

Learning model on Cooperative Entrepreneurship



CORE CONCEPTS

Cooperative governance

MODULE CONTENT

Cooperative governance Statutes or bylaws Annual meetings Board of directors Financial management Assets and liabilities **SUSTAINABILITY** 

Responsible financial management Democratic participation





#### 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





#### 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.





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."





#### **Discussion**

#### Discussion exercise

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

- a) Does this term have a particularly important meaning for cooperatives?
- b) Would this term be used to describe other organizational forms?
- c) 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."







#### 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		





# **IO1 – Learning model**

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



