perspectives, a network's changing overall condition, and shifts in the context within which the network operates.

Source: P. Plastrik, M. Taylor and J. Cleveland, Connecting to Change the World (2014)

## 3.1 Decision-making methods

We have collated a selection of decision-making models, both traditional and innovative. Please note this is not an exhaustive list!

	By authority	Minority control	Majority control	Consensus
Description:	One person decides, either most expert or after listening to the group.	Uses the skills and resources of a small group of experts or a delegated subgroup.	Often mandated by rules, voting allows all members to vote for or against an issue.	Everyone has had a chance to engage in discussion, understand and honestly support the decision.
Useful when:	Group lacks knowledge, skills and/ or time. Decisions are routine or commitment to implementation is not a concern.	Group cannot meet, only few members have information or interest in decisions. Decisions are routine and commitment not a concern.	No time to build consensus. Members of group are equally informed.	High-stakes, complex decisions that need strong commitment.
Challenging when/ because:	Making complex decisions or need all the help and support of group members.	All group resources and interaction are needed.	Some win and some lose. Can lead to a disgruntled minority. Cuts out compromise option.	Requires much time and energy, rich exchange of ideas and information.

Sources:

What's the best decision-making method?

4 Decision Making Models

Variations of these methods include:

### Advice process

Any person can make any decision after seeking advice from 1) everyone who will be meaningfully affected, and 2) people with expertise in the matter. The decision-maker can approach this: **authoritatively** ("I don't care what others have to say"), from a **negotiation** or **compromise** perspective (I'll do some of what they say so they're happy), or **co-creatively** (I will listen to others and think creatively about a solution).

## **Consent**

Consent is based on eliminating any major objections to a proposal – divergent opinions are integrated and "Can you live with it?" allows the group to move forward. Consent is about acceptance rather than approval. During each round of Consent decision-making, the facilitator asks, "Do you have any paramount objections to the proposal?" Any objections are heard, all input is valued and the proposal is altered to "integrate" the new information.

## Making decisions by emergence

Sometimes networks decide by letting groups of members collaborate as they wish, rather than making a formal decision through consensus or by majority of the network. If, for instance a group of members wants to start sharing information about a certain topic or to initiate a project together, they can go right ahead 0 they don't need the network's permission. In other words, "decisions" emerge as the aggregated actions taken by members, an approach that might be called "coalitions of the willing".

Source: P. Plastrik, M. Taylor and J. Cleveland, Connecting to Change the World (2014)

Below are some examples of how networks have integrated different decision-making approaches according to their needs.

#### **The Enspiral Network**

Enspiral is a virtual and physical network of companies and professionals brought together by a set of shared values and a passion for positive social impact. Enspiral recognises its members' diversity and autonomy, as well as the need to call for collective agreements and commitments when pursuing shared aspirations. For this aim, **they have developed a diversified method of decision-making depending on the type of decision that needs to be taken**. The method is outlined in a publicly accessible agreement, and decisions are carried out using the online tool Loomio. Find out more about how Enspiral network integrates different models of decision-making.

### Massachussetts Smart Growth Alliance (MSGA)

MSGA only agree on a decision when 100% consensus is reached. Requiring unanimous consent has proven critical to maintaining trust and encouraging the development of solutions that serve all interests.

Source: P. Plastrik, M. Taylor and J. Cleveland, Connecting to Change the World (2014)

Source:

Decision-making - Reinventing Organizations Wiki

## **Questions:**

How are decisions made in your network?

Do you have specific mechanisms to ensure members have an equal say?

Are there types of decisions that are better taken without consulting the wider membership?

# 4. Conclusion

This briefing explored:

- Issues around hierarchy and power distribution
- Models of structuring networks and organisations
- Traditional and non-traditional decision-making methods

In this briefing we focused on de-centralised and non-hierarchical modes of structuring and distributing power in networks as an alternative to traditional, hierarchical organisational structures. This does not necessarily mean that hierarchy should be set aside; only that it should not be the default model for organising network activities and decision-making.

We look forward to discussing the benefits, pitfalls and your thoughts on the models outlined above at our next session on 6th February 2017!

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