



COPE

The cooperative business model

Learning model on Cooperative Entrepreneurship



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The cooperative business model

What is a cooperative?

According to the definition of the International Cooperative Alliance (ICA), a cooperative is an autonomous association of people who voluntarily come together to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

- Possibility, free and open, of joining and withdrawing from the company
- Democratic structure, in which each member has one vote (or a predefined limit of votes)
- Decisions are made by majority and responsible leadership is elected by the members
- Fair, correct and just distribution of economic results.



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The cooperative business model

Cooperative values

Cooperative members believe in the ethical values of honesty, transparency, social responsibility and attention to others. However, the recognized values on which the cooperation is based are:

- Democracy
- Equality
- Equity
- Solidarity
- Self-sufficiency
- Self-responsibility



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The cooperative business model

The Cooperative Principles

The ICA established seven standard principles for all cooperatives to follow. They help organizations flourish and operate successfully while encouraging all members to participate equally. Under these values, the ICA has become a leader for the worldwide network of cooperatives

1. VOLUNTARY AND OPEN MEMBERSHIP
2. DEMOCRATIC MEMBER CONTROL
3. MEMBERS' ECONOMIC PARTICIPATION
4. AUTONOMY AND INDEPENDENCE
5. EDUCATION, TRAINING AND INFORMATION
6. COOPERATION AMONG COOPERATIVES
7. CONCERN FOR COMMUNITY



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Cooperative are active in different sectors

Cooperatives vary considerably in size, sector of activity and type of membership. A cooperative can be active in any sector where there are homogeneous needs and felt by several people.

Examples of common forms of cooperatives include, but are not limited to

- agricultural cooperatives
- consumer cooperatives
- retail cooperatives
- housing cooperatives
- social service cooperatives
- savings and credit cooperatives
- Transport or ride-share cooperatives
- worker cooperatives



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I01 – STAKEHOLDER MAPPING - The cooperative business model

Stakeholder Map 1

	Position: _____ Title: _____ Name: _____	
Basic facts: _____ _____	Biggest Motivator: _____ _____	Rules the stakeholder has to follow: _____ _____ _____ _____ _____ _____ _____ _____ _____ _____
Personal interests: _____ _____	Self-perception: _____ _____	
Role in the project: _____ _____ _____		

Source: Applying Design Thinking; A Workbook for Academics and Researchers in Higher Education. Höf. Bruchatz,C. ; Fischer,R. ; Stelzer, J.
Retrieved from : <https://tu-dresden.de/ing/maschinenwesen/imm/td/forschung/forschungsprojekte/dt-uni>



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I01 – STAKEHOLDER MAPPING - The cooperative business model

Stakeholder Map 2

Connection		
Common goals: _____ _____ _____ _____ _____ _____	Emotional connection: _____ _____ _____ _____ _____ _____	What they do not tell each other: _____ _____ _____ _____ _____ _____
Conflicts: _____ _____ _____ _____ _____ _____	Hidden animosities: _____ _____ _____ _____ _____ _____	Other facts: _____ _____ _____ _____ _____ _____

Source: Applying Design Thinking; A Workbook for Academics and Researchers in Higher Education. Höf. Bruchatz,C. ; Fischer,R. ; Stelzer, J.
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The cooperative business model

Exercises and discussion questions

In class, brainstorming:

What cooperatives do we know?

In which cooperatives are we members?

What is the cooperative you last did business with (f.ex. bought groceries, paid rent, etc.)?



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The cooperative business model

Key Learning Outcomes

LEARNING OUTCOMES OF MODULE 1 The cooperative business model	
Knowledge	
	Cooperation in entrepreneurial education
	Understanding the cooperative principles
	Sustainable development and environmental protection
Skills	
	Invoking engagement and activity with students
Competences	
	Building and maintaining the "intellectual capital"



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I01 – Learning model

LEARNING OUTCOMES	DESCRIPTION
Competences	
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Sustainable development and environmental protection	As global challenges are ever apparent to actors within businesses and society, the COPE learning model emphasises sustainable development and environmental protection as core values for entrepreneurial cooperatives. Contributing, in an impactful way, towards a sustainable future is adopted as a key motivation for
Invoking engagement and activity with students	Starting and maintaining a cooperative requires active communication, engagement and coordination on the member's part. It is important that students experience this aspect of working in a cooperative, from the outset.
Communication skills of various forms	As communication is of such importance for the sustainability and growth of a cooperative, particular interest is given to this topic in the COPE learning model. Communication takes different forms and levels of formality, depending on the audience and purpose, and various different techniques are covered.



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I01 – Learning model

LEARNING OUTCOMES	DESCRIPTION
Competences	
Communication competences	Students are trained in formal and informal communication, suitable for audiences ranging from one-on-one communication to wider and more general broadcasting of information. Different types of media for different audiences and scenarios are suggested
Building and maintaining the "intellectual capital"	A platform for communication and collaboration, to maintain "continuous training, which can be used even after the cooperative is formed". Knowledge and experience is accrued amongst working cooperatives and amongst entrepreneurs.
Collaboration between cooperatives	As per the cooperative principles, cooperatives work with one another one their various areas of mutual interests. The strength of a cooperative in one are may complement the different strengths or advantages that another cooperative may have.
Collaboration between cooperatives and other businesses	It is important for cooperatives to engage with other business and their community at large. As the cooperative model is well known in some sectors, but less known in others, clarifications may be helpful. Efficient communication is important here.



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Finance from the entrepreneur's perspective

Learning model on Cooperative Entrepreneurship



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Finance from the entrepreneur's perspective

What characterizes social entrepreneurship?

- 1: **Social enterprises** - where the social benefits are at least as important as the economic ones. Sometimes more important.
- 2: **Work-integrated social enterprises** - which, without private profit-sharing opportunities and with working methods that create participation, create paths into the labor market for groups that are far from it.
- 3: **Social innovations** - which include processes where the goal is to solve societal problems with new innovative ideas. A borderland between business, public affairs and civil society.



Image source: MACC the Metropolitan Alliance of Connected Communities
Retrieved from : <https://www.macc-mn.org/Membership/OurValue/SocialEnterprise.aspx>



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Finance from the entrepreneur's perspective

Business Plans

Your business plan is a document that outlines the proposed activity that you want to start. It commonly includes the following:

- The business idea
- The value proposition
- An overview of stakeholders
- A timeline with goals and milestones

But many other variants can be found

The business plan is a document that can support you in

- Managing your work towards the set objective
- Presenting the idea to potential investors or customers
- Engaging with other stakeholders



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Finance from the entrepreneur's perspective

Social Business Model Canvas

TOOLS FOR SOCIAL CHANGE

SOCIAL BUSINESS MODEL CANVAS

MISSION:				
IMPLEMENTATION		VALUE	MARKET	
Key Allies	Key Resources	Social Innovation	Customer Relationships	Channels
	Key Activities	Value Proposition	Consumer Benefits	
FINANCES				
Cost of Delivery		Community Reinvestment	Revenue Streams	

Source: The Social Enterprise Institute. retrieved from www.socialenterpriseinstitute.co



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Finance from the entrepreneur's perspective

Sustainability

The Sustainable Development Goals (SDGs) are a good starting point, when thinking about the sustainability aspects of a cooperative

The SDGs are the 17 global development goals adopted by the UN, that aim to achieve a socially, environmentally, and economically sustainable world.



Source: UN Office for Sustainable Development <https://unodsd.un.org/>



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Finance from the entrepreneur's perspective

Sustainability

When a cooperative employs its members with fair working conditions the cooperative meets

- SDG #1 No Poverty
- SDG #2 No Hunger
- SDG #3 Good health and well-being
- SDG #8, Decent work and Economic growth.

The cooperative is by its nature a democratic organization and usually labeled a social enterprise. This provides good opportunities to achieve

- SDG #5 Gender Equality
- SDG #10 Reduce inequality

The cooperative's and the social enterprise's activities are run on the basis of

- SDG # 11 Sustainable cities and communities
- SDG # 12 Sustainable Consumption and Production

When the cooperative actively promotes skills development for its members and employee

- SDG #4 Good education for all

And last but not least

- SDG # 16 Peaceful and inclusive societies

is a self-described goal based on the cooperative principles and the democratic process that permeates a sustainable and successful cooperative.



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Finance from the entrepreneur's perspective

Discussion Questions

Business plan

Question: Why is a business plan a good thing to do?

Funding a cooperative

Question: Discuss different examples of how to fund a cooperative.

Seed funding

Question: Can you explain what seed funding is?

Sustainability

Question: Discuss how the cooperative principles connects to the UN SDG's



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Finance from the entrepreneur's perspective

Bootstrapping and resourcefulness

Content from the Norrköping Workshop on Bootstrapping



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Finance from the entrepreneur's perspective

Key Learning Outcomes

LEARNING OUTCOMES OF MODULE 2	
Finance	
Knowledge	
	How to start a cooperative business
	Sustainable development and environmental protection
	Innovative sectors and cooperatives
Skills	
	Financial literacy or financial managerial proficiency
Competences	
	Collaboration between cooperatives and other businesses



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Cooperative governance

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Cooperative governance

How are cooperatives governed?

The members define the social purposes, the rules and the name of their cooperative.

Members agree on a set of bylaws that are then constitutional for the governing of the cooperative from then on.

The bylaws have to include the following rules:

- the purpose of the cooperative
- the name of the cooperative
- the main office

The bylaws should additionally include rules about:

- how to become a member (and how to end membership)
- membership duties and other fees
- the composition of the board of directors
- how and when general meeting are conducted
- elections, proposals and voting procedures



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Cooperative governance

How are cooperatives governed?

Democratic governance

Cooperatives are governed in a democratic way. Each member gets one vote, and all are included to take part in voting on proposals that shape the cooperatives operations.

This is a key distinction from the more traditional shareholder model.

The democratic nature of cooperatives means that

- All members can have their say, at annual general meetings or through other channels
- The collective knowledge of the members becomes an asset to the cooperative
- Members are encouraged to be more engaged in the affairs of their cooperative

General running of the cooperative is in the hands of representatives that member delegate their power to, by f.ex. electing managers during annual general meetings.



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Cooperative governance

How are cooperatives governed?

The International Co-operative Alliance (ICA), a global federation of co-operatives, defines a co-operative as:

“an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.”



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Discussion exercise

Read through the definition given by ICA, and for each color-coded term in the sentence, discuss its relevance

- Does this term have a particularly important meaning for cooperatives?
- Would this term be used to describe other organizational forms?
- Does this particular term represent a strength that cooperatives have?

“an **autonomous association** of persons united voluntarily to meet their **common economic, social, and cultural needs and aspirations** through a **jointly-owned** and **democratically controlled** enterprise.”



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Cooperative governance

Key Learning Outcomes

LEARNING OUTCOMES, BY MODULE	
Cooperative governance	
Knowledge	
	Understanding the cooperative principles
	Sustainable development and environmental protection
Skills	
Competences	
	Collaboration between cooperatives
	Collaboration between cooperatives and other businesses



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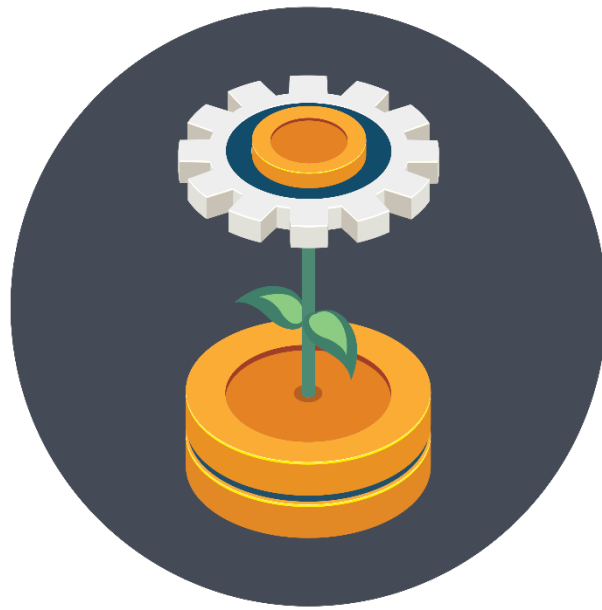
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Challenges for Cooperatives

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IO1 – Challenges for cooperatives



Challenges for Cooperatives

How to keep members involved or engaged?

- People are motivated by results. Share the impact of your cooperative.
- Run an inventory of skills and experiences present in the cooperative.
- Hold introduction sessions for all new members
- Run regular short meeting for all members to spot early conflicts/dissatisfactions.
- Organize social events for members such as fikas (coffee-breaks), picnics or outings.
- Socializing brings people together and motivates engagement.
- Thank people in meetings for work done.
- Structure your meetings so that they are exciting, and everyone gets a chance to participate.
- Give members and the board a shared space to communicate



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Challenges for Cooperatives

How to ensure that there are committed members?

- Ensure there are different levels of engagement. Too much responsibility in the beginning may pull people away.
- Explore the personal and external reasons why people become members of your co-op.
- Understand what matters to the members. Participation is personal.
- Do people enjoy an activity and why? People are committed as long as they enjoy it, have time, they feel that can make a difference.
- Make sure everyone has a forum to express their opinions.
- Make sure members like and respect other members they participate with.



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Challenges for Cooperatives

Highlight the benefits and impact members can have if they join a cooperative?

- Run regular short meetings for all members to update on current achievements and challenges, as well as the impact of the cooperative.
- Invite all members to bigger meetings.
- Ensure member access to reports and other data regarding their membership and benefits of being in a cooperative
- Encourage all members to get involved in projects and campaigns.
- Share brochures and hand-outs.
- Organize a newsletter and decide on periodicity (e.g. weekly, monthly etc.)
- Start an account on social media where you can tell a story of your cooperative.



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Cooperative governance

- Key Learning Outcomes

LEARNING OUTCOMES, BY MODULE	
Challenges for Cooperatives	
Knowledge	
	Cooperation in entrepreneurial education
	Sustainable development and environmental protection
Skills	
	Using games and simulations to train
Competences	
	Collaboration between cooperatives
	Collaboration between cooperatives and other businesses

LEARNING OUTCOMES**DESCRIPTION**

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Understanding the cooperative principles	Cooperatives operate under a set of agreed upon principles that serve as a guide and inspiration for cooperatives of all kinds. Examining and understanding the way they influence operations allows students to use them to guide in decision making and manage
Sustainable development and environmental protection	As global challenges are ever apparent to actors within businesses and society, the COPE learning model empasises sustainable development and environmental protection as core values for entrepreneurial cooperatives. Contributing, in an impactful way, towards a sustainable future is adopted as a key motivation for
Invoking engagement and activity with students	Starting and maintaining a cooperative requires active communication, engagement and coordination on the member's part. It is important that students experience this aspect of working in a cooperative, from the outset.
Communication skills of various forms	As communication is of such importance for the sustainability and growth of a cooperative, particular interest is given to this topic in the COPE learning model. Communication takes different forms and levels of formality, depending on the audience and purpose, and various different techniques are covered.

IO1 – Learning model

LEARNING OUTCOMES	DESCRIPTION
Competences	
Communication competences	Students are trained in formal and informal communication, suitable for audiences ranging from one-on-one communication to wider and more general broadcasting of information. Different types of media for different audiences and scenarios are suggested
Building and maintaining the "intellectual capital"	A platform for communication and collaboration, to maintain "continuous training, which can be used even after the cooperative is formed". Knowledge and experience is accrued amongst working cooperatives and amongst entrepreneurs.
Collaboration between cooperatives	As per the cooperative principles, cooperatives work with one another one their various areas of mutual interests. The strength of a cooperative in one are may complement the different strengths or advantages that another cooperative may have.
Collaboration between cooperatives and other businesses	It is important for cooperatives to engage with other business and their community at large. As the cooperative model is well known in some sectors, but less known in others, clarifications may be helpful. Efficient communication is important here.



COPE

Training Modules 1-4

Learning outcomes

Bifröst University

COPE TRAINING MODULES GUIDELINES



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Preface

COPE Project's Intellectual Output 1 constitutes the main IO of the project's training content development phase. It consists of the production of an active and creative learning model which is designed to enable trainers in organizations managing entrepreneurship education spread to knowledge about cooperatives and motivate and prepare people for potential establishment of innovative cooperatives or other forms of social enterprises.

This document describes the learning outcomes of the COPE model, and in tabular form, lists each of them to specific modules.

The training handbook is based on the gap analysis findings. The partners collected information in three specific ways:

- by undertaking an analysis of the state of the art on existing methodologies adopted to promote cooperative model which will provide solid ground and more knowledge about how to structure the learning methodology
- by collecting good practices already implemented by partners at local level. Good practices were collected with a common description form which was created by the partners and filled in by advisors and trainers.
- by interviewing trainers and experts in the field.

Its production was undertaken by Confcooperative Romagna, Forlì, Italy, one of the project's Partners.

Signed by lead author

Place

Date

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Learning model on cooperative entrepreneurship

Introduction

The COPE learning model is a curriculum designed to enhance the skills of trainers in the field of entrepreneurship education, with a particular emphasis on the cooperative model and its use for promoting innovation. The focus is on the social economy, development of regions and cooperation.

There is lack of knowledge about cooperation in entrepreneurial education today, and often times the entire curriculum of business programs at European universities hardly mention cooperatives at all. Training certain skills, such as business planning and financing ventures is important for those who want to start a new venture, and these topics are regularly found in entrepreneurship curricula. What the COPE curricula adds to the picture, are the many opportunities that cooperating with others can bring. Partnerships take many forms, but focusing on the cooperative model brings in a wealth of experience and success stories that may help entrepreneurs turn their ideas into reality.

Contents

- Active and creative learning model
- Designed to enable trainers in organizations managing entrepreneurship education
- And to spread knowledge about cooperatives
- Motivate and prepare people for potential establishment of innovative cooperatives or other forms of social enterprises

Learning outcomes of the COPE training module

In this section, we review the learning outcomes of the COPE model. The outcomes are categorized as knowledge, skills and competences, as these terms are commonly used in European educational systems, a structure that traces all the way up to the publications of the European Commission.

Knowledge

“Knowledge is sometimes viewed as if it was a concrete manifestation of abstract intelligence, but it is actually the result of an interaction between intelligence (capacity to learn) and situation (opportunity to learn), so is more socially-constructed than intelligence. Knowledge includes theory and concepts and tacit knowledge gained as a result of the experience of performing certain tasks. Understanding refers to more holistic knowledge of processes and contexts and may be distinguished as know-why, as opposed know-that.” (Winterton, Delamare – Le Deist, Stringfellow (2006))

For a curriculum in entrepreneurship, that focuses on the opportunities that cooperative work may have to offer, it is helpful to become familiar with the values that cooperatives are traditionally built on. As the COPE project also focuses on sustainability and the social economy, we draw from material, f.ex. published by the UN in relation to the United Nations’s Development Goals. The following are the key terms of knowledge included in the module.

Knowledge

Understanding the cooperative principles	Cooperatives operate under a set of agreed upon principles that serve as a guide and inspiration for cooperatives of all kinds. Examining and understanding the way they influence operations allows students to use them to guide in decision making and manage strategically.
Sustainable development and environmental protection	As global challenges are ever apparent to actors within businesses and society, the COPE learning model emphasizes sustainable development and environmental protection as core values for entrepreneurial cooperatives. Contributing, in an impactful way, towards a sustainable future is adopted as a key motivation for current and new cooperatives.
Invoking engagement and activity with students	Starting and maintaining a cooperative requires active communication, engagement, and coordination on the member's part. It is important that students experience this aspect of working in a cooperative, from the outset.
Communication skills of various forms	As communication is of such importance for the sustainability and growth of a cooperative, particular interest is given to this topic in the COPE learning model. Communication takes different forms and levels of formality, depending on the audience and purpose, and various techniques are covered.

Skills



The skills that are outlined in the learning model include the obvious ones when it comes to entrepreneurship education, namely financial planning and management. But also included, are communication skills, the ability lead or train others, to collaborate with others working towards a common goal.

Skills

Using games and simulations to train	With the COPE model learners are trained in various task activities through activities and games. Modules include reflective questions to be discussed and analyzed by a group of learners, and furthermore, scenarios and games put the learner in situations that entrepreneurs are often faced with.
Invoking engagement and activity with students	Starting and maintaining a cooperative requires active communication, engagement and coordination on the member's part. It is important that students experience this aspect of working in a cooperative, from the outset.
Financial literacy or financial managerial proficiency	Entrepreneurs regularly have limited means while trying to start and grow a new venture. They must demonstrate thrift and resourcefulness. In a cooperative, where different members may bring different assets or intangibles to the table, it is important to manage operations efficiently.

Competences

When it comes to running collaborative activities, management, roles, and responsibilities are important. Those involved need to agree on how tasks and responsibilities are delegated, and while delivering what is expected of them individually, need to support the growth and outreach of the cooperative (or any other form of cooperation) so that it can reach its potential.

Competences

Communication competences	Students are trained in formal and informal communication, suitable for audiences ranging from one-on-one communication to wider and more general broadcasting of information. Different types of media for different audiences and scenarios are suggested
Building and maintaining the "intellectual capital"	A platform for communication and collaboration, to maintain "continuous training, which can be used even after the cooperative is formed". Knowledge and experience is accrued amongst working cooperatives and amongst entrepreneurs.
Collaboration between cooperatives	As per the cooperative principles, cooperatives work with one another in their various areas of mutual interests. The strength of a cooperative in one area may complement the different strengths or advantages that another cooperative may have.





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Collaboration between cooperatives and other businesses	It is important for cooperatives to engage with other business and their community at large. As the cooperative model is well known in some sectors, but less known in others, clarifications may be helpful. Efficient communication is important here.
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Bibliography

Winterton, Delamare – Le Deist, Stringfellow (2006) *Typology of knowledge, skills and competences: clarification of the concept and prototype*. Cedefop Reference series; 64. Luxembourg: Office for Official Publications of the European Communities, 2006

Annex





COPE

Training Module 4 Challenges for cooperatives

Coompanion Östergötland, Sweden

COPE TRAINING MODULES GUIDELINES



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The training handbook is based on the gap analysis findings. The partners collected information in three specific ways:

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- by interviewing trainers and experts in the field.

Its production was undertaken by Coompanion Östergötland, Sweden, one of the project's Partners.

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Camilla Carlsson
Norrköping, Sweden
23 march 2023



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Introduction to the module's content and structure

Each cooperative is unique as its members are individuals with their strengths, competences, and skills. However, any cooperative can face the same challenges. It is important to document experiences, collect cases and learn how management procedures can be improved. The fourth and last module of the COPE curriculum covers a range of well known challenges that traditional cooperatives are used to facing, both for newly established as well as well established cooperatives.

The learning outcomes of the fourth module include the following:

LEARNING OUTCOMES OF MODULE 4

Challenges for Cooperatives

Knowledge	
	Cooperation in entrepreneurial education
	Sustainable development and environmental protection
Skills	
	Using games and simulations to train
Competences	
	Collaboration between cooperatives
	Collaboration between cooperatives and other businesses



How to keep members involved or engaged?

It is often a challenge to get members involved. Many organisations either lose members as quickly as they recruit them, or struggle with keeping members active and involved. Poor member engagement can be a result of underlying conflicts, poor structures, long ineffective meetings, lack of transparency, poor delegation of responsibilities, poor appreciation of members' contributions, no room for growth, personal reasons, etc.

Conflict in a co-operative arises for the same reasons it happens anywhere – people have different views about what to do or how to do it, are subject to different pressures, and compete to get their ideas accepted by the team. Creating ground-rules together, i.e. a so-called [Group Agreement](#), a set of ground rules that members agree to follow. It is a hands-on method that helps to prevent conflicts, and that does not involve many resources.

It is important to have committed members in order to stimulate the democratic process. Here are some general tips to how overcome challenges regarding member engagement:

Tips:

- People are motivated by results. Share the impact of your cooperative. Members get more engaged once they can see that their actions carry significance and have the potential to make a difference.
- Run an inventory of skills and experiences present in the cooperative. Decide collectively in a democratic way on responsibilities and tasks, team new members up with more experienced ones to ensure that everyone feels useful and valued.
- Hold introduction sessions for all new members. It helps to understand the organisation and how it works. Can also be useful for other members in order to refresh and/or revise and update a set of rules and principles of how the cooperative is run.
- Run regular short meetings (pulse-sessions*) for all members to spot early conflicts/dissatisfactions, to identify if someone has felt being excluded or ignored.
- Organise social events for members such as fikas (coffee-breaks), picnics or outings. Socialising brings people together and motivates engagement.
- Thank people in meetings for work done. Being recognized and appreciated by others for their time and effort is an important motivational factor.
- Structure your meetings so that they are exciting, and everyone gets a chance to participate.
- Members of the Board should spend time talking with members and getting to know them.

Exercise 1

1 trainer, other group members are participants.

Purpose: get to know each other and to run an inventory of skills, experiences and competences present in the cooperative.



Physical meeting: Write the task on a white board, alternatively on a sheet of paper and distribute a copy each. Time: 5 - 7 minutes, or depending on the need.

Task: I bet you didn't know this about me:

.....
.....

I am good at (list 3 - 5 skills, things you are good at, e.g. accounting, networking, baking, photo, reaching out, fundraising, etc).
Collect papers once everyone is ready. Read out loud and ask the group to guess who the author is. Write a short summary of qualities and interesting facts on a white board.

Digital meeting: Create a Google-template with the questions above. Ask everyone to answer the questions and submit their forms. Share the results with everyone and discuss.

Alternative: Create two separate Menti- questionnaires, and run each part separately, with discussion and reflections following after each part.

Exercise 2

1 trainer, other group members are participants.

Purpose: socialising, getting each other better, establishing good friendly relations in a collective.

Physical meeting: Organise a coffee-break with appetisers. Either prepare yourself, or ask those in a group who can bring something with them. Order a couple of sets of [More Than One Story](#) cards. Begin with a short presentation of each player. The oldest participant starts by pressing "new question" and reads the question out loud. The player then tells a story. The others listen actively and may encourage the story-teller by asking questions. When the storyteller is done, the game continues clockwise.

Digital meeting: You can play online just like you would in person, using any video communication platform. Assign someone who keeps track of whose turn it is and who shares their screen to show the questions.

Tips for trainers: groups of four to eight people work best in person, whereas four to six people work best online. About 40 minutes to an hour is a good amount of time to play.

How to ensure that there are committed members?

Tips:

- Ensure there are different levels of engagement. A person may start by observing only, then progress through various stages, getting more involved. Too much responsibility in the beginning may pull people away.



- Explore the personal and external reasons why people become members of your co-op. How many potentially committed members are there at the moment? Run an anonymous member survey online or physically.
- Understand what matters to the members. Participation is personal – people’s involvement is intimately linked to who they are and what matters to them.
- Do people enjoy an activity and why? Ask in an anonymous survey and share the result with others. People are committed as long as they enjoy it, have time, they feel that can make a difference.
- Make sure everyone has a forum to express their opinions. Sometimes the ones who are in the centre of attention are not the most committed ones.
- Make sure members like and respect other members they participate with. Social interactions and short pulse-meetings are important.

Exercise 3

1 trainer, other group members are participants

Question: How much time are you able to invest? What responsibility can you think of taking in the cooperative? What would you like to contribute with? Remember that there are no right or wrong answers. (5 - 7 min)

Physical meeting: ask everyone to write their answers on a piece of paper. Can be either anonymous or personal.

Collect all the answers. Put them on one table.

Ask the participants to use another sheet of paper and write down what competences/services (e.g. book-keeping system, accounting, marketing etc) make a successful cooperative.

Collect all the answers. Put them on another table.

Ask the participants to match sheets from two tables. Identify competences/services that are missing at your cooperative. Reflect in a group.

Digital meeting: ask everyone to use a computer or a phone.

Create a Google-template with the questions above and email to everyone.

Ask participants to use Menti to answer a question on what competences/resources make a successful cooperative.

Compare with your cooperative and reflect.

Exercise 4

1 trainer, other group members are participants.

Purpose: to find out how satisfied members are with what they do and whether they feel responsibility. People are committed as long as they enjoy it, have time, they feel that can make a difference.



Physical meeting: ask each participant to reflect and describe the best activity they have done in a cooperative, an activity they enjoyed doing, and an activity they feel they would enjoy doing.

Collect answers, arrange and summarise for the group.

Reflect and discuss in a group. Make a list of activities that have been enjoyed mostly, and activities that participants would like to be engaged in.

Digital meeting:

Create a questionnaire in Zoom, send out to participants. Let participants reflect and answer (5 min). Summarise and share the results online. Discuss and reflect. Make a list of activities that have been enjoyed mostly, and activities that participants would like to be engaged in.

How to ensure that the members are aware of the benefit and impact they receive of being in a cooperative?

Tips:

- Run regular short meeting (pulse-sessions*) for all members to update on current achievements and challenges, as well as the impact done by the cooperative.
- Invite all members to bigger meetings (e.g. month, quarter, annual). Have regular short sessions with a focus on the benefit of being in the cooperative. Make sure all members have access to reports and other data regarding their membership and benefits of being in a cooperative (e.g. Google-drive, hand-outs, short surveys to check awareness etc).
- Encourage all members to get involved in projects and campaigns.
- Brochures and hand-outs.
- Newsletter: if your cooperative has a possibility, organise a newsletter and decide on periodicity (e.g. weekly, monthly etc.), decide who will be responsible for the newsletter.
- Social media: start an account on social media where you can tell a story of your cooperative.

Exercise 5

1 trainer, other group members are participants

Question: What benefit and impact do you receive from being in a cooperative? (5 - 7 min)

Physical meeting: Please, write on a piece of paper what benefits you, as a member, have experienced of being in a cooperative. Fold the paper and put it in a box. Try to write down 3 things on three separate paper sheets. Tips for trainers: depending on a cooperative, try to narrow down the time-frame. E.g. within the past 6 months, 1 year, 3 years etc.

Trainer takes the box with all the papers, reads them out loud one by one.

Group answers, discuss and reflect.



Digital meeting: Create an online survey in Zoom, send out to participants. Let participants reflect and answer (5 min). Summarise and share the results online. Discuss and reflect.

Doing business with a cooperative

1. In Sweden, it is a challenge to get financing and loans to cooperatives where members have the opportunity to go in and out of ownership without being tied to X number of shares.
2. The company form "Ekonomisk förening", which is the most common form in Sweden for cooperatives, does not require the Swedish Tax Agency / Swedish authorities to submit their annual reports, so the banks do not have the opportunity to make credit reports on them. This makes banks worried about who takes the loan and how strong the cooperative is financially. This often means that cooperatives do not receive loans from ordinary banks without guaranteeing large parts of the loan. It then becomes especially vulnerable if there are 10 members, but only 4 have the financial means to go on bail.
3. Therefore, we in Sweden have unified forces in the cooperation and created credit guarantee associations and our own cooperative banks that are more positive about stimulating cooperatives. One such example is Mikrofonden West. In Sweden, there is an alternative to AB (limit company) called SVB, which is a form where the dividend is limited and therefore often fits better into cooperative ideas and sometimes when you get tax money that must not go to the shareholders but must be reinvested in the business, which many of the cooperative operations have in their statutes. Trading with a cooperative is no different from other companies.

Here are some general tips to how approach challenges regarding getting financing and loans:

- Run an inventory of all possible financing opportunities. Grant, loan, project, community investment, crowdfunding, pro-bono, sponsorship etc? Ideally, your business should not be dependent on just one source of finance.
- Aim at a combination of three sources: partnership with a private company (in any form) may be a very attractive factor if you decide on approaching a bank for a loan or reaching out to other companies; a project or grant may show you as a reliable cooperative; any pro-bono help (e.g. consultancy) may help to extend your contacts and spread the word about your cooperative.
- Crowdfunding: [Crazy Pictures](#), a film cooperative from Norrköping, is one of success-stories on how local citizens have supported a local initiative.

The challenges of collective work



COMMON GOALS AND COMMON INTEREST

It is a challenge to make the democratic process work for members to accept that you can't always get your way and that all members are jointly and severally liable for the cooperative's activities.

It can also be difficult to get members to participate and try to influence the system if they feel that their voice is not heard more than once a year at the annual meeting, or that the board does not listen to its members during the year they are elected.

Another challenge is the leadership of a cooperative, it requires democratic and listening leadership that creates participation and utilises all the resources and networks of the members to benefit the cooperative's activities.

- A clear division of labour and common goals.
- Leadership that creates security, inclusion and community as your clear rules and distributes responsibility – it creates motivated members.
- Order and order of meetings, well-thought-out structure, members should feel needed.
- Conflicts that are properly used lead to development for the cooperative.
- Clear decision-making processes are important for feeling involved and influenced.





COPE

Training Module 1

The cooperative business model

ICARO

Consorzio di Cooperative Sociali

September 2022

COPE TRAINING MODULES GUIDELINES



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- by interviewing trainers and experts in the field.

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Griffo Vincenzo

Santa Maria Capua Vetere

27/03/2023



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Introduction to the module's content and structure

This paper deals with cooperative enterprises in the European Union and how they meet the needs and aspirations of their members and other stakeholders. It will analyze the problems that cooperatives have to face due to their specific peculiarities and the contribution they can make to the European economy and society.

Co-operatives face problems similar to those of traditional ("investor-driven") capital firms: mergers, globalization, technological and organizational change, and new user needs. However, they also face the particular challenges linked to their specific nature of voluntary and open organizations, with democratic control and equal economic participation of the members.

To be successful, cooperatives must be competitive while maintaining their specific nature of companies managed in a democratic manner by their members, whose interests they satisfy. In the case of cooperatives, success does not only mean the achievement of high profitability, but also the improvement of the well-being, financial or otherwise, of the members (whether they are companies or individuals) and of the community (geographical or other type) in which they operate.

Cooperatives are an important part of the European economy; the 132,000 cooperative enterprises in the European Union employ 2.3 million people. The performance of cooperatives has a major impact on the lives of their 83.5 million members and on that of European citizens.¹ They generate wealth for European citizens, wealth for nations, promote entrepreneurship and participation.

Currently, the activities of the European Union concern cooperatives in many ways. These benefit from Community policy instruments and programs in fields such as regional development, social policy, structural funds, research, and training.

The inclusion of cooperatives in relevant aspects of Community policies and Community programs can be defined as mainstreaming ("mainstream"). The principles of mainstreaming apply to business policies and programs as well as to many other Commission Directorates which, in one way or another, can have an impact on co-operatives.

One of the ways to make optimal use of the Community's existing tools is to improve the knowledge of cooperatives among decision-makers at all levels. The importance of a wider recognition of the sector has emerged strongly in the discussions and consultation meetings held during the preparation of this text.

¹ European Commission: "The Role and Importance of Cooperatives in the EU" (2017).



Learning outcomes covered within this module include the ones highlighted below.

LEARNING OUTCOMES OF MODULE 1
The Cooperative Business Model

Knowledge	
	Cooperation in entrepreneurial education
	Understanding the cooperative principles
	Sustainable development and environmental protection
Skills	
	Invoking engagement and activity with students
Competences	
	Building and maintaining the "intellectual capital"

Literature review. The History of Cooperation

In 1844, the Society of “[the Pioneers of Rochdale](#)” was born in England by the will of 28 workers, with the aim of improving the family and social conditions of the members. The cooperative sold foodstuffs at market prices and returned part of the profits to the members in proportion to the purchases made (refund principle).² A few years later, in Germany, the first credit cooperatives were born to defend farmers, artisans and small traders so as to be able to access credit for artisans and peasants by collecting savings between them. Again, workers' cooperatives were born in France to fight unemployment and demonstrate that it was possible to work without an employer. In Italy, the first cooperative society, that of printers, was established in Modena in 1855.³

In short, all-over Europe there were, at that time, births of cooperatives born as small organizations. In 1895, the International Cooperative Alliance was founded in London and there were delegates from cooperatives from Argentina, Australia, Belgium, England, Denmark, France, Germany, Holland, India, Italy, Switzerland, Serbia and the United States. Representatives set the Alliance's goals to provide information, define and defend the Principles of Cooperation and develop international trade.⁴

² <https://www.rochdalepioneersmuseum.coop/history/>

³ “Building Cooperative Power: Stories and Strategies from Worker Co-Operatives in the Connecticut River Valley” by Janelle Cornwell, Adam Trott, and Brendan Martin (2013).

⁴ <https://www.ica.coop/en/cooperatives/history-cooperatives>



The principles practiced by the Pioneers in 1844 have been revised and updated but remain the basis of the way of doing business of the cooperatives of today.

Today it is estimated that the sector has about 1 billion members: cooperatives directly or indirectly employ 250 million people worldwide.⁵

Definition: What is a cooperative?

According to the definition of the International Cooperative Alliance (ICA), a cooperative is an autonomous association of people who voluntarily come together to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.⁶

The peculiar characteristics of a cooperative are:

- Possibility, free and open, of joining and withdrawing from the organization.
- Democratic structure, in which each member has one vote (or a predefined limit of votes), decisions are made by majority and responsible leadership is elected by the members.
- Fair, correct and just distribution of economic results.

Cooperatives vary considerably in size, sector of activity and type of membership. A cooperative can be active in any sector where there are homogeneous needs and concerns felt by several people. For instance:

- In agricultural cooperatives, the benefits will include sourcing inputs at fair prices and achieving an economy of scale in the production and marketing of the product.
- In consumer cooperatives, the benefits will be the availability of quality products at fair prices.
- In retail cooperatives, benefits will include achieving economies of scale in production and distribution and greater common purchasing power.
- In cooperatives between primary producers, the benefits will include access to markets for their products and greater control over added value.

⁵ Global Cooperative Statistics Report (2021)

⁶ <https://www.ica.coop/en/cooperatives/cooperative-identity>



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- In savings and credit cooperatives, the benefits will consist of a fair (equitable) pay for savings and access to credit at a fair interest rate.

It is useful to distinguish cooperatives into three categories according to the interests of their members:

- user cooperatives, in which the consumers of the service are also owners of the company that provides them.
- support cooperatives (producers), in which those who produce goods or services create a cooperative for marketing reasons or for further processing of products or services, or to jointly purchase raw materials and / or means of production;
- worker cooperatives, in which the workers are also owners of the company.

A distinction can also be made between "first degree cooperatives", made up of individual subjects (natural or legal persons), and "second degree cooperatives". The latter provide services to member cooperatives and are controlled by member co-operatives, therefore they can be defined as "co-operatives of co-operatives", and are controlled by other cooperatives.

Therefore, a cooperative can take any legal form. It has a mutualistic nature which can be finalized by the internal statutes of the single association. However, at European level there are a regulation and a directive governing cooperatives: Council Regulation (EC) 1435/2003, of 22 July 2003, relating to the statute of the European cooperative society; Council Directive 2003/72 / EC of 22 July 2003. Cooperative members can be both natural and legal persons.

A recent interesting development is constituted by cooperatives that bring together different interested parties (multi-stakeholders): these can satisfy a wider range of interests than traditional cooperatives (which are oriented towards the interests of the members) or joint-stock companies (which are oriented towards the interests of investors).

Traditional Business Models

A business model is a conceptual structure that supports the feasibility of a product or service and explains how a given company operates, earns money and how it intends to achieve its goals. All business processes and policies that a company adopts and follows are part of the business model.

According to management guru Peter Drucker: "A business model should answer who your customer is, what value you can create for the customer and how you can do it at a reasonable cost".⁷

So, a business model is a description of the logic of how a company creates, delivers, and captures value for itself and for the customer.

⁷ "Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers" by Alexander Osterwalder and Yves Pigneur (2010)



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Each business model inherently has three parts:

- everything related to the design and production of the product or service.
- everything related to the sale of the product or service, from customer research to distribution.
- everything related to how the customer will pay and how the company will generate revenue.

Why are cooperatives set up?

Businesses or other organizational units that operate on the business models described above can take many different forms, with respect to ownership and financing. It is common for businesses to be owned by a group of investing shareholders, being publicly traded or not. Sometimes the founder is the sole owner, or such companies become family businesses over time, as ownership is passed along to descendants as years go by. A list of several different variants of the traditional business model can be found in this chapter's annex.

There are however other ways for collectives of individuals or legal entities to join forces, ways that differ from the typical profit driven shareholder model. And one of those alternatives is the cooperative model, that is the subject of this module. Cooperatives are generally set up in contexts where one or more of the following conditions occur:

- Homogeneous needs of a group of people or companies that cannot be met through a profit-making company - for example, in Finland during the 1990s, about 700 workers' cooperatives were established due to the scarcity of job opportunities.
- Protection against exploitative relationships in the market - for example agricultural cooperatives are often a response to monopolistic conditions in which only one owner dominates the local or regional market.
- Need for quality or differentiated products or services, for example through consumer cooperatives.
- When SMEs need to create alliances to achieve the critical mass or range of services required to participate in public procurement.

Pros and Cons of Cooperatives

The advantages of associating consumers, producers, proprietary workers with cooperatives are:

- The interest of a large group of stakeholders can be used to create innovation in society.
- Response to user needs is encouraged. Users are members and, therefore, the cooperative has a more direct perception of the needs of consumers and their changes in behavior, habits, and expectations.



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- Greater motivation for workers as owners.
- The interest of the shareholders allows a greater margin for temporary adaptation to economic or other difficulties.
- The reduction of the nominal capital does not lead to insolvency.
- Democratic decision-making leads to sustainable decisions.
- Limited access to external capital can lead to a more stable equity base.⁸
- Non-distribution of reserves can lead to a more stable equity base.
- In general, sustainable development is possible even if external pressures are faced.

The main disadvantages of the cooperative formula are represented by:

- Attention to the needs of members can create difficulties in diversifying products and services to take advantage of new opportunities, where the latter do not respond to the interests of the members. There is not always an optimal allocation of resources, as is the case in the capital market.
- Limited access to outside capital through stock markets can lead to a dependence on borrowed capital if members' resources are insufficient.⁹ A restricted right to vote (generally "one person - one vote") can represent a disincentive to more active participation in business risk without proportionate voting powers.
- Democratic voting can lead to slow decision-making processes.¹⁰
- A large membership base can prevent the interests and needs of members from being fulfilled.
- Poor investments by the shareholders can cause them a modest interest in the development of the company.
- The ease of joining and withdrawing can potentially lead to problems with the stability of the company due to the exit of active members (for example, the withdrawal of a farmer from an agricultural cooperative) or other development factors.
- Difficulty in knowing the particular nature of the cooperative by those who provide support and consultancy services.
- Access to public procurement: authorities sometimes confuse cooperative societies with non-profit organizations and therefore do not consider them eligible as bidders.

Values and Principles of cooperatives

Cooperative members believe in the ethical values of honesty, transparency, social responsibility and attention to others. However, the recognized values on which the cooperation is based are:

- Democracy

⁸ Module 2 on *Finance* includes an exercise in Bootstrapping, that can be a useful tool when gathering resources for a new social enterprise.

⁹ Module 4 addresses some of the challenges with funding a cooperative.

¹⁰ Module 3 covers the democratic processes and voting in more detail.



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- Equality
- Equity
- Solidarity
- Self-sufficiency
- Self-responsibility

THE SEVEN COOPERATIVE PRINCIPLES

From these values, the seven cooperative principles are born, guidelines through which cooperatives put their values into practice¹¹:

FREE AND VOLUNTARY MEMBERSHIP - Cooperatives are voluntary organizations open to all individuals capable of using the services offered and willing to accept the responsibilities associated with membership. Avoid any sexual, social, racial, political or religious discrimination (Open Door Principle).

DEMOCRATIC CONTROL BY MEMBERS - Cooperatives are democratic organizations, controlled by their members who actively participate in establishing policies and taking related decisions. Men and women elected as representatives are accountable to the members. In first-degree cooperatives, members have the same voting rights. Even the highest-ranking cooperatives are equally organized in a democratic way (Principle one head one vote).

ECONOMIC PARTICIPATION OF MEMBERS - Members contribute equitably to the capital of their cooperatives and control it democratically. At least part of this capital is usually jointly owned by the cooperative. The shareholders, as a rule, receive a limited remuneration on the subscribed capital. This is the condition for their membership, and they allocate surpluses for any of the following purposes:

- development of one's own cooperative, possibly creating reserves, part of which at least should be indivisible.
- provision of benefits for members in proportion to their transactions with the cooperative itself (refunds).
- support of other activities approved by the social base.

AUTONOMY AND INDEPENDENCE - cooperatives are autonomous, self-sufficient organizations controlled by their members. In the event that they sign agreements with other organizations (including governments) or obtain capital from external sources, the cooperatives are required to always ensure democratic control by the members and maintain the autonomy of the cooperative itself.

EDUCATION, TRAINING, AND INFORMATION - Cooperatives undertake to educate and train their members, elected representatives, managers and staff. They will thus be able to contribute efficiently to the development of their cooperative societies. Cooperatives must

¹¹ International Cooperative Alliance (2023)



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implement information campaigns in order to raise public awareness, especially young people and the most renowned opinion leaders, on the nature and benefits of cooperation.

COOPERATION BETWEEN COOPERATIVES - Cooperatives serve their members in the most efficient way. They strengthen the cooperative movement by working together, through local, national, regional and international structures.

COMMITMENT TO THE COMMUNITY - Cooperatives work for the sustainable development of their communities through policies approved by their members.

Entrepreneurship through a Cooperative

The statistics on cooperative enterprises continue to demonstrate their importance in the economies of the European Union. As of 2023, there are approximately 143,000 cooperative enterprises with 92 million members in the EU. Additionally, there are 29 million members from candidate countries. In terms of employment, cooperatives provide jobs for around 4.4 million people in the EU, which is around 2.1% of the total paid workforce. The importance of cooperatives for employment varies from 6.55% in Spain and 6.35% in Finland, to 0.92% in Greece and 0.85% in the UK.¹²

In the United States, there are now more than 120 million members of over 65,000 cooperatives. The top 100 cooperatives in the US have a combined revenue of over \$222 billion. Cooperatives are an important component of the market economy and have contributed to higher levels of development.¹³

Cooperatives also continue to hold significant market shares in important sectors. In the agricultural sector, for example, cooperatives hold a market share of 80% in the Netherlands and 45% in Italy. In forestry, cooperatives hold a market share of 62% in Sweden and 33% in Finland. In the tertiary sector, cooperatives hold a market share of over 50% of the savings market in France, 38% in Finland, 31% in Austria, and 23% in Germany. In retail, consumer cooperatives hold a market share of 38% in Finland and 23% in Sweden.¹⁴

Overall, cooperatives play an important role in the modern market economy and have contributed to economic development and employment.

In many of the candidate countries, cooperatives play an important role in the development of a market economy and democratic institutions. In Central and Eastern Europe, they have acted in the training of both entrepreneurs and citizens, although they have suffered during

¹² CICOPA. Cooperative Facts and Figures. International Organisation of Industrial, Artisanal and Service Producers' Cooperatives (2021)

¹³ European Commission. Cooperatives in Europe: Key Statistics. Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (2022). National Cooperative Business Association CLUSA International. Cooperative Business Statistics (2022).

¹⁴ United Nations. International Year of Cooperatives 2022. Department of Economic and Social Affairs. (2021)



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the transformation process due to the misidentification that has been made of them with political (collectivist) or state structures.

Sustainability

As we have learnt so far, cooperative businesses are organizations that are owned and run by their members and for their members. In many ways, cooperatives have a different relationship with their stakeholders and surroundings than traditional businesses have. And in some ways, this relationship can contribute to or foster sustainability of the coop's society and environment. This is not to say that more traditional businesses are not working towards sustainability, but rather we are focusing here on what exemplifies cooperatives in particular. Here we look at examples of how cooperatives can contribute to sustainable development, through *social responsibility*, *active community work*, *inclusiveness*, and by *collaborating with other cooperatives*.

- Social responsibility:
- Active community work:
- Inclusive organizations:
- Cooperatives work together:

Exercise

This exercise allows a group cooperative members (or partners of other collectives) to brainstorm, reflect, and then summarize the activities and impact of a given cooperative. The exercise raises awareness, and can be a starting point for gathering best practices and furthering the work of other cooperatives.

1 trainer, other group members are participants.

Purpose: to motivate members by results, to get members aware of good results and practices achieved by the cooperative.

Physical meeting: Divide members into small groups (of 3 - 4). Make sure there is a good mix in each group of new and more experienced members. Ask participants in each group to reflect over good practices and practices that your cooperative has managed to achieve. 10 - 15 minutes. A representative from each group summarizes. Write down summaries on a white board.

Digital meeting: divide participants into break-out rooms and ask to do the task (see above)

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Kommenterad [1]: Dear @vingrifo@gmail.com and @marymiglozzi93@gmail.com did you have other exercises (work you presented in Norrköping?) that can be added here in Module 1?
This one here is a short one I borrowed from Module 4, from Coompanion.

Kommenterad [2R1]: hi kari can you take the ones inserted here from page 10, they are the exercises used in the meeting in sweden <https://docs.google.com/document/d/1BfABrPOPGaZvhrUxT0N71DK9oDVIAtzb/edit#>



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Annex

Traditional Business Models

There are different types of business models that are pursued by businesses. Some are trivial, while others require more in-depth analysis. Furthermore, it must be considered that sometimes there is overlap between one model and another.

Examples

Let's see 19 examples of business models for different companies. Some of the basic models of business models are:

Production model

A manufacturer makes finished products with raw materials. Products that it will then sell to the final consumer, for example Mc Donald or through an intermediary. We think of the companies that produce for mass consumption. They do not sell directly to the consumer but first to large distribution which then takes care of distributing it to final consumers.

Distribution Model



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A distributor buys products from manufacturers and resells them to retailers or the public. This is the case of the big brands such as Coop, Esselunga, Carrefour or, more simply, an example are the car dealers.

Franchising

A franchise can be a manufacturer, distributor or reseller. Instead of creating a new product, the franchisee uses the model and brand of the parent company while paying royalties. For example, McDonald's doesn't have all of its own stores. Very often they are private investors entering the MacDonald's franchise. In fact, the parent company often owns only the walls of the single Fastfood. Everything else is managed by the private investor.

Dealer

A retailer sells directly to the public after purchasing products from a distributor or wholesaler. An interesting model, for example, is the Amazon business model.

Aggregator

Business Model Aggregator is a recently developed model in which the company various service providers of a niche and sell their services under their own brand. The money is earned in the form of commissions. Examples - Uber, Airbnb

E-Commerce

The E-Commerce business model is an update of the traditional physical store business model. Although initially by E-commerce we meant companies that operated exclusively online and with physical warehouses, today e-commerce have evolved and for example are starting to open physical stores to make contact with the public more tangible. For example Amazon.

Freemium

This is one of the most common business models on the Internet. Companies offer customers free basic services. And if the customer needs additional functionality, he pays. We think of the world of apps and smartphone games. Generally, the basic service comes with some restrictions or limitations, like in-app advertising, storage restrictions, etc, which premium plans don't have to have. For example, the basic version of Google Drive comes with 15GB of memory.

If you want to increase that limit, you can upgrade to the Pro plan and pay a monthly or yearly price to purchase extra space. Some online image editors only allow you to edit a certain number of images in the free basic plan, while an unlimited number of images in the paid plan. The YouTube free plan comes with ads, while the premium (Red) plan has no ad breaks and has other benefits as well.

Affiliate marketing

The Affiliate marketing business model is a commission-based model. The affiliate builds its business around the promotion of a partner's product and directs all its efforts to convince its followers and users to purchase the same. In return, the affiliate receives a



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commission for each reported sale. Amazon, for example, has such an affiliate program. If a user on his site sponsors products sold on Amazon and through the site the user arrives on e-commerce and purchases, the affiliate will receive a commission.

Subscription

If customer acquisition costs were high, this business model might be the most suitable option. The subscription business model allows you to keep customers on a long-term contract and earn recurring revenue from them through repeat purchases. Examples - Netflix.

Online Marketplace

Online marketplaces aggregate different sellers into a single platform which then compete to provide the same product / service at competitive prices. The market builds its brand on several factors such as trust, free and / or on-time home delivery, quality sellers, etc. and earns a commission on every sale made on its platform. Examples - Amazon, Alibaba.

Advertising

Advertising-based business models are evolving even more as the demand for free products and services on the Internet increases. Just like times gone by, these business models are popular with media publishers like YouTube, Forbes, etc. where the information is provided free of charge, but is accompanied by advertisements that are paid for by identified sponsors. This is where Google falls, in most cases. In fact, it offers free resources and tools and charges advertisers to buy within its assets with banners, sponsored ads, etc.

Network marketing

Network marketing or multilevel marketing involves a structured pyramid network of people who sell a company's products. The model is based on a commission in which participants are remunerated when they make a sale of the company's product. The business model of network marketing works on the philosophy of direct marketing and direct sales, where there are no retail stores, but the offers are marketed directly by the participants in the target market. The market is exploited by getting more and more people into the pyramid structure, where you earn money by selling more goods and getting more people on board. It is a much criticized model because in fact the only actor who always earns is the production company while the other actors often lose out.

Licensing

If I have developed and patented a production methodology, or I am simply the owner of the rights of a fictional character such as Mickey Mouse, I can grant the use of the image of Mickey Mouse or the use of a patent for a fee. We are obviously talking about intellectual property. Let's think of Giochi Preziosi, one of the largest toy companies in Italy.

Many of the collections related to backpacks and school supplies are developed using licensing. Giochi preziosi for example produces spiderman backpacks. Obviously it is not the owner of the Spiderman brand and therefore to be able to use it it will pay the rights to those who own the brand.



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Saas

Many companies have started offering their software, platform and infrastructure as a service. The “as a service” business model works on the basis of the pay-as-you-go principle. For example, Amazon offers its own server space and computing power based on the actual use made of it. The google infrastructure works in a similar way. You pay for the features you want and for the use you make of them.

Agency

An agency can be considered as a partner company specializing in certain non-core business activities such as the maintenance of information systems, the management of advertising communication. We think of large advertising agencies such as Publicis Groupe that deal with the management of communication campaigns for large industrial and non-industrial realities.

Dropshipping

Dropshipping is a type of e-commerce business model in which the company does not own any product or inventory, but only an online shop. The actual product is sold by partner sellers who receive the order as soon as the store receives an order from the end customer. These partner sellers then deliver the products directly to the customer.

Crowdsourcing

The crowdsourcing business model engages users to contribute to the value provided. This business model is often combined with other business and income models to create a definitive solution for the user and to earn money. One company that uses this crowdsourcing business model is Wikipedia.

Blockchain

The Blockchain is an immutable and decentralized digital ledger. It is a digital database that nobody owns, but to which everyone can contribute. Many companies are taking this decentralized path to develop their business models. Blockchain-based models are not owned or monitored by a single entity. Rather, they work on peer-to-peer interactions and record everything on a decentralized digital ledger.

High touch model

The High Touch model is a model that requires a lot of human interaction. The relationship between the seller and the customer has a huge impact on the overall turnover of the company. Companies with this business model operate on trust and credibility. Examples - Hairdressers, consulting firms, etc.

Low Touch model

The opposite of the High Touch model, the Low Touch model requires minimal assistance or human intervention in the sale of a product or service. Since as a company it is not necessary to maintain a huge sales force, costs decrease, even if these companies also

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focus on improving technology to further reduce human intervention and at the same time improve the customer experience. Examples - Ikea.

Of course, most companies don't operate on any of these business models, but rather on a combination of some of them. The business model you choose depends on your business needs and the value you want to create.

The establishment of the European cooperative society

After the introduction of the European Economic Interest Grouping (EEIG) and the European Company introduced, respectively with EC regulations no. 2137/1985 and CE n. 2157/2001, with the EC regulation n. 1435/2003, the European Community introduced the European Cooperative Society (SCE). The establishment of the European cooperative society represents a step forward in the process of integration of the European Community market. The European regulation provides for regulatory coordination with the legislation of the member country in which the SCE has its registered office. Subsequently, with the EC regulation n.72 / 2003, the Community completed the statute of the SCE and established the rules on the subject of involvement in the European Cooperative Society of workers. Italy has implemented the aforementioned regulation with the Circular of the Ministry of Economic Development of 30 June 2006 n.9203 which entered into force on 18 August 2006 (Official Gazette 25.7.2006 n. 171). The European regulation provides for regulatory coordination with the legislation of the member country in which the SCE has its registered office.

Law applicable to the European cooperative society	
Matters governed by EC regulation 1435/2003	<input type="checkbox"/> provisions of the regulation <input type="checkbox"/> statutory provisions of the SCE
Matters not regulated by EC regulation no. 1435/2003 or for the vacant part in matters governed only partially	<input type="checkbox"/> adopted laws of the regulation <input type="checkbox"/> laws that would apply to a cooperative established in accordance with the law of the Member State in which the SCE has its registered office <input type="checkbox"/> provisions of the statute of the SCE under the same conditions as for a cooperative established in accordance with the law of the Member State in which the SCE has its registered office

In this case, the same regulation makes a broad reference to tax, competition, intellectual property and insolvency matters.

The SCE is established with a minimum number of members equal to five. However, Article 2522 of our Civil Code provides for a minimum number of members equal to 9 reduced to 3 if the cooperative is established with the adoption of the model of an s.r.l.

The SCE can be constituted by natural or legal persons having their registered office in at least two member states, and the constitution can take place through an extraordinary transformation operation or through an extraordinary merger operation.



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The SCE can be established with a minimum share capital of € 30,000 (or equivalent if expressed in the currency of a member country outside the euro area). Beyond this limit, the capital is variable with the typical methods of cooperatives and therefore an increase or decrease in capital does not involve any statutory changes, nor any legal advertising (open door principle).

The capital of the SCE is divided into registered shares. The shares can be of different categories provided that within each category they have the same value never lower than the nominal value and confer the same rights. The shares cannot be issued for services relating to the execution of works or for the provision of services. In the event of a cash contribution, the units must be paid up at the time of subscription for at least 25% of their amount. Subsequently, within a maximum of five years, the subscribed shares must be fully paid up. The five-year term is mandatory and the statute of the SCE can only provide for a shorter term.

The establishment of the European Cooperative Society

The SCE can be constituted by natural or legal persons having their registered office in at least two member states. The same establishment can take place through an extraordinary transformation operation or through an extraordinary merger operation.

In particular, the SCE can be established:

- by at least five natural persons resident in at least two Member States;
- by at least five natural and / or legal persons having their registered office or subject to the law in at least two Member States;
- by companies and legal entities governed by public or private law incorporated in accordance with the law of a Member State which are subject to the jurisdiction of at least two different Member States;
- by merging own cooperatives or by incorporation, established under the law of a Member State and having their registered office and central administration in the Community if at least two of them are subject to the law of two different Member States;
- by transforming a cooperative established under the law of a Member State and having its registered office and central administration in the Community if it has had a subsidiary or branch under the law of another Member State for at least two years.

The absolute novelty consists in the possibility of transforming cooperatives:

- through the merger operation, the cooperatives of several Member States can merge in the form of SCE with the opportunity to expand their cross-border operations without having to form a network of branches, each one complying with the law of a different Member State, thus obtaining an optimization of own business;



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- a cooperative of a national state which carries out its activities in one or more member states, can become an SCE without first having to dissolve.

Another element of absolute importance is the possibility of a legal entity with central administration outside the European Union to participate in the establishment of an SCE if the same entity is established according to the dictates of the law of a Member State, which has its headquarters in the same. Member State and has ongoing economic links with another Member State.

The statute and legal advertising

By registering in the Register of Companies, the European cooperative company acquires its own legal personality.

The company name must contain the indication of the acronym SCE and, if the prerequisite is met, the indication "limited liability". The Statute for the European Cooperative Society is also inclusive of the deed of incorporation which must have the form of a private agreement.

With regard to the publication of documents, the EC regulation substantially refers to the provisions of the internal law for joint-stock companies of the Member State where their registered office and central administration are located; however, there is a condition for the registration of an SCE and it is compliance with the provisions of Directive 2003/72 / EC regarding the procedures for involving workers.

In Italy, the SCE is subject to the obligation of registration in the register of cooperatives with distinction, according to the requirements of the law, between the section of cooperative companies with prevalent mutuality and the section for cooperative companies with non-prevalent mutuality. The publicity of the documents takes place in accordance with the provisions on the subject of legal publicity for joint stock companies.

To be considered as having prevalent mutuality, the cooperative must follow the following parameters:

- the revenues from the sale of goods and the provision of services to shareholders must exceed 50% of the total revenues from sales and services.
- the cost of labor of the members must be greater than 50% of the total cost of the work.
- the cost of production for services received from shareholders, or for goods conferred by shareholders, must be greater than 50% of the total service costs.

The deliberative structure and governance of the European Cooperative Society

The European legislator has provided for a general assembly of members for the SCE. The general meeting of shareholders decides on the matters reserved to it by the regulation and / or by the law of the Member State in which it has its registered office. The assembly meets at least once a year within six months of the end of the financial year and at that time it decides on the approval of the annual financial statements and on the allocation of profits. The administration system of the SCE can be chosen between the one-tier system and the



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two-tier system. In Italy, by virtue of regulatory coordination, recourse to the traditional system is also envisaged with the shareholders' meeting, the board of directors and, if the conditions are met, the Board of Statutory Auditors and / or the external auditing body.

The one-tier system provides for the administrative body that manages the SCE and represents it vis-à-vis third parties also in legal proceedings. The two-tier system includes:

- the management body.
- the supervisory body.

The management body, the members of which are appointed by the supervisory body, unless the law of a member state expressly provides for the appointment by the general meeting, manages the SCE and represents it towards third parties, including in judgement. It is required to inform the supervisory body at least quarterly about the performance and probable evolution of corporate affairs. The supervisory body that deals with the control of the management carried out by the management body; the members of the supervisory body are appointed and dismissed by the general meeting. During the constitution phase, the first members of the supervisory body can be appointed according to the articles of association.

The destination of profits and employee involvement

As regards the allocation of profits, the European legislator makes a general reference to the specific rules of each Member State. The SCE based in Italy as foreseen by the circular of the Ministry of Economic Development of 30 June 2006 n. 9203 must comply with the mandatory provisions of Italian law. In this case, the SCE must allocate 30% of the net profits to the legal reserve pursuant to art. 2545-ter of the civil code; the SCE established in Italy cannot interrupt the allocation of profits to the legal reserve, having to continue to feed it regardless of the achievement of the minimum threshold envisaged by the regulation.

The SCE with registered office and central administration in Italy must also pay a share of 3% of the annual net profits to the mutual funds for the promotion and development of the cooperation to which it adheres (or if it does not adhere to any category fund to a specific chapter of the state budget) pursuant to art. 2545-quater of the civil code. The statute of the SCE may provide for a refund in favor of the members. The general meeting of the SCE may provide for a dual allocation of the residual surplus of profits:

- sharing among the reserves;
- to remuneration of the capital freed up (even partially) both with the payment of money and with the assignment of quotas

In the event of dissolution, the residual assets, after having satisfied the claims of the creditors and the reimbursement of the capital contribution of the shareholders, can be destined for devolution to mutual funds or, as far as compatible with the internal legislation



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of the State in which it is based the SCE, to devolution according to what is predetermined in the statute.

Involvement of workers

The text of circular no.2003 / 72 / EC completes the statute of the SCE as regards the involvement of workers. In Italy, the circular was implemented with Legislative Decree no. 48. The rationale of the provision is to guarantee employees, should the cooperatives adopt the new legal form of the SCE, the continuation of the exercise of their collective rights.

The rights protected are

- the information and consultation rights of workers (or their representatives)
- the right of workers to have their own representatives on the administrative or supervisory boards on which they report.

The directive governs the laws, regulations and administrative provisions of the member states relating to the role of SCE workers. The procedures relating to employee involvement are established in each SCE in accordance with the negotiation procedure or the reference provisions on employee involvement established by the directive

Negotiation procedure

When the management and administration bodies of the participating legal entities decide to set up the SCE, they must first initiate negotiations with the workers' representatives of the legal entities on the modalities relating to the involvement of workers in the SCE itself. A special negotiating body will then be set up to represent the employees of the legal entities participating in the constitution and of the subsidiaries or branches concerned. In general, delegations are formed according to the following criteria:

- members elected or appointed in proportion to the number of workers employed in each Member State by the participating legal entities and by the subsidiaries or branches concerned, assigning each Member State one seat for each share equal to 10% (or a fraction thereof) of the number of workers in all the Member States;
- in the event that the SCE is constituted by merger, other additional members for each Member State in such a number as to ensure that the special negotiating body has at least one representative member for each participating cooperative society which is registered and has workers in that Member State and whose termination is proposed as a separate legal entity following the registration of the SCE;
- the procedures for the election and designation of the members of the special negotiating body are determined by the Member States. The special negotiating body and the competent bodies of the participating legal entities shall determine by written agreement the modalities for the involvement of the employees in the SCE.



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To this end, the competent bodies of the participating legal entities inform the special negotiation delegation of the project and of the process of setting up the SCE, up to the registration of the latter. The special negotiating body decides by an absolute majority of the members, provided that this majority also represents the absolute majority of the workers. Each member has one vote. However, if the results of the negotiations lead to a reduction in participation rights, the majority required to decide to approve this agreement is composed of the votes of two thirds of the members of the special negotiating body representing at least two thirds of the workers, including votes of members representing workers employed in at least two Member States:

- in the case of an SCE to be established by merger, if the participation includes at least 25% of the total number of workers employed by the participating cooperatives;
- in the case of an SCE to be established by another form, if the participation comprises at least 50% of the total number of workers of the participating legal entities.

Except in the case of an SCE established by transformation, in this case the special negotiating body may decide not to open negotiations or to terminate ongoing negotiations, by a decision requiring a majority consisting of two-thirds votes of the representative members of at least two thirds of the workers, these votes must in this case represent workers employed in at least two Member States. The special negotiating body may meet again at the written request of at least 10% of the employees of the SCE not before two years have elapsed from the date of the aforementioned decision, unless the parties agree to bring forward the terms of the negotiation.

Agreement on the modalities relating to the involvement of workers

After the constitution of the special negotiating delegation, negotiations begin for the agreement on the modalities of employee involvement between the same delegation and the management and administration bodies of the legal entities participating in the establishment of the SCE. The maximum duration of the negotiations is set at six months with the possibility of extending it up to one year from the date of establishment of the special negotiating body.

The agreement must establish:

- the scope of the same agreement;
- the composition, the number of members and the distribution of seats of the representative body which will be the interlocutor of the competent bodies of the SCE in the framework of information and consultation devices for the workers of the latter and its subsidiaries and branches;
- the powers and the procedure provided for the information and consultation of the representative body;
- the number and frequency of meetings of the representative body;
- the resources to be allocated to the representative body;



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- the procedures to be followed so that workers can elect or recommend their members or oppose their designation as well as their rights if during the negotiations the parties decide to establish modalities for the participation of workers, the merit of these modalities including the number of members of the administrative or supervisory body of the SCE whom the workers will be authorized to elect, designate, recommend p whose designation they may oppose;
- the date of entry into force and the duration of the agreement.

In the case of an SCE consisting exclusively of natural persons or of a single legal entity and natural persons, which together employ at least 50 employees in at least two Member States, the provisions referred to in the preceding paragraphs shall apply; if the SCE (constituted exclusively by natural persons or by a single legal entity and by natural persons) employs fewer than 50 workers as a whole or more than 50 workers in a single Member State, the involvement of the workers takes place by applying the provisions of the Member State of the registered office of the SCE.

Normative requirements

- Legislative Decree 6 February 2007, n. 48
- Directive 2003/72 / EC
- EC Regulation n.1435 / 2003
- EC Regulation no. 72/2003
- EC Regulation no. 2157/2001
- EC Regulation no. 2137/1985

Practice

- Ministry of Economic Development, Circular June 30, 2006, n. 9203
- Circular no. 2003/72 / EC

Strategic networks: Social Economy and social enterprise representation networks



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CECODHAS (<http://www.housingeurope.eu/>), the European coordination committee for social housing which includes about 41400 between cooperatives, public bodies and voluntary organizations offering housing services in 19 countries.

CECOP (<http://www.cecop.coop/>): European Confederation of production and labor cooperatives, social cooperatives and participatory enterprises active in the industrial, service and craft sectors. CECOP has members in 17 European countries including 20 national federations and 4 development organizations for the promotion of cooperative enterprises, for a total of approximately 50,000 enterprises.

CICOPA (<http://www.cicopa.coop/>): International organization of production cooperatives in various sectors (construction, industrial production, services of general interest, transport, intellectual services, crafts, health, assistance, etc.). The members are second-level associations representing cooperatives in the aforementioned sectors.

COGECA - European agri-cooperatives and farmers (<http://www.copa-cogeca.be/>): General Confederation of agricultural cooperatives in the European Union. It has 35 effective members and 4 affiliated members of the European Union and represents over 40,000 cooperatives.

Cooperatives Europe (<http://Coopseurope.coop>) is the gathering organization of all representative entities of the European cooperative movement that officially relates to the European institutions. It has 91 member organizations from 35 European countries and represents over 160000 cooperatives.

EABC - European Association of Co-operative Banks (<http://www.eacb.coop/en/home.html>): Association of European cooperative banks that represents, promotes and defends the interests of 28 institutional members and cooperative banks. It represents about 56 million members and 860,000 workers.

EFC - European Foundation Center (www.efc.be/): European Center of Foundations which includes about 230 foundations and operates as a European philanthropic body.

EVPA - European Venture Philanthropy Association (<http://evpa.eu.com>): European Association of Venture Philanthropy Associations. The network includes more than 160 members including venture philanthropy funds, granting foundations, private equity firms, philanthropy advisors and business schools from 22 countries.

EUROCOOP (<http://www.eurocoop.org/it/>): European Community of Consumer Cooperatives. Its members are the national organizations of consumer cooperatives from 18 European and 1 non-European countries. Created in 1957, Euro Coop today represents over 4,500 local and regional cooperatives, whose members are over 30 million consumers throughout Europe.

FEBEA - European Federation of Ethical and Alternative Banks (www.febea.org/home.php): European Federation of Ethical and Alternative Banks representing the 25 largest European ethical banks in order to promote the growth of initiatives in favor of ethical finance.

Strategic networks: European networks for the promotion of social economy and social enterprise



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CEFEC - Social Firms Europe (<http://socialfirmseurope.org/>): Confederation of European social enterprises that promotes the model of social enterprise and social cooperation at European, national and regional level. The platform collects data on social enterprise in Europe and its impact on the economic system; favors the exchange of good practices among its members; promotes and facilitates the creation of business opportunities for social enterprises in the various countries of the European Union.

DIESIS - European Research and Development Service for the Social Economy (www.diesis.coop): network that operates in support of the Social Economy in Europe through research, training and consultancy activities in various fields (social integration, active citizenship, social housing, participatory democracy, etc.). The network, active since 1997, represents thousands of social enterprises across Europe.

ENSIE - European Network for Social Integration Enterprises (www.ensie.org): European Network for Enterprises for Social Integration. European platform for representation, and the development of networks and federations of companies for social integration.

Euclid Network (<http://www.euclidnetwork.eu>): international network of third sector and civil society leaders with the aim of making European civil society stronger, more sustainable and more innovative. Impact Hub (<http://www.impacthub.net/>): international network of communities for incubation and development of entrepreneurship and social innovation.

SEE - Social Enterprise Europe (www.socialenterpriseeurope.co.uk/): organization born in the United Kingdom with the aim of developing a system of social enterprises at European level. Currently active in 5 countries: UK, Germany, Sweden, France and Italy.

SEN - Social Entrepreneurship Network (www.socialeconomy.pl): Social Entrepreneurship Network. Network promoted by the managing authorities of the European Social Fund of nine countries and regions in order to exchange knowledge, experiences and good practices to develop support for social enterprises within the ESF.

Social Innovation Europe (<https://webgate.ec.europa.eu/socialinnovationeurope/>): European observatory on social innovation which contains various directories relating to studies, events, news on the world of social innovation in Europe.

SOCAP (<http://socialcapitalmarkets.net/>): annual event dedicated to the theme of ethical investments and ethical finance.

TONIIC - Global Impact Investor Network (<http://www.toniic.com/>): global platform dedicated to impact investing.

Most of these representative organizations at European level are in turn affiliated with Social Economy Europe (<http://www.socialeconomy.eu.org/>), the permanent European conference on cooperatives, mutuals, associations and foundations, which is currently the leading interlocutor in the sector for the European institutions. It is a platform created in November 2000 with the name of CEP-CMAF (Standing Conference of Cooperatives, Mutual



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Societies, Associations and Foundations - Permanent European Conference of the Advisory Committee of Cooperatives, Mutual Associations and Foundations).

In some countries, representative associations have gone beyond the sectoral level and have created intersectoral organizations that explicitly refer to the social economy. Examples are CEPES, the Spanish Confederation of Social Economy Enterprises, and the Social Economy Platform in Luxembourg.

Groupings based on other criteria have also been created: in the last 15 years joint networks of platforms representing the social economy, government bodies (such as municipal councils) and / or companies and other social organizations have arisen. This is the case of ESMED, the Euro-Mediterranean network of the social economy, made up of national social economy and cooperative platforms from Portugal, France, Spain, Italy, Morocco and Tunisia; REVES, the European network of cities and regions for the social economy; and FEDES, the European federation of employers in the social sector, all committed to actively promoting the social economy.

Strategic networks: Scientific research and support networks for social entrepreneurship

Aiccon - Italian Association for the Promotion of the Culture of Cooperation and Non-Profit (www.aiccon.it): study center promoted by the University of Bologna, by the cooperative movement and by numerous public and private entities operating in the field of 'Social Economy in order to promote the culture of cooperation and non-profit, with particular attention to the ideals, activities, perspectives and problems of cooperatives, foundations, non-profit organizations.

CIRIEC - International Center of Research and Information on the Public, Social and Cooperative Economy (<http://www.ciriec.ulg.ac.be>): international scientific organization whose members include organizations representing companies in the public sector and social and cooperative economy of many European countries, with researchers specialized in the sector.

EMES Network (www.emes.net): European research network comprising university research centers and individual researchers whose goal is to build a theoretical and empirical framework around the third sector.

EURICSE - European Research Institute on Cooperative and Social Enterprises (www.euricse.eu): research foundation created to promote the growth and dissemination of knowledge and innovation processes of cooperatives, social enterprises, non-profit organizations and commons.

GEM - Global Entrepreneurship Monitor (www.gemconsortium.org): organization that produces an annual report on entrepreneurial activity in 50 countries. In 2009 he conducted a special survey to document the prevalence of social enterprises.

Iris Network - Italian Association of Research Institutes on Social Enterprise (www.irisnetwork.it). Association created to promote and support empirical investigation



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and theoretical reflection activities that foster in-depth knowledge of social enterprise organizations, affirming their role and improving their ability to intervene.

La Revue des études cooperatives (www.recma.org): magazine for the dissemination and promotion of studies and research on Social Economy organizations in the field of social sciences, economics and law in France and around the world.

SELUSI - Social Entrepreneur as Lead Users of Service Innovation (www.selusi.eu): research project funded by the European Commission that studies the behavior of social enterprises in the markets on a sample of 600 European social enterprises (Sweden, Hungary, Spain, Romania and the United Kingdom).

TEPSIE - Theoretical, empirical and policy foundations for social innovation in Europe (www.tepsie.eu): organization founded by the European Commission among 6 European institutions to investigate barriers to social innovation and to identify systems for measuring social innovation.

Normative requirements

COM (2013) 83 Def. "Investire nel settore sociale a favore della crescita e della coesione, in particolare attuando il Fondo sociale europeo nel periodo 2014-2020", <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0083:FIN:it:PDF>

COM (2012) 795 Def. "Piano d'azione imprenditorialità 2020. Rilanciare lo spirito imprenditoriale in Europa" <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0795:FIN:IT:PDF>

COM (2011) 78 Def. "Riesame dello Small Business Act per l'Europa", <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0078:FIN:it:PDF>

COM (2011) 206 Def. "L'Atto per il mercato unico - Dodici leve per stimolare la crescita e rafforzare la fiducia "Insieme per una nuova crescita" <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0206:FIN:it:PDF>

COM (2011) 209 Def. "Proposta di regolamento del Parlamento europeo e del Consiglio relativo a un programma dell'Unione Europea per il cambiamento e l'innovazione sociale" <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0609:FIN:IT:PDF>

COM (2011) 682 Def. "Iniziativa per l'imprenditoria sociale. Costruire un ecosistema per promuovere le imprese sociali al centro dell'economia e dell'innovazione sociale", http://www.federsolidarieta.confcooperative.it/C1/Europa/Document%20Library/3.5%20Iniziativa%20per%20l%27imprenditoria%20sociale%20comm682-2011_part1_ext_IT1.doc

COM (2011) 786/2 Def. "Creative Europe - A new framework programme for the cultural and creative sectors (2014-2020)", http://ec.europa.eu/culture/creative-europe/documents/communication_en.pdf

COM (2011) 808 Def. "Programma quadro di ricerca e innovazione Orizzonte 2020" <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0808:FIN:it:PDF>



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COM (2010) 2020 Def. "Europa 2020. Una strategia per una crescita intelligente, sostenibile e inclusiva" <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:IT:PDF>

Parere CESE in merito alla COM (2011) 682 Def. . "Iniziativa per l'imprenditoria sociale. Costruire un ecosistema per promuovere le imprese sociali al centro dell'economia e dell'innovazione sociale", Relatore: Guerini, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2012:229:0044:0048:IT:PDF>

Parere esplorativo CESE sul tema "Per una dimensione sociale dell'Unione economica e monetaria europea", Relatore: Jahier, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:271:0001:0007:IT:PDF>

Parlamento Europeo (2008) "Social economy resolution", 2008/2250/INI

Regolamento UE 346/2013 del Parlamento europeo e del Consiglio del 17 aprile 2013 relativo ai fondi europei per l'imprenditoria sociale, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:115:0018:0038:IT:PDF>



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COPE

Training Module 2

Finance

From the entrepreneur 's perspective

Mikrofonden Väst, Sweden

COPE TRAINING MODULES GUIDELINES



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Preface

COPE Project's Intellectual Output 1 constitutes the main IO of the project's training content development phase. It consists of the production of an active and creative learning model which is designed to enable trainers in organizations managing entrepreneurship education spread to knowledge about cooperatives and motivate and prepare people for potential establishment of innovative cooperatives or other forms of social enterprises.

The present training Model corresponds to one of the project's Modules within COPE's training handbook.

The training handbook is based on the gap analysis findings. The partners collected information in three specific ways:

- by undertaking an analysis of the state of the art on existing methodologies adopted to promote cooperative model which will provide solid ground and more knowledge about how to structure the learning methodology
- by collecting good practices already implemented by partners at local level. Good practices were collected with a common description form which was created by the partners and filled in by advisors and trainers.
- by interviewing trainers and experts in the field.

Its production was undertaken by Mikrofonden Väst¹, Sweden, one of the project's Partners.

Mikrofonden Väst wishes to acknowledge the contribution of Carina Krii, Kerstin Hallenrud, Ann Ugglå, Maria Henriksson, Kristina Berneholm, Jan Svensson and of others who provided helpful comments on its contents.

Jan Svensson

Gothenburg, Sweden

23 march 2023

¹ <https://mikrofonden.se/mikrofonden-vast/>

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Introduction to the module's content and structure

Learning outcomes covered within this module include the ones highlighted below.

LEARNING OUTCOMES OF MODULE 2 Finance, from the Entrepreneur's perspective

Knowledge	
	How to start a cooperative business
	Sustainable development and environmental protection
	Innovative sectors and cooperatives
Skills	
	Financial literacy or financial managerial proficiency
Competences	
	Collaboration between cooperatives and other businesses

Financing new ventures

One can take many different perspectives on the topic of financing. It could involve the financial management of an established company, or financing the operations of a public entity, either at state or municipal level. But in this module, the focus is on financing activities of an entrepreneur, or an entrepreneurial group, generally starting from scratch, with an initial idea and a team of devoted individuals.

Norrskan foundation states that "Innovation thrives in openness" and they also emphasize diverse teams as a success factor.² A large share of the books or guidelines on funding for entrepreneurs focuses on the solo entrepreneur, where one sets off to realize a new business idea and to create a new privately owned business. In the COPE module we take a different perspective, and focus on how groups can join forces, form a cooperative, and work towards a common goal. The objective of the group may be to generate income and create new jobs, for oneself or for other. Or the aim might be of a societal nature, solving a challenge or meeting a need that is unfulfilled in the status quo.

² Norrskan Foundation (n.d.)



Collectives of individuals create synergies and sharing the burden of work and responsibilities creates resilience for the new business. In this module we focus particularly on financing and place emphasis on thrift and resourcefulness. After a coverage of a [multitude of financing options](#)³, readers are invited to review the material through discussion questions, and finally to test the method of bootstrapping through a simulated exercise.

Business plans

Writing a [business plan](#)⁴ will help you develop your business idea and set goals for your business. You can also use the business plan to sell your idea to investors, suppliers, banks and other interested parties.

One way to develop and shape a new business proposal is to use a business model canvas, a template with a predefined set of sections to describe processes, stakeholders, and interactions pertaining to the proposed business plan. Instructions on how to use a business model canvas are widely available online, and one can learn about its origins and the general approach on the *Business Model Canvas* Wikipedia page.⁵ The page includes a free template that interested parties can start experimenting with.

What characterizes social entrepreneurship?

1: Social enterprises - where the social benefits are at least as important as the economic ones. Sometimes more important.

2: Work-integrated social enterprises - which, without private profit-sharing opportunities and with working methods that create participation, create paths into the labor market for groups that are far from it.

3: Social innovations - which include processes where the goal is to solve societal problems with new innovative ideas. A borderland between business, public affairs and civil society.

□ Organizations that support social entrepreneurship

There are several different organizations that support social entrepreneurship. (Partners can/should list relevant organizations here). One of the largest and most famous in the world is Ashoka. Ashoka coined the term "social entrepreneurship" and supports social entrepreneurs with funding, education and networking. The organization is currently present in over 95 countries⁶. <https://www.ashoka.org/en-aaw/about-ashoka>

³ Visit <https://www.cope.one/archive/> to find Attachment A. Guide on financing options.

⁴ Visit <https://www.cope.one/archive/> to find Attachment B. Business plan.

⁵ Go to https://en.wikipedia.org/wiki/Business_Model_Canvas to find the Canvas and some background information.

⁶ Ashoka (n.d.)

Project financing

Running projects with public funds is a common way to start social enterprises and implement other initiatives linked to social entrepreneurship. The criteria for different fund programs change in many cases year by year. Therefore, it is important to stay updated regularly if project financing is something you want to work with. Even private charities can sometimes be helpful in finding funding. These exist both locally, regionally, and nationally. There are some distinctive organization sites and collection sites you can use to stay up to date.

Funding a cooperative

It's important to have tips and support to find a financing solution that suits your needs. If you need more help when you want to start a cooperative, contact a business advisor. In some EU countries there are organizations with cooperative business advisors, for example Coompanion in Sweden, and in Italy Confcooperative and Consorzio Icaro offer such services.

The cooperative safeguard economic, social and environmental sustainability are in many cases run with the aim of creating a positive social effect or societal benefit.

Social entrepreneurship is basically like any other form of entrepreneurship. It requires financing and good business models for sustainability. Therefore, as a social entrepreneur, you have reason to look at traditional financing solutions for your business. Just like any other contractor.

At the same time, there are clear differences when it comes to business and return targets. This means that there are complementary opportunities to find financing.

Impact investment

Impact investing is a matter of achieving various social or environmental goals through active influence.

Norrskan Foundation is a privately funded organization that supports and invests in both for-profit companies and non-profit organizations, depending on which solution it believes can create the most positive impact on society. The focus is on combining innovative technology with global societal benefits. Norrskan Foundation, which is based in Stockholm, also runs Europe's largest hub for innovation in this field - "Norrskan House". Recently, a hub was also started in Rwanda.⁷

There are many different organizations that work with impact investment. The largest

⁷ <https://www.norrskan.org/>

international is GIIN - Global Impact Investment Network which does a lot of research on the subject (including the one mentioned above). On their site you can find interesting reports and news.⁸

Equity

All companies need equity, which in most cases is also a prerequisite for obtaining a bank loan. Borrowing from relatives and friends can be tempting - but here there is a risk that if things go badly, you will lose valuable social ties.

There are different strategies for managing your equity well. In business language, this is called *bootstrapping* - to work actively to find solutions that reduce the need for liquidity and thus preserve the solidity of the business.

Examples of bootstrapping can be that:

- ❖ Borrow resources from others without interest.
- ❖ Costs be careful in choosing suppliers and compare these against each other to find the best price.
- ❖ Use barter agreements (B2B barter) to reduce the need for liquidity to carry out transactions.
- ❖ Find collaborative partners who let your brand be exposed in their marketing free of charge.
- ❖ Create several different uses for a given asset.
- ❖ Charge in advance
- ❖ Find public grants.
- ❖ Lease resources to the company according to need and liquidity.
- ❖ Build competence free of charge by engaging students in degree projects.
- ❖ Use study associations for study circles.
- ❖ Seek customers who request consulting assistance in an area you want to immerse yourself in, the first customers can then finance your own skills development.

A strategy might be to simply pay attention to bootstrapping opportunities as they arise and make sure to use them. Act immediately, save your liquidity in the short term and promote your solvency in the long term.

Crowdfunding

Crowdfunding is a method of financing projects or ideas by turning to a large number of financiers. These invest small sums of money separately to together create a larger sum. This takes place mainly today via internet-based systems, but can also take place directly between stakeholders, such as neighbors, within the village team and so on.

A successful crowdfunding campaign online means that you have created the right conditions for compo -product, video pitch and community. Your product should be at least at the

⁸ You will find more information at <https://thegiin.org/>



prototype stage so that you have something to show off and it must solve a problem that appeals to many people.

Investors must get something they really want - either for their own consumption or the feeling of being part of and improving the world. Investors are reached through (and are part of) the community that the campaign and preparatory work builds. The most important component for building your community is a good video pitch, but it is also very important to build an e-mail list and forum on social media with the right type of participant in the preparatory work.

Note, before you start a crowdfunding campaign, be sure to check VAT-rules and regulations regarding this form of income in your country.

Financial actors

Banks. Social enterprises are still relatively unknown in the banking world.

Since traditional banks have clear rules for their lending that require collateral and at the same time often do not have experience of social entrepreneurship / entrepreneurship, there are threshold effects that have proved difficult to overcome. But of course it is possible to get a loan from ordinary banks under the right conditions. Historically, it has been shown that savings banks and member banks have been more helpful with loans to companies in the social economy.

Don't forget to check for state-owned venture capital companies, besides commercial banks.

Microfunding

In some countries there are microfunds that can offer **guarantees and microloans but also capital investments to companies, associations, cooperatives and other forms of activities and projects in social economy and local development**. Social entrepreneurs with a clear focus on the global goals generally have good opportunities to be approved.

Example of guarantees that can be given:

- ❖ account credit
- ❖ bank loans & investments
- ❖ bank loan before the project grant arrives
- ❖ [rent of premises](#) (See Attachment C. Bakery Brukets Godaste. A good example of renting premises)⁹.

Public organizations, municipalities, and regions

There are various examples of collaboration with municipalities and regions to find financing. For work-integrating social enterprises, there are adapted ways to find collaboration. This can be anything from subsidized premises to support with equipment and in some cases even supervision. Such support can be a way to get started for a social enterprise.

⁹ <https://www.cope.one/archive/> Attachment C. Bakery Brukets Godaste. A good example of renting premises.



An important support tool for social enterprises is procurement with social considerations that both regions and municipalities can use. This means that demands are made on various social aspects in the procurement, for example internships or that parts of the staff must be employed with support from the employment service.

Seed funding

Seed funding is a form of financing/start-up financing for a company. The reason it's called "seed" is because this funding happens at the beginning of a startup's life cycle. The goal of seed funding is to start the business and help it grow so that it can start generating its own revenue. In exchange for the financing, investors receive equity in the business. Since seed investments are given before the company makes any money, it is seen as a very risky investment .

Traditional lenders such as banks and credit unions are hesitant to give start-up money. Many entrepreneurs turn to angel investors for seed funding in addition to their family and friends to get the initial investments they need to get their business up and running.

Working with angel investors and venture capital firms is not right for every business. In some cases, entrepreneurs can apply for seed funding from other sources such as:

- Crowdfunding
- Incubators
- Personal assets
- Family and friends

At cope.one you may find some exercises on financing¹⁰.

Sustainability

To achieve a sustainable cooperative venture, adopting the SDG - Sustainable Development Goals, would be a good way to start. SDG are the 17 global development goals adopted by the UN and aim to achieve a socially, environmentally, and economically sustainable world.

A business that acts on the basis of the cooperative principles strives towards sustainability, both socially, economically and environmentally. When a cooperative employs its members with fair working conditions the cooperative meets

- SDG #1, No Poverty,
- SDG #2 No Hunger
- SDG #3 Good health and well-being
- SDG #8, Decent work and Economic growth.

¹⁰ <https://www.cope.one/wp-content/uploads/2023/03/Financing-exercise.pdf>



Positive outcomes can also be achieved when the cooperative actively promotes skills development for its members and employees.

- SDG #4, Good education for all

The cooperative is by its nature a democratic organization and usually labeled a social enterprise. This provides good opportunities to achieve both

- SDG #5 Gender Equality
- SDG #10 Reduce inequality.

The cooperative's and the social enterprise's activities are run on the basis of

- SDG #11 Sustainable cities and communities
- SDG #12 Sustainable Consumption and Production.

Last but not least, working towards peaceful and inclusive societies is a self-described goal based on the cooperative principles and the democratic process that permeates a sustainable and successful cooperative.

- SDG #16 Peaceful and inclusive societies

Interested readers will find further information about the [United Nations' Sustainability Goals on the UN website](#)¹¹.

Discussion Questions

1. Business plan
 - a. Question: Why is a business plan a good thing to do?
2. Funding a cooperative
 - a. Question: Discuss different examples of how to fund a cooperative.
3. Seed funding
 - a. Question: Can you explain what seed funding is?
4. Sustainability
 - a. Question: Discuss how the cooperative principles connects to the UN SDG's

Exercises

¹¹ <https://www.globalgoals.org/goals/>



Exercise 1. Financing activities by bootstrapping.

1 trainer, other group members are participants

Participants are given a task to solve (e.g. Your cooperative needs 10,000 euro – what can you, as a cooperative, do to raise additional finances? Can you save costs? Can you offer additional services? Can you apply for a grant, loan, or sponsorship? Any other ideas?). If you work in a big group, divide participants into smaller groups. Discuss in 15 - 20 minutes and be ready to present your summary.

Digital meeting: In Zoom divide participants into break-out rooms. Let the participants discuss in groups for 15 - 20 minutes, and then present their summaries in a big group.

Summarise.

Reflections and thoughts from the participants.

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Our main source of literature is [Guide to financing your social entrepreneurship](#).

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Annex

[Business Budget Template¹²](#)

¹² <https://www.cope.one/wp-content/uploads/2023/03/IC-Business-Budget.xlsx>



COPE

Training Module 3

Cooperative governance

Confcooperative Romagna, Forlì 2022-11-16

COPE TRAINING MODULES GUIDELINES



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Preface

COPE Project's Intellectual Output 1 constitutes the main IO of the project's training content development phase. It consists of the production of an active and creative learning model which is designed to enable trainers in organizations managing entrepreneurship education spread to knowledge about cooperatives and motivate and prepare people for potential establishment of innovative cooperatives or other forms of social enterprises.

The present training Model corresponds to one of the project's Modules within COPE's training handbook.

The training handbook is based on the gap analysis findings. The partners collected information in three specific ways:

- by undertaking an analysis of the state of the art on existing methodologies adopted to promote cooperative model which will provide solid ground and more knowledge about how to structure the learning methodology
- by collecting good practices already implemented by partners at local level. Good practices were collected with a common description form which was created by the partners and filled in by advisors and trainers.
- by interviewing trainers and experts in the field.

Its production was undertaken by Confcooperative Romagna, Forlì, Italy, one of the project's Partners.

Confcooperative Romagna wishes to acknowledge the contribution of Francesco Strocchi and Susana Alves from Confcooperative Romagna, and the support of Kara Bobowski Società Cooperativa and of others who provided helpful comments on its contents.

Francesco Strocchi



Forlì (FC)

31 marzo 2023

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Introduction to the module's content and structure

Learning outcomes covered within this module include the ones highlighted below.

LEARNING OUTCOMES OF MODULE 3 Cooperative governance

Knowledge	
	Understanding the cooperative principles
	Sustainable development and environmental protection
Skills	
Competences	
	Collaboration between cooperatives
	Collaboration between cooperatives and other businesses

Do we have common values and common goals?

First of all, we have to be familiar with our values and purpose. Which of the 7 cooperative principles are the most important for our team? Which one of them helps us to direct our business?

In Module 1, we have discovered the cooperative model, the values behind it and the needs that lead us to start our business. The key is to clarify the point of view of everyone.

How are cooperatives governed?

The members, after defining the social purposes, the rules and the name, give life to the cooperative through a public deed that must be drawn up by a notary, which takes the name of the Constitutive Act. Members agree on a set of bylaws that are constitutional for the governing of the cooperative from then on.

STATUES OR BYLAWS

The bylaws have to include the following rules:

- the purpose of the cooperative
- the name of the cooperative
- the main office



The bylaws should additionally include rules about:

- how to become a member
- cessation of membership
- membership duties, e.g. if membership fees have to be paid
- the composition of the board of directors
- how and when the members come together for a general meeting
- elections and voting procedures
- specifics about proposals and voting on resolutions

In general, cooperatives can develop their bylaws as they wish, as required by law. Often bylaws are written according to guidelines provided to cooperatives.

Optional sections in the bylaws are often included to meet the requirements of the cooperative's individual purpose. As mentioned above, certain points have to be included in the bylaws so that the cooperative runs smoothly and there is no dissimilarity between members and the executive.

In certain cases, it is necessary to amend the bylaws to keep up with new developments in society.

INTERNAL REGULATION

The relations between the cooperative and the members may be governed by regulations that determine the criteria and rules inherent in the performance of the mutual activity between each other. The regulations, if not an integral part of the Constitutive Act, must be approved by the Assembly.

The assembly, or the general meeting, represents the most important body of the cooperative, because it gathers all the members, decides on particularly important elements such as the amendment of the articles of association, the appointment of the corporate offices, the remuneration to directors and control body, the adoption of regulations, the approval of the financial statements.

Each cooperating member shall have one vote, whatever the value of the share or the number of shares held, apart from specific and limited exceptions for legal persons. The level of majorities required for the constitution of the shareholders' meetings and for the validity of the resolutions are determined by the bylaws of the cooperative.

How do we make decisions?



DEMOCRATIC PARTICIPATION: ONE HEAD ONE VOTE

Democratic participation is embodied in the important principle of the "per capita vote", understood in the sense that each cooperating member has the right to one vote whatever the value of the share of participation in the capital.

Corporate bodies

The shareholding structure of cooperatives must be made up of at least 3 members.

The requirements of the candidate members are indicated directly in the deed of incorporation, in which the relative admission procedure is determined in compliance with the "open door" principle.

When founding a cooperative, certain criteria need to be fulfilled:

1. A first meeting of the founding members/incorporators
2. File articles of incorporation
3. Creating and approving bylaws for the cooperative
4. Appointing or electing a board of directors
5. Writing down the results of the first meeting
6. Obtain relevant (business) licenses and permits
7. If necessary: hiring employees

Generally, all cooperatives have a general meeting open to all members and a board of directors who run the cooperative on behalf of the members. More committees can be constituted in the bylaws.

The assembly

It represents the most important body of the cooperative, because it gathers all the members, decides on particularly important elements such as: the amendment of the articles of association; the appointment of the corporate offices; the remuneration to directors and control body; the adoption of regulations; the approval of the financial statement.

The assembly is the body that gathers all the members who, by voting democratically, expresses the social will.

The shareholders' meeting meets in ordinary or extraordinary sessions. The ordinary assembly is competent to:



- the approval of the financial statements and the distribution of profits, within the limits and to the extent established by the articles of association and by law.
- the appointment and revocation of members of the board of directors and the determination of their remuneration.
- the appointment and revocation of the board of statutory auditors, if provided, as well as of the body responsible for the legal control of the accounts.
- the modification of the deed of incorporation.

Each cooperating member shall have one vote, whatever the value of the share or the number of shares held, apart from specific and limited exceptions for legal persons.

The majorities required for the constitution of the shareholders' meetings and for the validity of the resolutions are determined by the deed of incorporation and are calculated according to the number of votes due to the members.

Annual meetings

At least one every year to approve the annual budget, and one every 3 years (but it depends on the statute) to renew corporate offices.

The board of directors

The board of directors, appointed by the shareholders' meeting, is the body that deals with the management of the cooperative and exercises its governance.

The majority must be chosen from among the cooperating members or from the persons indicated by the cooperating members legal entities. In any event, title holders may not be granted the right to elect more than one third of the directors.

The Management Board can hold positions for a maximum of three financial years.

The supervisory body

The control body must supervise compliance with the law and the articles of association, compliance with the principles of proper administration, the adequacy of the organizational structure, the administrative and accounting system and the general performance of the company's activities.

In addition to these controls made by an external figure, the current discipline provides that the cooperative is equipped with an organizational, administrative and accounting structure appropriate to the nature and size of the company, which can promptly detect the crisis situation and the loss of business continuity. This element is of particular importance also with reference to the responsibility of the directors.

How do we resolve conflicts?





Conflicts can often arise inside democratically run organizations, just like any other. Conflicts need to be addressed and different cooperatives may have different ways of doing so, but generally, the statutes or bylaws of a cooperative should give members a rather clear idea of what formal steps are possible. More informal ways are also perhaps a venue worth exploring. The following is an exercise that teams from within and organization can use to bring forward and clarify what it is that leads them towards cooperation, rather than working alone. The exercise focuses on the common that brings the collective together, and after completion, cooperative members can reconsider their grievances and possibly

Value words: Implementation of vision and values

This is a working document that is intended as a help for us who work with our cooperative values and how we can implement the vision and values in our daily work.

- What is the meaning of the values for us, for those we work with and our external contacts and customers?
- How do we act according to our values?
- We will all have a better answer to that after we work with the value words.

Use the vision and valueboard sheet.

1. Find 3-4 words that you want your cooperative to stand for that reflect your values and how you do things at your cooperative.
2. Write down the **value words** on the sheet
3. In the first box, describe what the **value word means** to you (repeat with all the words)
4. In the second box, you describe how it **manifests itself** in your daily work **internally in the cooperative** (how you in the staff should be towards each other)
5. In the third box, you describe how it **manifests itself** in your daily work **externally in the cooperative** (customers and partners)

Now you can go out into the world and represent your cooperative based on a common value base.

Sustainability

Bibliography

“Creare un Impresa Cooperativa”,

Annex

A. GAME: “RISE A COOPERATIVE!”

Contents:

- Instructions
- “Talents and Roles” Cards
- “Chance and Community Chest” Cards

B. PRESENTATION to help the “Master” lead the game

GAME "RISE A COOPERATIVE!"



Part 1:
"Talents and Roles"

Part 2:
"Chance and Community Chest"



Instruction PART 1

Step.1 - Give to each participant one of the cards with the roles (president, vice president, member,...) - orange background.

Step.2 - Give to each participant one of the cards with the “ideas to lead the cooperative” (expand market, invest in technology,...) - yellow background.

!!! Everyone must read his own card, without showing it to anyone.

Step.3 - Start the discussion! Everyone must play the role written in his own cards and try to lead the discussion to his goal (yellow card) and playing the role written in the orange card.

**!!! - The Trainer needs to lead the discussion, trying to let everybody talk
and trying to moderate the discussion to reach a common goal!**

TIPS: You can use the empty cards to use your own creativity and add some pepper to the discussion!

PRESIDENT	VICE PRESIDENT PURCHASING MANAGER	MEMBER ADMINISTRATIVE MANAGER	SUBSIDIARY MEMBER
MEMBER OF THE BOARD OF DIRECTOR	MEMBER OF THE BOARD OF DIRECTOR	MEMBER OF THE BOARD OF DIRECTOR	MEMBER OF THE BOARD OF DIRECTOR



MEMBER WORKER	MEMBER	MEMBER WORKER	MEMBER
MEMBER	MEMBER WORKER	MEMBER	MEMBER WORKER







<p>YOU WANT TO EXPAND THE MARKET BY LOOKING FOR CUSTOMERS OUTSIDE THE TERRITORY</p>	<p>YOU WANT TO INVEST IN TECHNOLOGY TO OPTIMIZE PRODUCTION</p>	<p>WANT</p>	











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Instruction PART 2

!!! Sometimes, even if you achieve the same goal, unexpected events can happen... but opportunities can also arise!

Step.1 - Give to each participant one of the cards with the unexpected events - grey background.

Step.2 - Give to each participant one of the cards with the opportunities - light blue background.

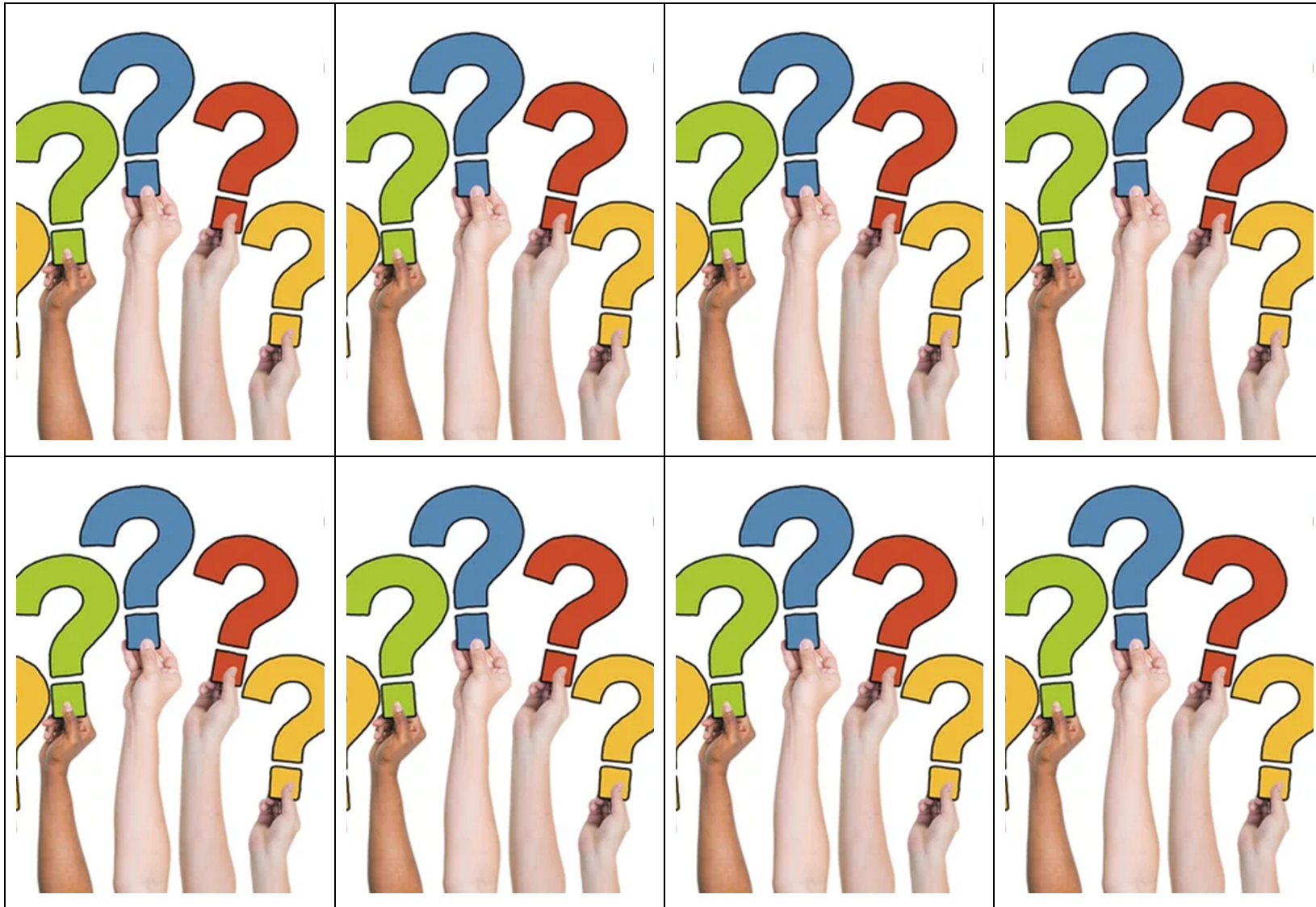
Step.3 - Everyone, in turn, reveals the card with the unexpected events. The group has to find the right solution to face the obstacle and overcome it! Everyone has to continue playing the role in the yellow card, but can use the opportunity-card if it helps!

**!!! - Again, the Trainer needs to lead the discussion, trying to let everybody talk
and trying to moderate the discussion to reach a common goal!**

TIPS: You can use the empty cards to use your own creativity and add some pepper to the discussion!

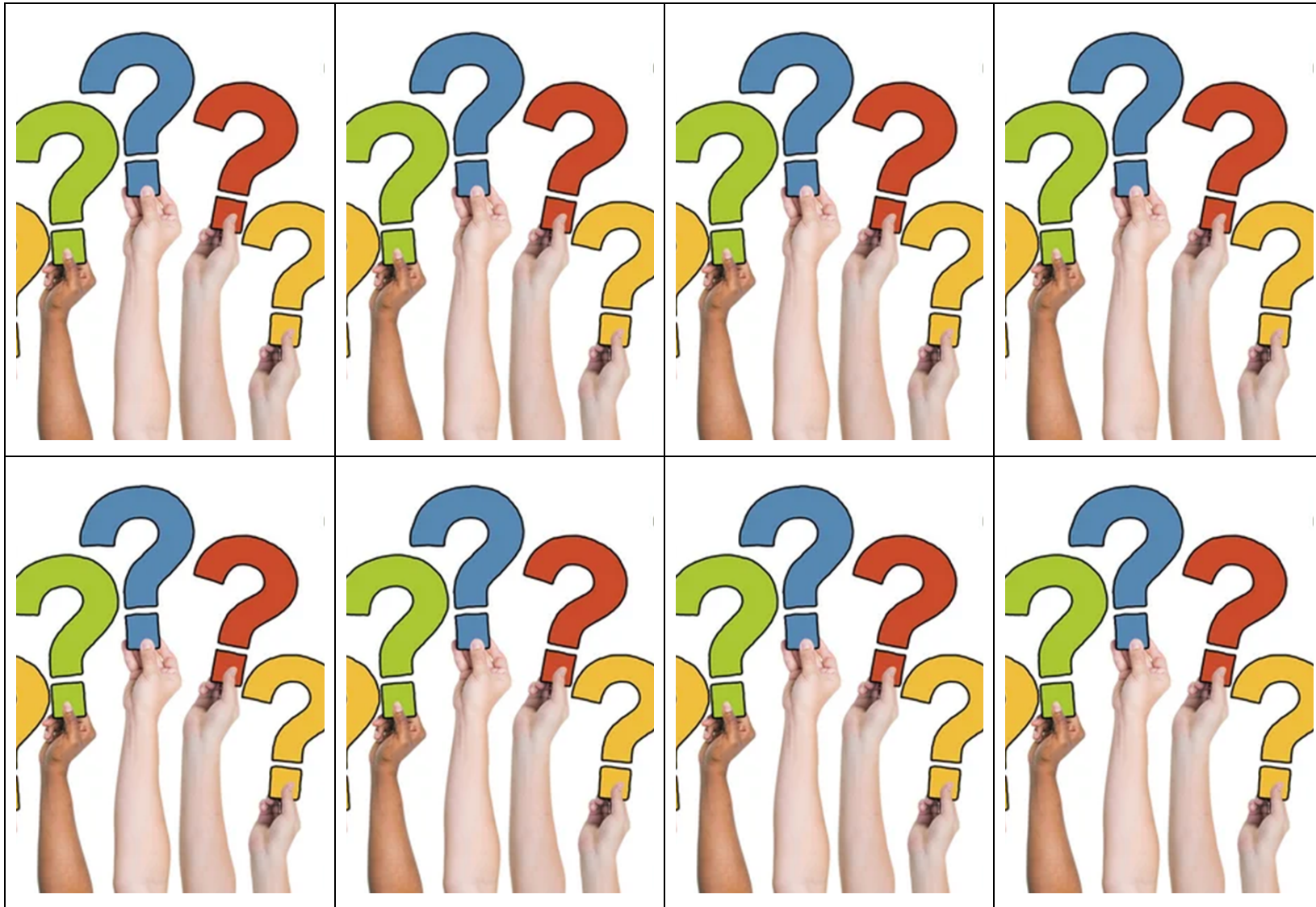


<p>IN RECENT TIMES A CERTAIN DISCONTENT HAS BEEN CREATED BECAUSE THINGS ARE NOT GOING WELL:</p> <p>I ASK FOR A VERIFICATION WITH THE POSSIBILITY OF CHANGING THE LEADER.</p>	<p>IN RECENT TIMES A CERTAIN DISCONTENT HAS BEEN CREATED BECAUSE THINGS ARE NOT GOING WELL:</p> <p>WE LOOK ALL OVER AGAIN LOOKING FOR A SOLUTION THAT WORKS FOR EVERYONE.</p>	<p>IN RECENT TIMES A CERTAIN DISCONTENT HAS BEEN CREATED BECAUSE THINGS ARE NOT GOING WELL:</p> <p>WE ARE LOOKING FOR ANOTHER LEADER EVEN OUTSIDE THE GROUP.</p>	<p>THE COMPANY IS GOING THROUGH A BAD TIME BECAUSE OF THE ORGANIZATION OF WORK:</p> <p>LET'S ANALYZE THE SITUATION TOGETHER AND TRY TO UNDERSTAND HOW TO GET OUT OF IT.</p>
<p>THE COMPANY IS GOING THROUGH A BAD TIME BECAUSE OF THE ORGANIZATION OF WORK:</p> <p>WE RELY ON THE EVALUATION OF AN EXTERNAL EXPERT.</p>	<p>THE COMPANY IS GOING THROUGH A BAD TIME BECAUSE OF THE ORGANIZATION OF WORK:</p> <p>WE RELY ON THE ADVICE OF CONFCOOPERATIVE.</p>	<p>WE ARE LOSING ALL RESOURCES, LET'S TRY TO FIGURE OUT HOW TO RECOVER:</p> <p>WE GET AN INTERVIEW AT THE BANK.</p>	<p>WE ARE LOSING ALL RESOURCES, LET'S TRY TO FIGURE OUT HOW TO RECOVER:</p> <p>WE ARE LOOKING FOR SUBSIDIZING MEMBERS</p>



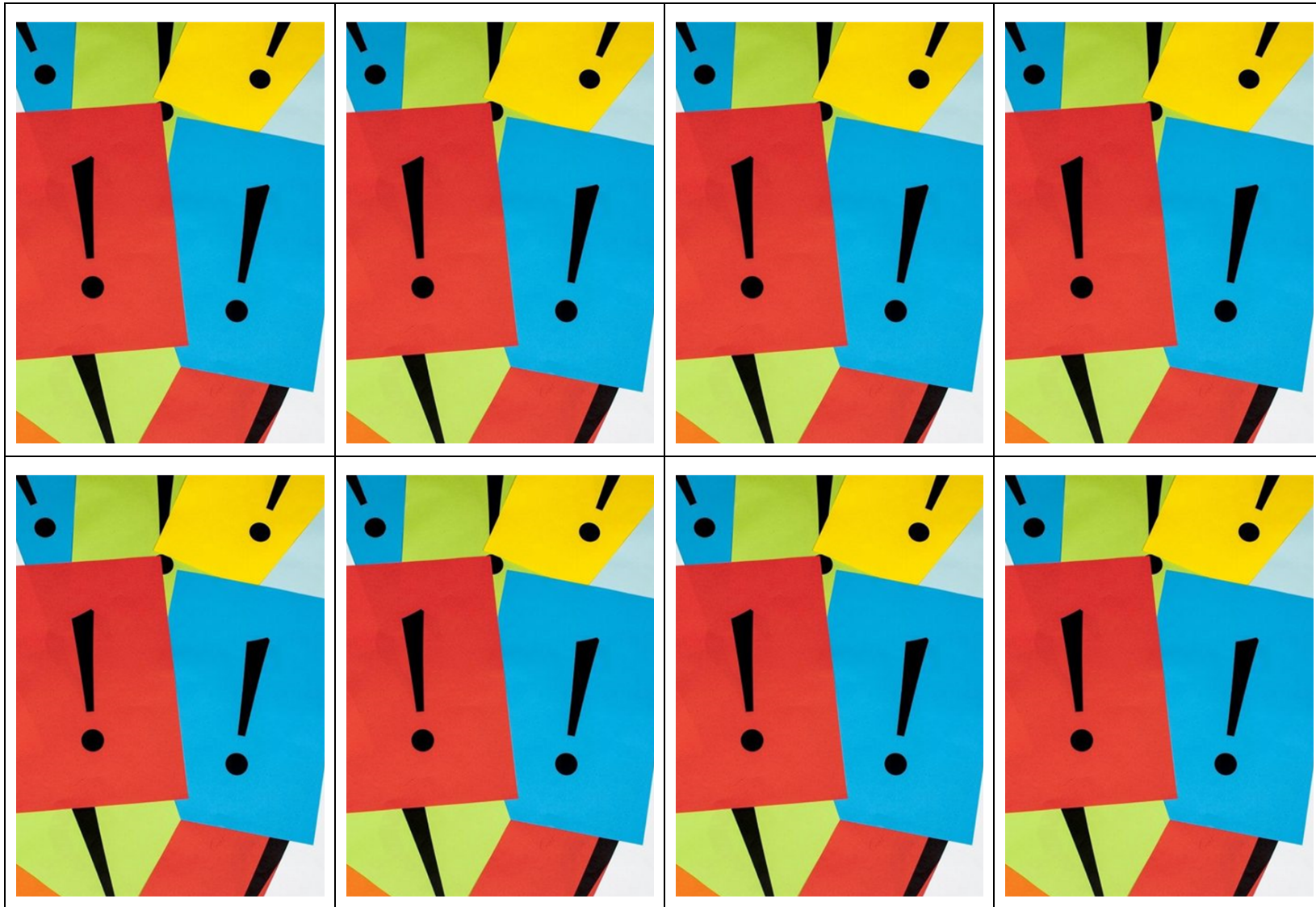


<p>WE ARE LOSING ALL RESOURCES, LET'S TRY TO FIGURE OUT HOW TO RECOVER:</p> <p>WE ARE LOOKING FOR A COLLABORATION WITH OTHER COOPERATIVES IN THE AREA.</p>	<p>A MULTINATIONAL HAS BEGUN TO COMPETE WITH US ON THE TERRITORY:</p> <p>WE TRY TO MOVE IN ORDER TO BE COMPETITIVE ON THE SERVICE.</p>	<p>A MULTINATIONAL HAS BEGUN TO COMPETE WITH US ON THE TERRITORY:</p> <p>WE OFFER TO WORK FOR HER.</p>	<p>A MULTINATIONAL HAS BEGUN TO COMPETE WITH US ON THE TERRITORY:</p> <p>WE CHANGE ACTIVITIES OR TERRITORIES.</p>

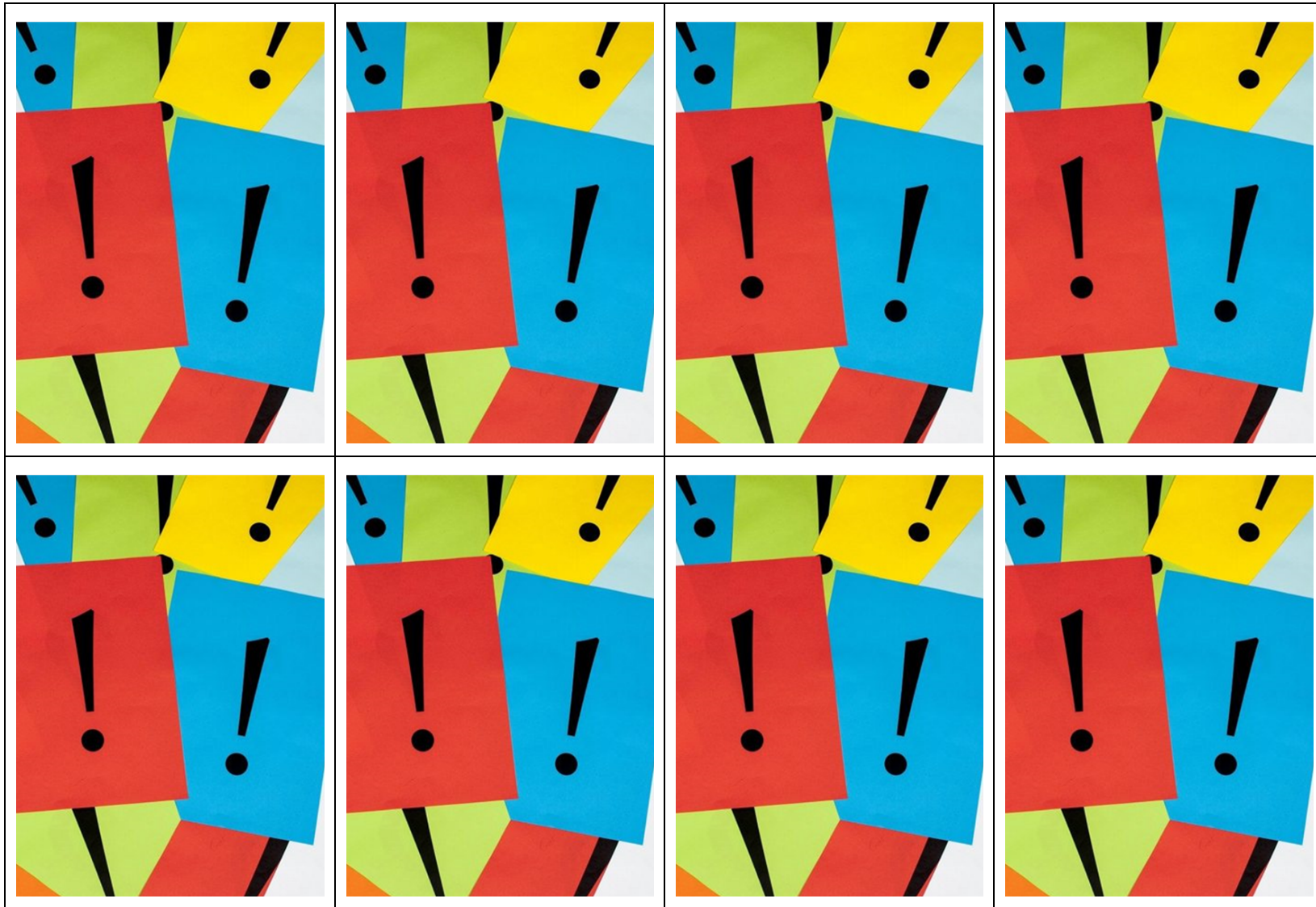




<p>YOUR FAMILY OWNS A 55 SQM APARTMENT IN THE OLD TOWN ON THE GROUND FLOOR.</p> <p>IT IS CURRENTLY OCCUPIED, BUT TENANTS VACATE IT AT THE BEGINNING OF THE YEAR</p>	<p>YOUR GRANDMOTHER TAUGHT YOU TO SAVE AND FROM AN EARLY AGE SHE MADE YOU PUT COINS IN YOUR PIGGY BANK.</p> <p>NOW IN THE CURRENT ACCOUNT YOU HAVE JUST OVER € 10,000.00 TO START YOUR OWN BUSINESS.</p>	<p>YOUR UNCLE HAS JUST DECIDED TO CLOSE HIS RESTAURANT AND HAS A FANTASTIC PRACTICALLY NEW INDUSTRIAL KITCHEN EQUIPPED WITH ALL THE "TOOLS OF THE TRADE".</p>	<p>YOUR CARPENTER UNCLE RETIRES AND HAS A VAN THAT HE NO LONGER USES.</p>
<p>YOUR ARCHITECT SISTER CHANGES COMPUTERS AND IS WILLING TO GIVE YOU HER EQUIPPED WITH DIFFERENT GRAPHICS PROGRAMS IN EXCHANGE FOR ETERNAL GRATITUDE.</p>	<p>YOU'VE ALWAYS USED YOUR FATHER'S CAR FOR TRAVEL, BUT YOUR GRANDFATHER HAS A SHINY NEW CITY CAR AND HAS DECIDED NOT TO RENEW HIS LICENSE.</p>		







PRESENTATION

to help the “Master” lead the game

It's a good idea for the trainer to explain the cooperative governance, during the game, using the presentation you can find at [COPE.one/learning materials](https://cope.one/learning-materials)

Even better if the trainer lead the discussion asking to the participants:

- ***How can we do this?***
- ***Who can help us?***
- ***Which path to choose?***
- ***Why?***

TIPS: If the answer came from the participant you are doing a great job!!!

But don't lose heart... the road doesn't always go where we planned, you have to improvise!