

Governance in Decentralized Autonomous Organizations (DAOs)

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The past decade has seen the rise of decentralized autonomous organizations (DAOs), a key organization design that underpins Web 3. While DAOs enable novel forms of organizing and introduce intriguing organizational governance problems, the term “DAO” has been used rather loosely. It is essential for management scholarship to *define*, carve out unique *research questions*, and relatedly, identify viable *empirical strategies* to make meaningful contributions to theory. Below I list relevant discussion points to DAO governance.

A. Definition: What is a DAO?

A clear definition of DAOs helps to carve out the unique space for DAOs in management research. Specifically, to gain a full picture of DAO governance, we will discuss:

- What constitutes a DAO? What are the necessary components?
 - *Tokens*. DAOs typically rely on crypto tokens for funding—How does this compare with crowdfunding or common shares issued by corporations?
 - *A voting mechanism*. DAOs make decisions through distributed consensus—How is voting in DAOs different from council elections in cooperatives?
 - *Common resources*. Many DAOs have treasuries managed by the community—How do DAO community treasuries compare with those of social clubs?
 - *Anonymity*. DAOs can operate without participants knowing others’ identity thanks to cryptography and the underlying blockchain algorithm—can other digital technologies achieve the same goal?

B. How should organization researchers think about DAOs?

- Are DAOs a different beast? Or old wine in a new bottle?
- What do we know already without reinventing the wheel?
 - Community governance of collective action
 - Platform governance: DAOs as decentralized platforms
 - Organizational governance: System level mechanisms that do without individual identity.

C. High-level research questions:

- How does governance work in DAOs?
- What organization design choices are available?
- How do different governance design choices lead to varying organizational outcomes?
- What are the limits of DAOs? What are the boundary conditions under which DAOs are viable?
- What are the suitable empirical strategies for answering the above research questions?
 - Quantitative
 - Qualitative
 - Mixed method
 - Multi-stage studies