

# Sociocracy and Care: the Living Well Group of Residential Care Homes for Elders



This is a case study of the Living Well Group, a not-for-profit organisation offering residential care to older adults in Vermont, USA.

This case study is useful if you are interested in:

- Health and social care
- How sociocracy supports and complements person-centred, holistic, effective care
- The organisational benefits of working sociocratically
- The challenges of introducing sociocracy into a care organisation

This case study was written by [Harris Kaloudis](#) in November 2017 as part of his contribution to the [Sociocracy Leadership Training](#) run by [Sociocracy For All](#). Harris would like to thank Randall Johnson, Thorsten Scherbaum, Xavier and Jerry Koch-Gonzalez for their feedback and support in putting this case study together.

## SUMMARY

The Living Well Group outperforms industry averages in the quality of care provided, employee wages and financial sustainability. The Group has embraced sociocracy as its governing and operating model because, among other reasons, sociocracy is deliberately development for people and the organisation; sociocracy complements and supports person-centered, holistic care and support; and, sociocracy supports a fluid, effective and values-based way of team working. Introducing sociocracy into care organisations that had previously operated under different regimes involves a set of challenges: sociocracy is an unfamiliar, counter-normative way of governing and running an organisation and thus requires that the organisation undergoes a process of culture and operational change; sociocratic ways of working may not be desirable for all employees; introducing sociocracy may require external (e.g. from facilitators, consultants) as well as internal support; and, finally, the process of introducing sociocracy may take place in the difficult context of addressing the previous regime's failures as inherited at the time of take-over.



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## INTRODUCTION

Living Well is a not-for-profit organisation offering residential care to older adults in three locations in Vermont, USA: the Living Well Residence in Bristol with the capacity of serving 13 residents, the Ethan Allen Residence in Burlington with a capacity of 39, and the Heaton Woods Residence in Montpelier with a capacity of 51.

This short case study of the Living Well Group as a sociocratic organisation was based on the following materials: an interview with Dee DeLuca, one of the co-founders and CEO of the Living Well Group conducted by Jerry Koch-Gonzalez and Jennifer Rau of Sociocracy For All (SoFA); an interview of Paul Kervick, co-founder of the Group, for Holistically Speaking TV in March 2013 available on YouTube; and, publicity materials from the Living Well Group including their webpages and social media accounts. At the time of the interview with Dee DeLuca, the facilities at Bristol and Burlington had been operating sociocratically for more than 11 and more than three years respectively whereas the facility at Montpelier had been recently acquired and the introduction of sociocracy was at the stage of planning.

### Making a mark

Living Well stands out from 'industry norms' on a number of fronts:

- it maintains **healthy finances** despite serving residents who are on average significantly more reliant on Medicaid than conventional industry wisdom suggests is necessary for profitability;
- it pays its employees **above industry-average wages**;
- it offers **person-centered, holistic care** and support to its residents with a focus on the mental, social and physical aspects of health including purpose, engagement, community, food, and exercise. Illustrative of the approach are the following: residents, in addition to being offered a range of in-house and community activities, are invited to take part both in the governance of the facilities through a Residents' Council and in the running of the facilities by being supported to take part in cooking or housework, if they find that purposeful and enjoyable; the Group operates a 'farm-to-table' scheme to ensure both that residents have access to fresh, local, wholesome food and also that local farmers are supported;
- in its admissions policy, it prioritises people who have been living locally in order to ensure that they maintain their **connections to meaningful places and important people** in their lives;
- it aspires to not only be a person-centered, holistic service provider, but also a **person-centered, holistic employer** actively enabling the personal development of its employees and the improvement of their employment and life circumstances.



Photo: Living Well in Bristol

## WHY SOCIOCRACY?

According to Paul Kervick, Living Well was the first not-for-profit organisation in the USA to adopt sociocracy. In DeLuca's experience of more than 30 years of being an entrepreneur and a businesswoman, sociocracy stands out from both mainstream and alternative business models such as employee ownership and cooperatives. Below are just three reasons why sociocracy is a particularly good fit with purposefully caring organisations:

- **Sociocracy is deliberately developmental**

Sociocracy supports the people and the organisation to grow. In DeLuca's words, sociocracy *"helps people grow as individuals ... become more aware and conscious so that they can participate at a higher level and feel more satisfaction from their work... and at the same time it grows the organisation in a way that supports everyone's highest and best, whether they are staff or people living in a home"*. The upshot is that sociocracy allows *"ordinary people to do extraordinary things on a very regular basis"*. Sociocracy supports the extraordinary achievements of the Living Well Group.

- **Sociocracy complements and supports person-centered, holistic care and support**

Sociocracy endows everyone's voice, whether staff or residents, with influence and it invites people to use their voice. In this way, people realise that they have a voice that is heard and

that carries influence. Consequently, they feel supported and empowered in a way that in conventional organisations only higher-level managers experience. Sociocracy invites people to share issues, problems, solutions and feedback. When voices are not silenced, problems, issues, concerns, reservations, objections, hesitations are surfaced early and everyone can contribute to collaboratively finding and implementing a solution. Creativity and collaboration become the most central aspects of working to support the lives of the residents. Double linking, transparency and policy-making by consent ensure that power in the organisation cannot work to the detriment of either staff or residents. The person-centered management and governance of the organisation enables the provision of person-centered service to the residents.

- **Sociocracy supports a fluid, effective and values-based way of team working**

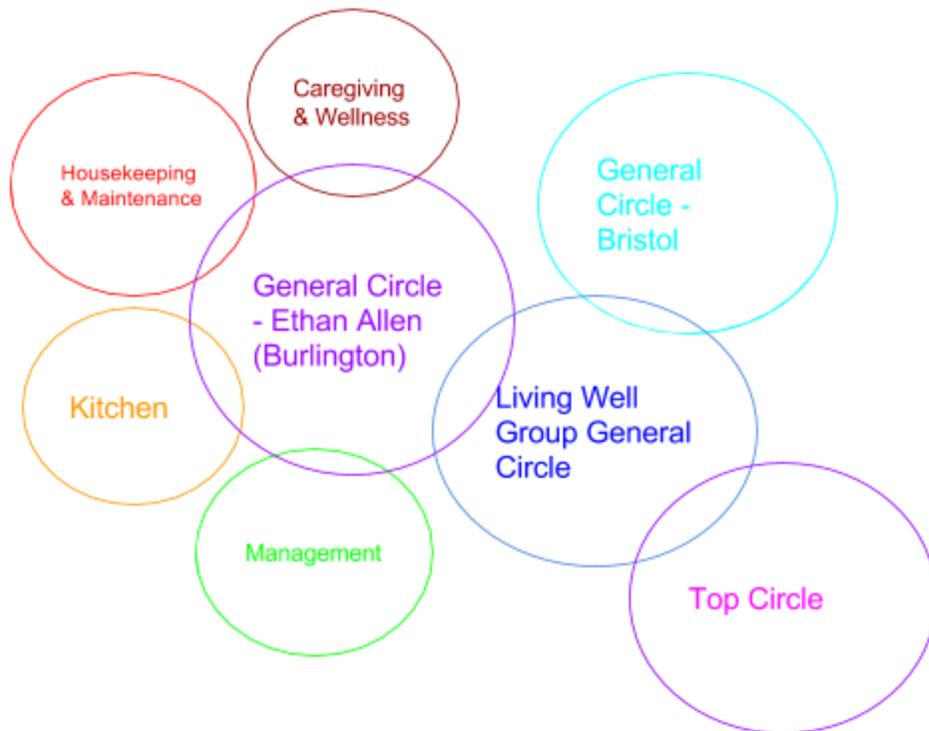
The principles of transparency, accountability and equality of people's voices are "*absolutely critical*" in enabling teams of employees across operational levels to work as high-performing teams in a fluid manner comparable to the performances of high-achieving sports teams. In Dee DeLuca's words:

*"And so, you end up with folks who eventually are comfortable speaking their truth and being who they are and working with other people in a collaborative way that ends up being much more exciting and with a better outcome for everyone because you have everyone solving problems and looking at things together. ... So what happens with dynamic governance is that when a basketball team plays that perfect game and what happens you get into the zone where you are not even thinking about technique or anything. You're just moving in a very creative and intuitive way and a fluid way"*

## **ORGANISATIONAL STRUCTURE**

The working teams or departments in a sociocratic organization are called "circles" to emphasize the equality of each member of the circle.

## The Sociocratic Circle Structure of the Living Well Group



- **The Living Well Residence in Bristol**

In Bristol, there is **only one circle** as this facility is a small place with a small staff team in which people often combine roles such as those of caregiver and housekeeper. The circle meets twice a month with the *'first circle meeting'* focusing on the operational issues of running the home. The *'second circle meeting'* focuses on the needs of the residents and the Medical and Nursing Directors are available to attend.

- **The Ethan Allen Residence in Burlington**

Burlington being a much larger workplace has the following departments/circles:

1. housekeeping and maintenance;
2. caregiving and wellness;
3. management;
4. kitchen;
5. general circle.

- **The Living Well Group**

Bristol and Burlington link through the **Living Well Group Circle** which includes representatives from either facility (including the House Manager from Living Well Bristol and the Administrator of the Ethan Allen Residence). The Living Well Group **Board of Directors** (the 'top' circle) includes two members of staff and John Buck from The Sociocracy Consulting Group as well as other outside experts.

- **Residents' Councils**

Each home has a Residents' Council which meets once a month. Typically, following a Residents' Council, one of the residents attends a circle meeting and conveys concerns, questions or requests. According to DeLuca, residents' input has shaped the management of common spaces such as the garden, the yard, the porches, and the common room.



*Photo: Living Well at Montpelier, Heaton Woods*

## **THE CHALLENGES OF INTRODUCING SOCIOCRACY**

Introducing sociocracy to a residential care facility presents its own set of challenges.

- **Sociocracy is an unfamiliar, counter-normative way of governing and running an organisation and thus requires that the organisation undergoes a process of culture change**

In Bristol, DeLuca found that, when invited to offer their perspectives and views in sociocratic circles, employees found it hard to find and use their voice at first. DeLuca suggests that professional caregivers often come from population groups that are not favoured or privileged in any way whether in terms of education or income and that this has consequences for their experiences of participating in and contributing to a workplace. In fact, professional caregivers are often recruited from the most deprived and disadvantaged social groups. People, sadly, have not been accustomed to being invited to have an influential voice. Consequently, transitioning to sociocracy takes a long time while employees and the organisation learn and adjust to the new ways of working. The takeover of the Ethan Allen Residence in Burlington exemplifies this proper.

Prior to the acquisition by Living Well, the facility was controlled in a hierarchical, command-and-control manner with positional power concentrated in one role. Feedback from the bottom-up was severely constrained. With the introduction of sociocracy, certain employees misunderstood having an equal voice with permission to bring personality clashes, personal gripes, backbiting and gossip into circle meetings. Communication patterns and actions between certain employees were so negative that the new owners felt that their dismissal was the only option available to them.

- **Sociocratic ways of working may not be desirable for all employees**

In Burlington, the introduction of sociocracy proved difficult for staff across all departments. At the time of the interview with DeLuca, only five out of more than thirty employees who were employed at the time of the transition had stayed with the Ethan Allen Residence. In the elder care sector, high staff turnover is the norm. However, the introduction of a new way of working contributed to the attrition rate, according to DeLuca. For DeLuca, sociocracy may be challenging for certain people. People at the higher end of the hierarchy may be unwilling to lose the sense of power-over and people at the lower end of the hierarchy may be unwilling to assume the accountabilities and responsibilities accompanying meaningful participation in self-organising circles/teams.

- **Take-overs entail inheriting the previous regime's problems**

The challenge of introducing sociocratic governance is compounded by the challenge of simultaneously addressing the issues inherited from the previous owners. In the case of Burlington, this meant redesigning the facility's financial model and bringing it to financial health.

- **Introducing sociocracy may require external as well as internal support**

The sociocratic transition at Ethan Allen was supported by a certified sociocratic consultant and a consultant in training. Two employees from the Bristol facility were also brought in to help. Care staff and staff in key supporting roles were trained in non-violent communication. External and internal expertise and training add to the resource demands and the complexity of transitioning an organisation to sociocracy.

## RESOURCES

Holistically Speaking TV YouTube channel, (09 November 2013), **Living Well: A Holistic Model for Eldercare with Paul Kervick**

[Available at: <https://www.youtube.com/watch?v=2BBrAQDAzB4&feature=youtu.be>; Accessed 06 December 2017]

Dr. Sheella Mierson and Elana Kann, 2012. **Got DG? Healthy Transformation in an Eldercare Facility**. The Sociocracy Consulting Group

[Available at: <http://sociocracyconsulting.com/wp-content/uploads/2016/03/Living-Well-DG.pdf>; Accessed 06 December 2017]

**Living Well Group webpage:** [www.livingwellgroup.org/](http://www.livingwellgroup.org/)