

**"ALL YOU NEED TO KNOW
TO SET YOUR OWN
SOCIAL COOPERATIVE"**

YOUTH COOPS TOOLKIT

**YOUTH COOPS: PROMOTING SOCIAL AND
COOPERATIVE ENTREPRENEURSHIP AMONG
YOUNG PEOPLE**



Co-funded by the
Erasmus+ Programme
of the European Union

This publication has been developed in the framework of the Erasmus+ project



Co-funded by the
Erasmus+ Programme
of the European Union



Project Title: YOUth COOPs: promoting social and cooperative entrepreneurship among young people

Project Nr: 2018-2-ES02-KA205-011519

Disclaimer

The European Commission support for the production of this publication does not constitute an endorsement of the contents which reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Editor: YOUth COOPs Team

This toolkit is licensed under the following Creative Commons license
CC BY-SA 4.0 International.



YouthCoops IO1

INDEX:

Preface	2
The Project	8
Partnership	15
Learning Module 1 ' From Social Need to Social Innovation'	22
Learning Module 2 'Social Entrepreneurship and Cooperative Business'	39
Learning Module 3 'Soft skills training for young Coop Starters'	80
Conclusion: The YES experience and potential for Social Cooperatives	97
Case Studies	103
Suggested Readings	116

PREFACE

“Across Europe an increasing amount of young freelancers or independent professionals (graphic designers, journalists, artists, interpreters, etc.) are creating cooperative enterprises in order to secure their employment situation”

“Through a cooperative, they can benefit from social security while enjoying the flexibility to develop their own activity at the same time. They share the risks and the benefits with other young people, applying the values of solidarity and democracy at the workplace.”

The project **YOUthCOOPs: Promoting social and cooperative entrepreneurship for young people** pursues the implementation of innovative practices in order to create a favourable environment for young people to engage in social cooperative entrepreneurship in their local communities, through the aim of bringing closer the youth organizations to the world of cooperatives, thus enabling young people to fully

take advantage of the cooperative enterprise model.

YouthCoops project focuses on developing youth cooperative entrepreneurship training as an investment for sustainable jobs for young people as well as on cooperatives as valuable models to be promoted among youth organisations.

Among the different forms of social enterprises, the cooperative model hasn't been much explored by youth organizations, although it contributes to youth employment not by only providing salaried employment, but also facilitating job creation through self-employment.

The model lends itself to both rural and urban areas and for persons of all academic and skill levels including recent graduates who have limited prospects of finding jobs [International Labour Organisation (2012) A better future for young people: What cooperatives can offer].

Sustainability and long-term development perspectives motivate cooperatives. Setting up a

cooperative business represents a great opportunity for youth organisations to pursue their social mission and, at the same time, for generating profit for the sustainability and autonomy of the organisation.

The profits of the cooperative are, at least partly, reinvested in order to pursue its primary mission and members decide together for which purpose they should be used (equipment, diversification of activities, trainings, etc.). This means that each member has an equal stake and an equal opportunity to contribute, voice their opinions and make decisions.

Cooperatives are typically more economically resilient than many other forms of business, they represent a sustainable form of enterprise able to withstand crisis and maintain the livelihoods of the communities in which they operate.

The European Youth Forum expresses an interest in the “new relations to work” provided by cooperatives as a way to offer more guarantees regarding self-employment, which is one of the sources of precarious work.

This booklet constitutes a useful tool, for youth workers, trainers and aspiring entrepreneur to conduct from the idea to a social cooperative business. It includes 3 learning modules that has been adapted to the specific needs and results of a local focus groups analysis. Each partner handled local focus groups in order to optimize and improve the tool.

The analysis allowed to have a clear map of the learning context and of the target contexts of the proposal (in terms of best practices, methodologies, risks etc.); and to have a common and shared starting point for the elaboration of the teaching methods and Modules.

Target groups for the focus group interviews were youth organizations, youth workers, young people and experts in academic lecturing on entrepreneurship, aspiring young entrepreneurs.

Although the social needs may be specific for each country or area, the national reports showed were similar results regarding the opportunities that social cooperatives can bring

to guarantee a social impact and economic sustainability.

When we asked about the necessary skills and competencies to manage and support adequately a social business/cooperative, besides technical skills referring to financial/accountancy knowledge and administrative issues, the answers lead mainly to soft skills, such as:

- Motivation and leadership that promotes principles, values and foundations such as participation, empathy, solidarity...
- Dialogue and negotiation.
- Enthusiasm, personal motivation and passion,
- Time management.
- Resilience
- Critical thinking

The analysis gave a common picture about the crucial factors for ensuring successful implementation of a social business idea, that are commonly agreed and summed up in the list below:

- Analysis of context

- Appropriate business plan and management
- Sustainability over time
- Flexibility and adaptation to new conditions.
- Networking and good team
- Project communication and marketing

The focus group also reflected a common picture about the biggest barriers when implementing a social business.

On this point, participants agreed that main challenges come from administration, bureaucracy and from difficulties in accessing the initial investment. Challenges also come from finding innovative profitable solutions and from the circumstance that the social benefit is usually not generated in the short term.

The learning modules contained in this booklet aim to give a practical tool for young 'YouthCoopers'.

THE PROJECT

The Context

The EU supports Member States in reducing youth unemployment and increasing the youth employment rate in line with the wider EU target of achieving a 75% employment rate for the working-age population (20-64 years).

Why is it important that the EU encourages youth employment?

- More than 3.3 million young people (aged 15-24 years) are unemployed in 2019 in the EU.
- In 2018, more than 5.5 million young people (aged 15-24 years) were neither in employment nor in education or training (NEETs) in the EU.
- Although it has decreased – from 24% in 2013 to less than 15% in 2019 – the youth unemployment rate is still very high in the EU (with peaks of more than 30% in several countries) and more than double the overall unemployment rate (less than 7%)

and masks big differences between countries.

- Helping young people enter and stay in the labour market helps promote economic growth and better living conditions.
- Young people face specific challenges in the transition from school to work. Being new to the labour market they are less likely to find a job, or are often employed on temporary and part-time contracts.
- Young people are more easily dismissed if the economic cycle is weak.
- The levels of youth unemployment and inactivity are largely influenced by the economy, but they may also be caused by structural challenges.
- Structural challenges include unsatisfactory outcomes in education and training, segmentation of labour markets affecting young people, and at times the low capacity of public employment services to provide tailored services to young people, particularly to the most vulnerable. (for more info: <https://ec.europa.eu/social/main.jsp?catId=1036>)

Concerns arising for the high unemployment rates that hit the younger generations in Europe have brought to rethink how to enhance the access of young people into the labour market by promoting self-employment and entrepreneurship education as a response. This is evident also looking at the Europe 2020 Strategy flagship initiative “An agenda for new skills and jobs”, which pursues the promotion of entrepreneurship, self-employment and innovation” [COM(2010) 682 final:18]. In the last years, social entrepreneurship has been the main approach to business to be explored by youth organizations to be economically sustainable and keep pursuing their social mission, but the cooperative model hasn’t been sufficiently explored.

In many countries cooperatives are not included in school curricula, and so young people do not have the opportunity to learn about this form of enterprise during their studies. Existing mainstream entrepreneurship education and business support services also neglect the cooperative model. Even when the cooperative

business is introduced to potential members, promoters often underestimate the need for capacity building, business management skills, and specific training (ILO 2012). All these gaps limit young people's ability to choose the cooperative option to doing business.

The project pursues the implementation of innovative practices in order to create a favourable environment for young people to engage them in social cooperative entrepreneurship in their local communities, through the aim of bringing closer the youth organizations to the world of cooperatives, thus enabling young people to fully take advantage of the cooperative enterprise model.

Goals and objectives

General objective:

Promoting social cooperative entrepreneurship among young people as a sustainable business model for youth organizations and as an instrument to contribute in countering youth unemployment.

Specific objectives:

- to implement innovative youth work practices in social entrepreneurship and cooperative business among European organizations active in the youth field;
- to create and deliver an original training programme in order to provide youth organizations and young people with skills in social cooperative entrepreneurship;
- to increase sense of initiative and social cooperative entrepreneurship of young people across Europe;
- to make the training models and tools usable, replicable and useful at European level for professionals, educationalists, youth organizations and associations.

The outputs of the project consists in 3 learning modules contained in this booklet, based on the experience of the project partners by providing trainings offers to target groups on the topic of social cooperatives.

Youth workers and trainers from different local communities in Europe took part to the learning activities organized to test and improve in the

learning models, with a transnational approach. As results, the target group has been equipped with knowledge, tools and key competences related to social cooperative entrepreneurship; A group of aspiring young (18-30 years old) social entrepreneurs that have a small business idea or have started a small social entrepreneur venture/community development project tested the content in a blended training in order to foster the improvement of the target groups skills in social cooperative entrepreneurship.

The second tangible output is the YouthCoops Open Learning Portal (E-Portal: <https://youthcoopsportal.eu>) in order to implement the online trainings and fostering the improvement of self-employment skills of the target groups.

The online Portal constitutes the ideal space to experience exchange and know-how transfer between mentors and mentees, sharing approaches and valuable knowledge on different aspects of business implementation, thanks to the cooperation among experts from different

countries and sectors related to entrepreneurship education.

It offers a dynamic training environment that will increase the networking opportunities for users. The multicultural background increases intercultural social activities of partners and target groups, while at the same time improving soft skills.

PARTNERSHIP

The project consortium involves 6 organisations from Bulgaria, Italy, Slovakia and Spain.

TRIBEKA TRAINING LAB S.L.U.

TRIBEKA TRAINING LAB S.L.U. is a Spanish training agency, that promotes, organises and manages internships and educational programmes for young students, teaching staff, unemployed, young workers and organisations coming from all over Europe.

Their mission is to provide educational experiences in territories that, given to their economical, historical and social characteristics, make possible to increase beneficiaries' career prospects.



PROMIMPRESA SRL

Promimpresa srl is a private company which provides and promotes educational services. Promimpresa provides its services to SMEs, public entities, manufacturing and service companies operating in various fields.

The services provided by Promimpresa comprise:

- Continuous education for enterprises, with a special focus on foreign language courses.
- Training programmes for unemployed people (i.e. vocational education)
- Recruitment (Employment Agency for the activities of Research and Recruitment, accredited by the Italian Ministry of Labor)
- On-line courses (Promimpresa is an e-learning center point of the Telematic University "Pegaso").



PRISM - PROMOZIONE INTERNAZIONALE SICILIA – MONDO

PRISM supports the social, cultural and economic development of the territory in which it operates. It acts as a qualified development agent able to monitor and boost in the territory the development policies promoted by local and transnational bodies, in particular by the European Union through structural funds and direct funding programmes managed by the European Commission or its executive agencies.

The PRISM mission is about promoting development that is:

- local, by promoting territorial identity and potential of endogenous resources;
- based on an effective local governance and development of social capital;
- sustainable, by meeting the needs of present generations without jeopardizing the ability of futures generations to meet their own needs.



MAGENTA CONSULTORIA PROJECTS SL

Magenta Consultancy is an educational and European projects' consultancy set in 2003 and specialised in the promotion of gender equality and social development at regional, national and European level. Their target group is represented by all generations. They work in the field of school, youth, VET, high and adult education not only directly with learners, but also with professionals.

Their programmes are mainly focused on the following areas of expertise:

- Gender equality and violence prevention.
- Social integration.
- Psychological and physical health: cognitive stimulation, emotional intelligence programmes, social abilities projects, coaching processes.
- Access to the labour market and entrepreneurship promotion.
- Literacy, empowerment and key competences.
- Youth: social integration, labour orientation, entrepreneurship promotion, quality leisure, healthy habits and drug prevention, active

citizenship, emotional intelligence and social abilities, conflict resolution, etc.

- Active ageing.



ECQ LTD - EUROPEAN CENTER FOR QUALITY

European Center for Quality was founded in 2001. Initially it was primarily focused on supporting small and medium-sized Bulgarian enterprises in the development and implementation of innovations, as well as quality management systems under various internationally recognized standards. Yet as an organization possessing varied expertise, strong creative potential and a large collaborative network spanning both the field of education and research and the business sector, it soon took up responsibilities and initiatives to encourage and facilitate collaboration and knowledge exchange between education (both formal and non-formal) and the world of work.

In the frame of these initiatives it has acquired both expertise and a lasting interest in youth and adult work, particularly as it pertains to employability, support for active labour market policies and non formal education aimed at young graduates and people entering the labour market. Among its key areas of current activity are the design and delivery of training programmes for business entities and employees and the design and delivery of training programmes aimed at building the employability skills of students and people in general.



ICEP - INSTITUTE OF EUROPEAN CERTIFICATION OF PERSONNEL s.r.o.

ICEP sro was established in 2009 and headquartered in Bratislava – Slovakia, part of W group with an international presence leader in inspection, assessment and certification activities, thanks to over fifteen years top management experience in the sector.

ICEP sro is, from 2010, the only legally registered owner of the trademark ICEP worldwide. ICEP – Institute of European Certification of Personnel, was born with the aim to contribute to the growth of the credibility of the international certification system and the world of work and / or volunteer work through the qualification – demonstrably – Operators.



LEARNING MODULE 1 – FROM SOCIAL NEED TO SOCIAL INNOVATION

The learning module is focused on providing participants with skills to identify and analyse social needs in their community and meet those needs with social innovation strategies.

Module Goals

Learning objectives are how to;

- analyse and “understand” the context in which they work and live;
- identify needs and generate business ideas;
- design social community-based business projects through analytical steps and strategic planning;
- identify innovative solution for addressing community challenges;
- use of all the information and materials of the training target groups.

What is a Social Innovation?

Social innovation is new solution which can be a product, service, process, etc. that simultaneously

meet social needs in a better way than the existing solutions.

Social innovation, which is seen as one way of contributing to economic growth, while at the same time promoting sustainability and addressing social challenges, is high on the European Agenda. Across Europe, there are numerous social, economic and environmental challenges that traditional approaches used by governments, businesses and civil society have proved incapable of adequately addressing. Social innovation can take place within government; the for-profit sector, the non-profit sector, or in the spaces between them.

There are many different definitions of social innovation. Basically, social innovations are new approach/solution to meet **social needs**. These solutions are created with the goal of extending and strengthening civil society. Social Innovation has an **inter-sectoral approach** and is universally applicable. Social Innovation focuses on the process of innovation, how innovation and change take shape. It likewise centers on new work and new forms of cooperation (business

models), especially on those that work towards the attainment of a **sustainable society**.

There are a few characteristics of social innovations:

- ◇ New: The innovation should be at least "new" to the beneficiaries it targets, but it does not have to be new to the world.
- ◇ Meet a social need: The innovations are created with the intention of addressing the social need with a positive or beneficial way.
- ◇ Put into practice: In contrast to social inventions which are new ideas that have not been implemented, social innovations are the ideas that have been practiced.
- ◇ Engage beneficiaries: Beneficiaries are engaged in the development of the social innovation or in its governance. It might also take place via actors who directly support the beneficiaries.

Transform social relations: Transformative social innovation not only introduces new approaches to seemingly intractable problems but is successful in changing the social institutions that created the problem in the first place.

What is a Social Economy?

The social economy is formed by a rich diversity of enterprises and organisations, such as cooperatives, mutual, associations, foundations, social enterprises and institutions.

Nowadays, we are witnessing the emergence of new economic model that has broad implications for the future of public services and community needs. This economic model can be seen in many fields from environment to education, from welfare to energy, etc. This economic model combines some of the old elements of economy and many new/innovative elements. This economic model is called “Social Economy”.

There are a few characteristics of social economy:

- ◇ The intensive use of distributed networks to sustain and manage relationships, helped by broadband, mobile and other means of communication.
- ◇ Blurred boundaries between production and consumption.

- ◇ An emphasis on collaboration and on repeated interactions, care and maintenance rather than one-off consumption.
- ◇ A strong role for values and missions.

This economy can be found in parts of the public sector, the non-profit world as well as commercial markets, though it thrives most in the spaces where the sectors overlap.

What is a Social Business?

A non-dividend company that is created to address and solve a social problem.

Social business is a business that is aimed at addressing a social cause. The investment is entirely with a vision to contribute to the social needs of the community and not entirely for profit. However, the investor may get back their money after a certain time.

Although, the profit is not the main purpose of the organization, nevertheless organizations into social business are allowed to make profits. After all sustainability of the organization is important

and profit makes it possible. Generally, social businesses cannot make profits in excess of the actual investment.

Nobel Peace Prize Laureate Professor Muhammad Yunus proposes a type of business that operates in the same markets as the existing profit-maximizing businesses and that exists for the collective benefit of others.

In 2016, Yunus said: “A social business is a business whose purpose is to address and solve social problems, not to make money for its investors. It is a non-loss, non-dividend company. The investor can recoup his investment capital, but beyond that, no profit is to be taken out as dividends by the investors. These profits remain with the company and are used to expand its outreach, to improve the quality of the product or service it provides, and to design methods to bring down the cost of the product or service. If the efficiency, the competitiveness, and the dynamism of the business world can be harnessed to deal with specific social problems, the world will be a much better place.”

What is Social Cooperative?

Social cooperatives exist to provide social services such as the care of children, elderly and disabled people, and the integration of unemployed people into the workforce.

Social cooperatives provide services of general interest and engage in the reintegration, through work, of disadvantaged and marginalised workers (disabled, long-term unemployed, former detainees, addicts, etc.). Such cooperatives are prominent in Italy but also exist in other European countries.

Mainly since the 1970s, the emergence of new types of cooperatives responding to unmet needs, mainly in the fields of the provision of social services and work integration has been observed across the world. In some countries, these new types of cooperatives have gradually obtained their own legal status, under different denominations, such as “social cooperative”, “social solidarity cooperative”, “social initiative cooperative”, “solidarity cooperative” and “collective interest cooperative society”,

highlighting the importance of this new phenomenon within the cooperative movement.

There are a few characteristics of social cooperatives:

- ◇ **Explicit general interest mission:** The most distinctive characteristic of social cooperatives is that they explicitly define a general interest mission as their primary purpose and carry out this mission directly in the production of goods and services of general interest.
- ◇ **Non-state characteristic:** Like all cooperatives, social cooperatives are non-state economic entities based on the free association of persons, despite the fact that activities which they carry out are often financed by the public budget, given the general interest character of these activities.
- ◇ **Multi-stakeholder membership structure:** A multi-stakeholder membership structure is a governance pattern in which different types of stakeholders are or can be members of the cooperative and can thus jointly own and democratically control the

enterprise. This multi-stakeholder governance structure is an innovative contribution of social cooperatives in developing democratic and participatory management in response to their general interest mission and its effective implementation.

- ◇ **Substantial representation of worker members:** The composition of a multi-stakeholder governance structure can vary according to different circumstances, worker-members should be significantly represented within all possible governance structures, because workers are always one of the main stakeholders of social cooperatives, either as service providers or as beneficiaries of work integration activities.
- ◇ **Non or limited distribution of surplus:** Since surplus redistribution to cooperative members is done in proportion to the transactions between the latter and the cooperative, it is an adjustment of the transaction price. The non-distribution or limited distribution of surplus in social

cooperatives confirms that the general interest mission is their primary goal.

Cooperative Principles

The cooperative principles are guidelines by which cooperatives put their values into practice.

1. Voluntary and Open Membership

Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are also organised in a democratic manner.

3. Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4. Autonomy and Independence

Cooperatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5. Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6. Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7. Concern for Community

Cooperatives work for the sustainable development of their communities through policies approved by their members.

Introduction to Social Business Model

A social business model is therefore a structure, design or framework that a social business follows in order to bring about a positive change while maintaining healthy financial returns.

Organizations that have adopted the social business model utilize social media tools and social networking behavioural standards across functional areas for communicating and engaging with external audiences, including customers, prospective customers, prospective employees, suppliers, and partners.

Organization that adopts social business model will eventually show following characteristics:

- ◇ **Connected:** Employees will engage one-on-one in real time with other employees and other individuals such as customers, partners, media, etc. Moreover, they will be able to use different media tools; chat, text, voice call, e-mail, etc.
- ◇ **Social:** Employees will be authentic, helpful and transparent to external interactions. Since the profit is not main goal, they will freely share information about their products or services.
- ◇ **Presence:** Above mentioned interactions with customers, partners etc. may take place in organization's website, social media account, or elsewhere online.

- ◇ **Intelligent:** Organizations will use comprehensive analytics to audit connections, social interactions and presence; measure corresponding business results; and regularly adapt and advance practices for increased effectiveness.

Introduction to Business Model Canvas

The Social Business Model Canvas is a tool for creating a solid business model around your social enterprise. It's also a collaborative tool that helps you communicate different business models with your stakeholders and brainstorm new ones.

Business Model Canvas manages to make business model simple, and easily understood while capturing the complexities of how enterprises function. Therefore, it makes a useful tool to understand the business model of an enterprise and to conduct business model innovation. Social enterprise is no exception as all organisations must generate enough revenue to survive. However, social enterprise has different

definitions and characteristics to business enterprise that adjustments to the Canvas are necessary to fully capture the business model of a social enterprise.

Business Model Canvas allows business model to be simple, relevant and intuitively understandable, while not oversimplifying the complexities of how enterprises function (Osterwalder & Pigneur, 2010 p.15). The Canvas become a common language for stakeholders to discuss the business.

The Canvas has 9 blocks:

<p>KEY PARTNERS</p> <p>Who are your key partners?</p>	<p>KEY ACTIVITIES</p> <p>What are the activities you perform every day to deliver your value proposition?</p>	<p>VALUE PROPOSITION</p> <p>What is the value you deliver to your customer? What is the customer need that your value proposition addresses?</p>	<p>CUSTOMER RELATIONSHIPS</p> <p>What relationship does each customer segment expect you to establish and maintain?</p>	<p>CUSTOMER SEGMENTS</p> <p>Who are your customers?</p>
	<p>KEY RESOURCES</p> <p>What are the resources you need to deliver your value proposition?</p>		<p>CHANNELS</p> <p>How do your customer segments want to be reached?</p>	
<p>COST STRUCTURE</p> <p>What are the important costs you make to deliver the value proposition?</p>			<p>REVENUE STREAMS</p> <p>How do customers reward you for the value you provide to them?</p>	

Below questions will help you to fill out all the segments at your Canvas.

- ⇒ Step 1: Customer Segments (Who are the customers? What do they think? See? Feel? Do?)
- ⇒ Step 2: Value Propositions (Why will customers buy or use this?)
- ⇒ Step 3: Channels (How will you promote, sell and deliver? Why? Will it work?)
- ⇒ Step 4: Customer Relationships (How will you interact with the customer?)
- ⇒ Step 5: Revenue Streams (For what are customers willing to pay? What is the revenue model? Pricing tactics?)
- ⇒ Step 6: Key Activities (What key activities will your value proposition require?)
- ⇒ Step 7: Key Resources (What unique assets must the business have to compete?)
- ⇒ Step 8: Key Partnerships (Which key activities do key partners perform and need not be done by you?)
- ⇒ Step 9: Cost Structure (What are the most important costs in your business model? How do these link to revenues?)

LEARNING MODULE 2: SOCIAL ENTREPRENEURSHIP AND COOPERATIVE BUSINESS

The learning module “Social entrepreneurship and the cooperative business” is focused on exploring the social cooperative and its main features.

The module will present all the steps to set up a cooperative, from responding to a social need to implementing the cooperative services.

Module Goals

Learning objectives are how to;

- plan a social cooperative business;
- find the appropriate partners and stakeholders;
- understand cooperative financial models and management;
- use all the information and materials of the training in order to apply them to all the target group.

Defining Social Problems

First step of a successful project is to decide what you would like to do for your community. This heavily depends on what your community needs.

Your community can be your neighbourhood, your class/school, a minority group that you belong, or group of people that you share same goals, etc.

Community is defined as a group of people who share a connection that they recognize. The community you will target needs to be identified. If you didn't identify your community yet, please take 15 mins and use the following questions:

- ◇ How do you describe the boundaries of the community you intend to deal with?
- ◇ What groups of people live or come together in the community? Do they have any special needs?
- ◇ How do members of the community define/describe themselves?

- ◇ Who are the leaders and communicators in the community? Are there any special subgroups?

After answering these questions, you should have a clearer picture of your targeted community. Now, you know your target, let's focus on the problems that occurs in this community.

Following questions may help you to make your list:

- ◇ What are the major problems in your community?
- ◇ What is the most urgent problem?
- ◇ What is the most publicised problem?
- ◇ What is the hardest problem to be solved in your community?
- ◇ What does seem easiest to solve?
- ◇ Is there any long-term problem?
- ◇ Are there any newly occurred problems?

Please list all the possible problems and needs in next 30 mins.

Problem Tree Analysis

Now that you have a problem to work on, it will be useful to analyse the causes and effects of this problem before we go any further.

There is a very simple diagram that called Problem Tree that represents a summary of the existing negative situation. To start with it, please have a blank page and show the core problem in the middle, the effects of the problem on the top section, and the root causes underneath.

This problem tree shall represent a situation concerning the selected business field they have chosen previously.

Please follow the guidelines to complete your problem tree:

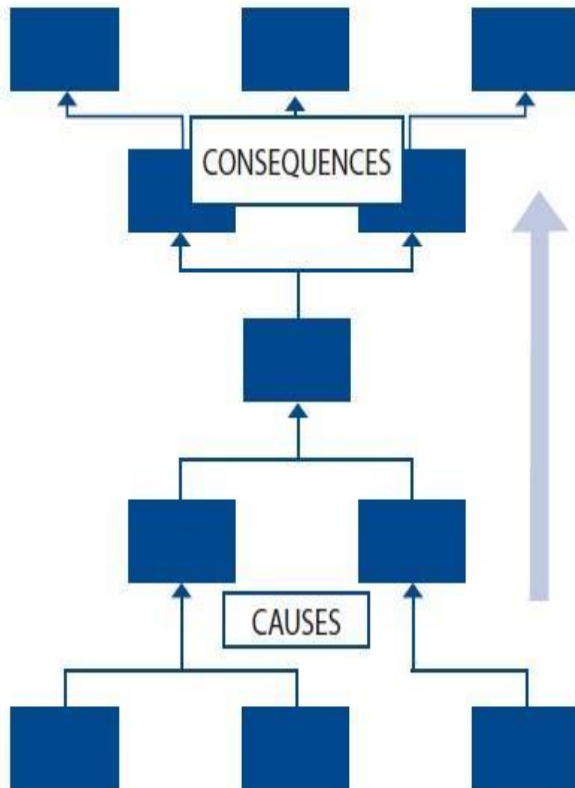
- ◇ Start with stating the core problem of an existing situation.
- ◇ Identify major problems that are related to the problem (by brainstorming) and write down each on a separate card.
- ◇ Establish hierarchy of causes and effects: problems which are directly causing the

core problem shall be put below, problems which are direct effects of the core problem shall be put above.

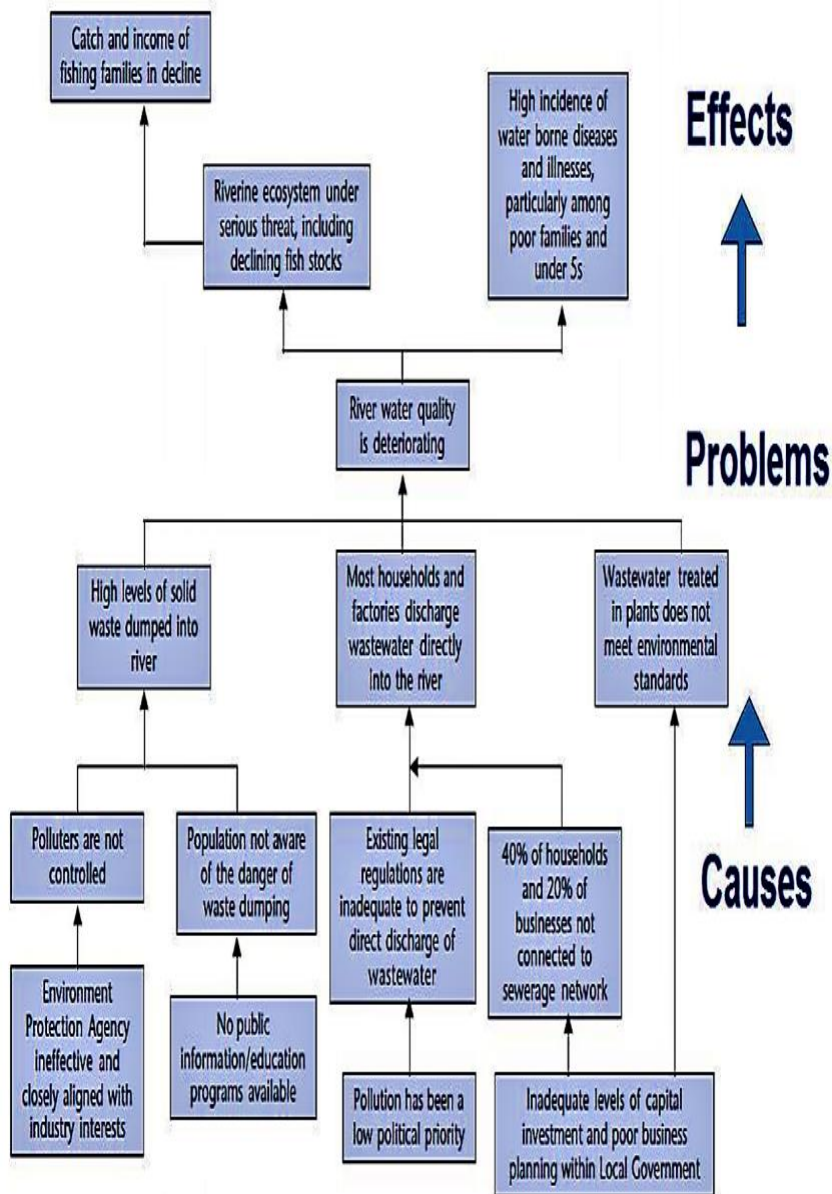
- ◇ Connect the problems with cause-effect arrows.

In case you need further support:

- Write the problem in a sentence by specifying it like this: 'Subject – verb – object'
- Problems should be phrased as negative situations.
- Each card should include only one problem.
- Problems must be existing ones, not future or imagined ones.
- Avoid generalization and be specific.



Please look at the following example of a Problem Tree:



Take next 60 mins to work on **your problem tree** analysis.

Design your idea

To continue, we will go into deeper understanding of the social needs which we want to focus on. In the previous steps, you already list your interests and social needs in your community. Please take a moment to compare these 2 lists together and see if there is any common area that appear in the both lists.

In case, you can't make direct connections, please find areas that are close to each other and somehow connected by third parties.

- ◇ Are you ready to work on this need deeper?
- ◇ Please Identify the social need that you want to meet.
- ◇ What are the characteristics of the market you choose?
- ◇ Are there any competitors in the field? Please identify some examples.
- ◇ What are your special added values?

Please use next 40 mins to find answer for above questions.

Stakeholders Analysis Matrix

Once you are through with the questions, next step is the identify your stakeholders. Stakeholder can be an individual, group of people, institutions or businesses that have a significant interest in a certain project.

We have to make clear, that there are different types of stakeholders, with each having its distinctive characteristics:

1. **Stakeholders:** Individuals or institutions that may – directly or indirectly, positively or negatively – affect or be affected by a project or programme.
2. **Beneficiaries:** Are those who benefit in whatever way from the implementation of the project. Distinction may be made between:
 - (a) **Target group(s):** The group/entity who will be directly positively affected by the project at the Project Purpose level. This may include the staff from partner organisations;

(b) **Final beneficiaries:** Those who benefit from the project in the long term at the level of the society or sector at large, e.g. “children” due to increased spending on health and education, “consumers” due to improved agricultural production and marketing.

3. **Project partners:** Those who implement the projects in-country (who are also stakeholders and may be a ‘target group’).

As soon as the stakeholders of the project are identified, stakeholders are being analysed. The stakeholder analysis can be done by using various tools, such as SWOT analysis (Strengths, Weaknesses, Opportunities and Threads), the Stakeholder Analysis Matrix, VENN diagram or the Spider diagram.

Stakeholder and basic characteristics	Interests and how affected by the problems	Capacity and motivation to bring about change	Possible actions to address stakeholder interests

Please use next 30 mins to fill out your Stakeholder Analysis Matrix.

SWOT Analysis in Business

SWOT analysis (strengths, weaknesses, opportunities and threats analysis) is a framework for identifying and analysing the internal and external factors that can have an impact on the viability of a project, product, place or person.

SWOT analysis is incredibly simple yet very effective tool to help you develop your project idea. As SWOT stands for strengths, weaknesses, opportunities and threats, let's go through each one of them.

Strengths and weaknesses are internal factors — things that you have some control over and can change. Examples include who is on your team, your patents and intellectual property, your location, etc.

Opportunities and threats are external factors — things that are going on outside your company, in the larger market. You can take advantage of opportunities and protect against threats, but you can't change them. Examples include competitors, prices of materials, funds, etc.

For you to understand the process better, let's practice our own SWOT Analysis.

Please take a blank paper and draw the table below and take 30 mins to come with your SWOT analysis.

Strengths What do you do well? What unique resources can you draw on? What do others see as your strength?	Weaknesses What could you improve? Where do you have fewer resources than others? What are others likely to see as weaknesses?
Opportunities What opportunities are open to you? What trends could you take advantage of? How can you turn your strength into opportunities?	Threats What threats could harm you? What is your competition doing? What threats do your weaknesses expose to you?

Social Canvas model in Details

Social enterprises take a business approach to achieving their mission and making a difference. To ensure lasting impact, they require a viable business model.

A Social Business Model Canvas is a powerful visual tool which describes how you will reach customers, give them something they value, and make enough money from doing so to achieve your social impact.

BMC allows you to visualize your business model, detect weaknesses, test whether it can work and create new strategic alternatives.

Alex Osterwalder and Yves Pigneur, authors of the best selling book the Business Model Generation define a business model as the rationale of how an organization creates, delivers and captures value.

A business model can best be described through nine basic building blocks that show the logic of how a company intends to make money. The nine blocks cover the four main areas of a business: customers, offer, infrastructure, and financial viability. The business model is like a blueprint for a strategy to be implemented through organizational structures, processes, and systems.

From Business Idea to Business Model

1. You need to identify the challenge that you want to solve or address.
2. Select the idea. This is a prototype solution that addresses the challenge.
3. Build the model. Determine the 9 building blocks.
4. Tell the story. The canvas provides the key points needed to pitch your business model to others.

Key partners	Key activities	Value propositions	Customer relationships	Customer segments
<p>Banks</p> <p>Automobile repair shops</p> <p>Car rental companies</p> <p>Advertising outlets</p>	<p>Attracting and registering new customers</p> <p>Updating and maintaining existing customers</p> <p>Closing accounts of customers that leave</p> <p>Handling claims</p> <p>Key resources</p> <p>Stable financial capital</p> <p>Constant customer contributions</p> <p>Excellent reputation</p> <p>Good organizational values and culture</p> <p>Loyal customer base</p> <p>Skilled and knowledgeable staff</p> <p>Office equipment</p>	<p>Automobile insurance for individuals</p> <p>Automobile insurance for businesses</p>	<p>Personal assistance in policy customization</p> <p>Expertise in claim assessment</p> <p>Speed in claim handling</p> <p>Expertise in damage assessment</p> <p>Channels</p> <p>Front office</p> <p>TV</p> <p>Web</p> <p>Radio</p> <p>Telephone</p> <p>Newspapers</p> <p>E-mail</p> <p>Billboards</p> <p>Postal mail</p> <p>Internet</p>	<p>Households</p> <p>Single-employee businesses</p> <p>Businesses under 50 employees</p> <p>Businesses under 500 employees</p>
Cost structure	<p>Salaries</p> <p>Utilities cost</p> <p>Car pool</p> <p>Marketing</p> <p>Rent</p> <p>Devices + office supplies</p> <p>Claims</p> <p>Partner fees</p> <p>Other</p>	Revenue streams	<p>Households contributions</p> <p>Single-employee businesses contributions</p> <p>Businesses under 50 employees contributions</p> <p>Businesses under 500 employees contributions</p>	

1. Customer segments

The Customer Segments Building Block defines different groups of people or organizations an enterprise aims to reach and serve. In order to better satisfy customers, a company may group them into distinct segments with common needs, common behaviours, or other attributes.

- ⇒ For whom are we creating value?
- ⇒ Who are our most important customer?

A business model may define one or several large or small Customer Segments. An organization must make a conscious decision about which segments to serve and which segments to ignore. Once this decision is made, a business model can be carefully designed around a strong understanding of specific customer needs.

Customer groups represent separate segments if:

- Their needs require and justify a distinct offer
- They are reached through different Distribution Channels
- They require different types of relationships
- They have substantially different profitabilities
- They are willing to pay for different aspects of the offer

Types of segments:

Mass market - Business models focused on mass markets don't distinguish between different Customer Segments.

Niche market - Business models targeting niche markets cater to specific, specialized Customer Segments.

Segmented - Some business models distinguish between market segments with slightly different needs and problems.

Diversified - An organization with a diversified customer business model serves two unrelated Customer Segments with very different needs and problems.

Multi-sided platforms (or multi-sided markets) - Some organizations serve two or more interdependent Customer Segments.

2. Value Proposition

The Value Propositions Building Block describes the bundle of products and services that create value for a specific Customer Segment. VP is the reason why customers turn to one company over another. It solves a customer problem or satisfies a customer need. Each Value Proposition consists of a selected bundle of products and/or services that caters to the requirements of a specific Customer Segment. Some Value Propositions may be innovative and represent a new or disruptive offer. Others may be similar to existing market offers, but with added features and attributes.

- ⇒ What value do we deliver to the customer?
- ⇒ Which one of our customer's problems are we helping to solve?
- ⇒ What combination of benefits will we bring?
- ⇒ Which customer needs are we satisfying?
- ⇒ What bundles of products and services are we offering to each Customer Segment?
- ⇒ Think about the things you might say to convince your customers to buy from you.

A list of potential values:

Newness - Some Value Propositions satisfy an entirely new set of needs that customers previously didn't perceive because there was no similar offering. This is often, but not always, technology related.

Performance - Improving product or service performance has traditionally been a common way to create value.

Customisation - Tailoring products and services to the specific needs of individual customers or Customer Segments creates value.

"Getting the job done" - Value can be created simply by helping a customer get certain jobs done.

Design - Design is an important and a product may stand out because of superior design.

Brand/status - Customers may find value in the simple act of using and displaying a specific

Brand/ Price - Offering similar value at a lower price is a common way to satisfy the needs of price-sensitive Customer Segments.

Cost reduction - Helping customers reduce costs is an important way to create value.

Risk reduction - Customers value reducing the risks they incur when purchasing products or services.

Accessibility - Making products and services available to customers who previously lacked access to them is another way to create value.

Convenience/usability - Making things more convenient or easier to use can create substantial value.

3. Channels

The Channels Building Block describes how a company communicates with and reaches its Customer Segments to deliver a Value Proposition.

Communication, distribution, and sales Channels comprise a company's interface with customers. Channels are customer touch points that play an important role in the customer experience.

- ⇒ Through which Channels do our Customer Segments want to be reached?
- ⇒ What channels will you use to reach your target customers?
- ⇒ Which ones will be most effective?
- ⇒ How are we integrating them with customer routines?
- ⇒ Focus initially on the channels most likely to bring success.

Channels serve several functions, including:

- Raising awareness among customers about a company's products and services
- Helping customers evaluate a company's Value Proposition
- Allowing customers to purchase specific products and services
- Delivering a Value Proposition to customers
- Providing post-purchase customer support

Channel types:

Own direct: salesforce, web sales, own stores

Partner indirect: partner stores, wholesaler

Channel phases:

Awareness. How do we raise awareness about our company's products and services?

Evaluation. How do we help customers evaluate our organization's value proposal?

Purchase. How do we allow customers to purchase specific products and services?

Delivery. How do we deliver a value proposition to customers?

After sales. How do we provide post-purchase customer support?

4. Customer Relationship

The Customer Relationships Building Block describes the types of relationships a company establishes with specific Customer Segments. A company should clarify the type of relationship it wants to establish with each Customer Segment. Relationships can range from personal to automated. Customer relationships may be driven by the following motivations:

- Customer acquisition

- Customer retention
- Boosting sales (upselling)

⇒ What type of relationship does each of our Customer Segments expect us to establish and maintain with them?

⇒ Which ones have we established? How costly are they? How are they integrated with the rest of our business model?

We can distinguish between several categories of Customer Relationships, which may co-exist in a company's relationship with a particular Customer Segment:

Personal assistance - This relationship is based on human interaction. The customer can communicate with a real customer representative to get help during the sales process or after the purchase is complete.

Dedicated personal assistance - This relationship involves dedicating a customer representative specifically to an individual client.

Self-service - In this type of relationship, a company maintains no direct relationship with customers.

Automated services - This type of relationship mixes a more sophisticated form of customer self-service with automated processes.

Communities - Increasingly, companies are utilizing user communities to become more involved with customers/prospects and to facilitate connections between community members.

Co-creation - More companies are going beyond the traditional customer-vendor relationship to co-create value with customers.

5.Revenue Streams

The Revenue Streams Building Block represents the cash a company generates from each Customer Segment. A company must ask itself, For what value is each Customer Segment truly willing to pay? Successfully answering that question allows the firm to generate one or more Revenue Streams from each Customer Segment. Each Revenue Stream may have different pricing mechanisms, such as fixed list prices, bargaining, auctioning, market dependent, volume dependent, or yield management.

Types of revenue streams:

1. Transaction revenues resulting from one-time customer payments
2. Recurring revenues resulting from ongoing payments to either deliver a Value Proposition to customers or provide post-purchase customer support

Social enterprises rely on a mix of revenue streams to become financially sustainable.

- ⇒ What are the main sources of earned income, grants, and donations that you will generate to support our work?
- ⇒ Ideally, how much would each source contribute to our overall income?
- ⇒ Think about how you will achieve a sustainable balance.

There are several ways to generate Revenue Streams:

Asset sale - The most widely understood Revenue Stream derives from selling ownership rights to a physical product.

Usage fee - This Revenue Stream is generated by the use of a particular service.

Subscription fees - This Revenue Stream is generated by selling continuous access to a service.

Lending/Renting/Leasing - This Revenue Stream is created by temporarily granting someone the exclusive right to use a particular asset for a fixed period in return for a fee.

Licensing - This Revenue Stream is generated by giving customers permission to use protected intellectual property in exchange for licensing fees.

Brokerage fees - This Revenue Stream derives from intermediation services performed on behalf of two or more parties.

Advertising - This Revenue Stream results from fees for advertising a particular product, service, or brand

6. Key Resources

The Key Resources Building Block describes the most important assets required to make a business model work. Every business model requires Key Resources. These resources allow an enterprise to create and offer a Value Proposition, reach markets, maintain relationships with Customer Segments, and earn

revenues. The resources could be human, financial, physical, or technological. They can be owned or leased by the company or acquired from key partners.

- ⇒ What are the key resources do you own, or will you need to acquire or develop?
- ⇒ Which resources will be most important to achieving success?

Key Resources can be categorized as follows:

Physical - This category includes physical assets such as manufacturing facilities, buildings, vehicles, machines, systems, point-of-sales systems, and distribution networks.

Financial - Some business models call for financial resources and/or financial guarantees, such as cash, lines of credit, or a stock option pool for hiring key employees.

Intellectual - Intellectual resources such as brands, proprietary knowledge, patents and copyrights, partnerships, and customer databases are increasingly important components of a strong business model.

Human - Every enterprise requires human resources, but people are particularly prominent in certain business models.

7. Key Activities

There are things that your social enterprise must do, deliver, or produce to deliver value to customers and make an impact. The Key Activities Building Block describes the most important things a company must do to make its business model work. These are the most important actions a company must take to operate successfully. Like Key Resources, the Key Activities required to create and offer a Value Proposition, reach markets, maintain Customer Relationships, and earn revenues.

Categories of Key activities:

Production - These activities relate to designing, making, and delivering a product in substantial quantities and/or of superior quality.

Problem solving - Key Activities of this type relate to coming up with new solutions to individual customer problems.

Platform/network - Business models designed with a platform as a Key Resource are dominated by platform or network related Key Activities.

⇒ What are the mission-critical activities you must pursue?

8. Key Partnership

It's unlikely that your social enterprise will succeed by going it alone. The Key Partnerships Building Block describes the network of suppliers and partners that make the business model work. Who are the people and groups that you must involve to achieve success? What value will they bring? Think about the funders, partners, suppliers and others that will influence your success and how you will work with them.

We can distinguish between four different types of partnerships:

1. Strategic alliances between non-competitors
2. Coopetition: strategic partnerships between competitors
3. Joint ventures to develop new businesses
4. Buyer-supplier relationships to assure reliable supplies

- ⇒ Who are the people and groups that you must involve to achieve success?
- ⇒ What value will they bring?
- ⇒ Think about the funders, partners, suppliers and others that will influence your success and how you will work with them.

9. Cost Structure

The Cost Structure describes all costs incurred to operate a business model. This building block describes the most important costs incurred while operating under a particular business model. Creating and delivering value, maintaining Customer Relationships, and generating revenue all incur costs. Such costs can be calculated relatively easily after defining Key Resources, Key Activities, and Key Partnerships.

- ⇒ What are the major elements of cost involved in delivering your work and meeting needs?
- ⇒ What resources and activities are most expensive? How will you control your main costs?

There are two broad types of business model:

Cost-driven - Cost-driven business models focus on minimizing costs wherever possible. This approach aims at creating and maintaining the leanest possible.

Cost Structure, using low price Value Propositions, maximum automation, and extensive outsourcing.

Value-driven - Some companies are less concerned with the cost implications of a particular business model design, and instead focus on value creation.

Cost Structures can have the following characteristics:

Fixed costs - Costs that remain the same despite the volume of goods or services produced.

Variable costs - Costs that vary proportionally with the volume of goods or services produced.

Economies of scale - Cost advantages that a business enjoys as its output expands.

Economies of scope - Cost advantages that a business enjoys due to a larger scope of operations.

Project Cycle Management

Project Cycle Management” (PCM) is the methodology adopted by European Commission as its main approach for project and programme management. The main aim of PCM is to facilitate a participatory approach in designing and managing projects, starting from the real needs of the final beneficiaries of the activities. This approach ensures a high quality of the project activities (that are targeted to the real needs of the target groups) and, above all, a high level and a strong sustainability of the project results and impacts. A full project cycle is made up of six phases: programming, identification, formulation, financing, implementation, and evaluation.

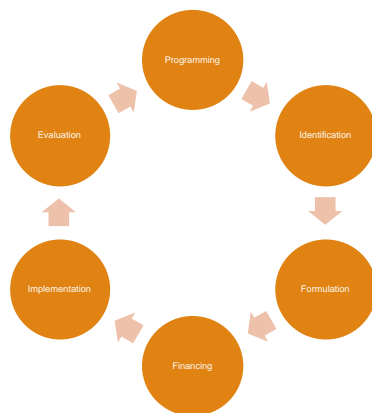
This cycle highlights three main principles:

- ◇ Decision making criteria and procedures are defined at each phase (including key information requirements and quality assessment criteria);

- ◇ The phases in the cycle are progressive and linked to each;
- ◇ New programming and project identification starts from the results of monitoring and evaluation after every intervention (cycle).

The monitoring and evaluation phase aim to map the new the starting context, the new basic situation to deal with a new project, the initial condition to improve that are to be considered modified by the previous intervention.

Project Cycle got its name from the process that is composed of 6 phases, making up a process starting from planning to implementation, from the initial idea to the realisation.



Phases of the Project Cycle

◇ Programming

During the first phase, various analyses are being carried out with the aim of identifying problems, constraints and opportunities that could be addressed by cooperation. The aim is to identify the main objectives and priorities for co-operation, and thus to provide a relevant and feasible programming framework within which projects can be identified. The evaluation results of previous projects are also taken into account, thus providing precedent and direction to the forthcoming projects.

◇ Identification

In the Identification phase, the emphasis is put on the relevance and analysis of project ideas. It is vital that project ideas should address real needs of the target groups. To this end, it is advised to carry out a thorough analysis of the target groups, beneficiaries and stakeholders, dealing also with the problems they face. By carrying out these analyses, potential relevant projects can be

identified. Pre-feasibility studies are also done at this phase. At the end of the Identification phase, Project Identification Report is done, explaining the rationale and objectives for implementing a particular project. This phase of the project cycle plays the most important role in terms of relevance, and the basic structure of the project is defined at this phase.

◇ Formulation

The detailed project idea is made and assessed in terms of feasibility and sustainability by the beneficiaries and groups of stakeholders. The selected project idea must meet both the sustainability and the feasibility criteria. At this phase, project indicators are set, the Logical Framework is elaborated.

◇ Financing

At this phase the financial decision making is taking place and it is decided whether the project will receive funding. Financing Agreements are being signed, setting out the arrangements how the project will be implemented and funded.

◇ Implementation

Once the project has been planned properly and has been awarded funding, project implementation can begin. Applying principles of the Implementation phase:

Planning and re-planning – during the implementation phase, Activity Plan, Budget, and Log Frame should be constantly referred to, these documents should be also updated on a regular basis in case there has been a change

Monitoring – achieving the objectives must be ensured by constant internal monitoring,

Reporting - progress reports are made on professional and financial implementation of the project in order to ensure that the project is progressing smoothly towards the identified objectives.

◇ Evaluation

During the last phase, the Evaluation Phase, the main aim is to evaluate the relevance, the fulfilment of objectives, the sustainability of the results achieved and the impact of the project. The data gathered during the evaluation phase is useful both for the donor and for the applicant and is being fed back to decision making

processes for the forthcoming programming periods, as lessons learnt, or new starting point for setting new priorities.

THE GANTT Chart

The Gantt Charts is a project planning tool that is used to represent the timing of tasks required to complete a project.

Gantt chart is a format for outlining, prioritising and conveying information about the activities of an enterprise visually. It helps to identify their logical sequence, expected duration, any dependencies that exist between activities, and it provides a basis for allocating management responsibility. With the GANTT chart prepared, further specification of resources and scheduling of costs can be undertaken.

In a Gantt Chart, each task takes up one row. Dates run along the top in increments of days, weeks or months depending on the total length of the project. The expected time for each task is represented by a horizontal bar whose left end marks the expected beginning of the task and

whose right end marks the expected completion date. Tasks may run sequentially, in parallel or overlapping. Charts can also show task dependency, for example, Task D must wait for Tasks A and B to complete before starting.

Let's develop a Gantt Chart by following the steps:

- ⇒ Step 1: For each expected result list the main activities
- ⇒ Step 2: Break activities down into manageable tasks
- ⇒ Step 3: Clarify sequence and dependencies
- ⇒ Step 4: Estimate start-up, duration and completion of all activities
- ⇒ Step 5: Summarize scheduling of main activities
- ⇒ Step 6: Define milestones
- ⇒ Step 7: Define expertise
- ⇒ Step 8: Allocate tasks among the team

Please use next 100 mins to develop your Gantt Chart.

Budget Planning

You already prepared list of costs when you worked on your the LogFrame Matrix, the Social Business Model Canvas and the Gantt Chart. Now, please group the costs related to every activity by using the following costs and budget categories:

- ◇ Staff costs
- ◇ Travel and Subsistence costs
- ◇ Other costs
- ◇ Subcontracting costs
- ◇ Equipment costs

Indirect costs (costs related to the administration of the project (e.g. PCs, portables, postage, fax, telephone, internet, mailing, rent, electricity of the premises where the project/Business is being carried out, Consumables, paper, office supplies).

Please use next 90 mins to plan your budget. Do not hesitate to add any other categories according to your business idea. Use the activity the Social Business model canvas.

Step 9: Cost Structure as a basis for a common reflection on this specific module.

Add further details on the costs that are already identified and pay attention to a specific timeframe of the activities. You need to identify the costs on the basis of a clear duration of the activities. If your duration of business idea is not defined well, you can identify the cost only for the start-up phase which is usually 3 years.

Elevator Pitch

It is a short description or presentation of an idea, business or product that explains the context in a way for a listener to understand in a short time. This pitch usually explains the target group, needs, what it is and how it is done. In addition to idea, speaker also should mention their own skills and goals and why they are valuable to be on the team to create the idea.

An elevator pitch doesn't have to include or only include above mentioned components. You can be flexible as if you believe additional information will help your case. Remember to always include at least; what the idea, business or product is and their value.

To practice and improve your elevator pitch, please do following activities in the next 45 mins.

- ⇒ Step 1: Choose what you want to share
 - a concrete social business project that you have organized, participated in or followed-up,
 - Your organization, business plan or company
- ⇒ Step 2: Create a small presentation that includes some of the components of elevator pitch mentioned above.
- ⇒ Step 3: Create your elevator speech/pitch that takes around 30 seconds.
- ⇒ Step 4: Practice your elevator pitch with at least 5 different people.

LEARNING MODULE 3: SOFT SKILLS TRAINING FOR YOUNG COOP STARTERS

The module aims to encourage youth workers to develop the attitudes and skills that are needed to run a cooperative. Leading founders of social co-operatives are social entrepreneurs that act as key change makers by collectively pursuing a social aim.

The success of a social cooperative business depends on the interest, ability and capacity of people to bring about desired change, using their sense of initiative and entrepreneurship to turn ideas into action while cooperating together.

Module Goals

Learning objectives are how to;

- develop interpersonal skills to interact within the group;
- detect (and bring out) their members' entrepreneurial skills;
- apply co-operative principles and values in their planned businesses;
- turn ideas into action through group decision making;

- use of all the information and materials of the training in their every-day work and with the people they work.

Informal Learning

People are constantly learning every day, everywhere. The daily life experiences like peer groups, family, media or any other influence in the learner's surrounding are the base for informal learning.

Informal learning is the education that is beyond limitations and goes on outside of a traditional formal learning environment like university, school or college. It is an education that is seen as a learning which goes on in our daily life or learning projects undertaken by us to teach ourselves.

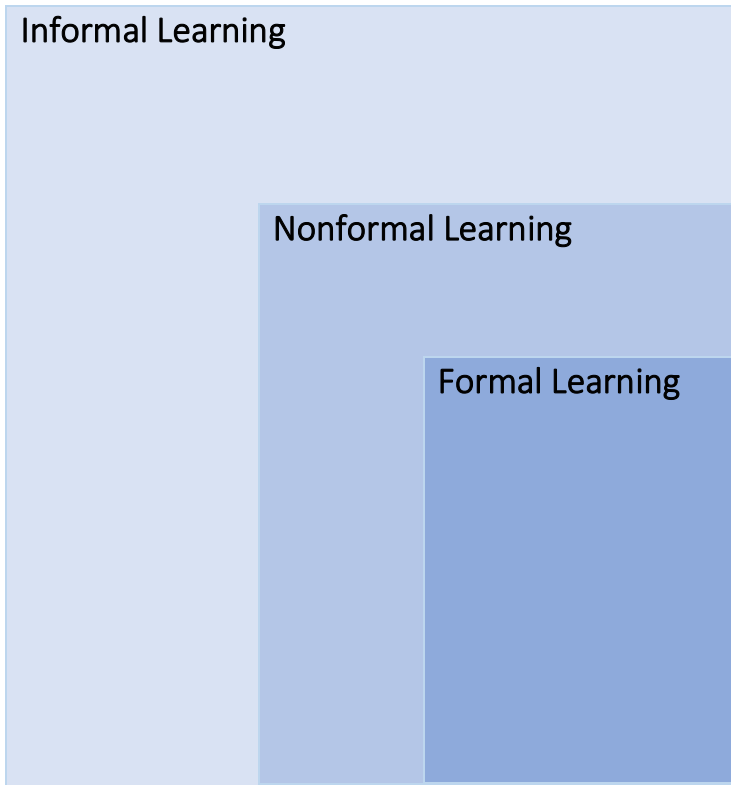
Oftentimes informal learning involves learning things without realizing the learning process. This may include picking up an information online, from a movie, video, direct interaction with another individual etc.

There are 3 types of learning approaches; Informal, nonformal and formal.

Informal Learning is learning that occurs in daily life, in the family, in the workplace, in the communities and through interests and activities of individuals.

Nonformal Learning is learning that has been acquired in addition or alternatively to formal learning. In some cases, it is also structured according to educational and training arrangements, but more flexible. It takes place in community-based settings, the workplace and through the activities of civil society organizations.

Formal Learning takes place in education and training institutions. It is recognised by relevant national authorities and leads to diplomas and qualifications. Formal learning is structured according to educational arrangements such as curricula, qualifications and teaching-learning requirements.



Coaching Approach and Tools

Coaching Approach is intentionally using the transferable elements of coaching in conversational contexts where they might be appropriate and helpful. This approach provides

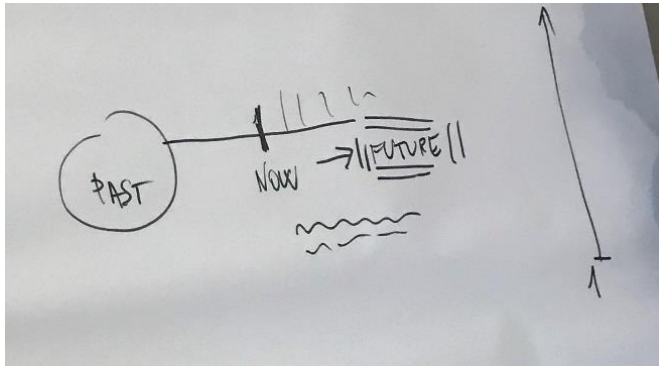
another way of leading. Nowadays, effective leaders use this approach and its practices into leadership programs.

Five Erickson Principles

1. *People are OK:*
Human beings everywhere are basically okay!
2. *People have real resources:*
They have many more resources than they know!
3. *Every person has a positive intention:*
Even if a positive intention is hidden, it can quickly be found.
4. *People do their best:*
They make their best choices each day with what they know about life so far.
5. *Change is inevitable:*
No matter how difficult, we learn, we grow, and we change. In this way, our acorn becomes an oak tree.

We need to focus in the present and the desired future not in the past.

- Positive formulation.
- What you focus on, that grows.
- Solution doesn't care how the problem was created.



- When do we go deeper in the past?
- To find positive resources.

Asking the right questions is important when coaching. Powerful questions that make people to think. Here are some tips to ask right questions. Questions about:

- Goals and aims
- Solutions: ways, options
- Coping: How do you cope/deal in/with the situation? who can help you? what will help you to deal with?
- Scale/measure

- Past; as positive resource.

Please note that questions about goals and aims should follow the SMART rule.

Specific

Measurable

Achievable

Realistic

Timely

To practice your question techniques, please take your time to write down 10 powerful coaching questions.

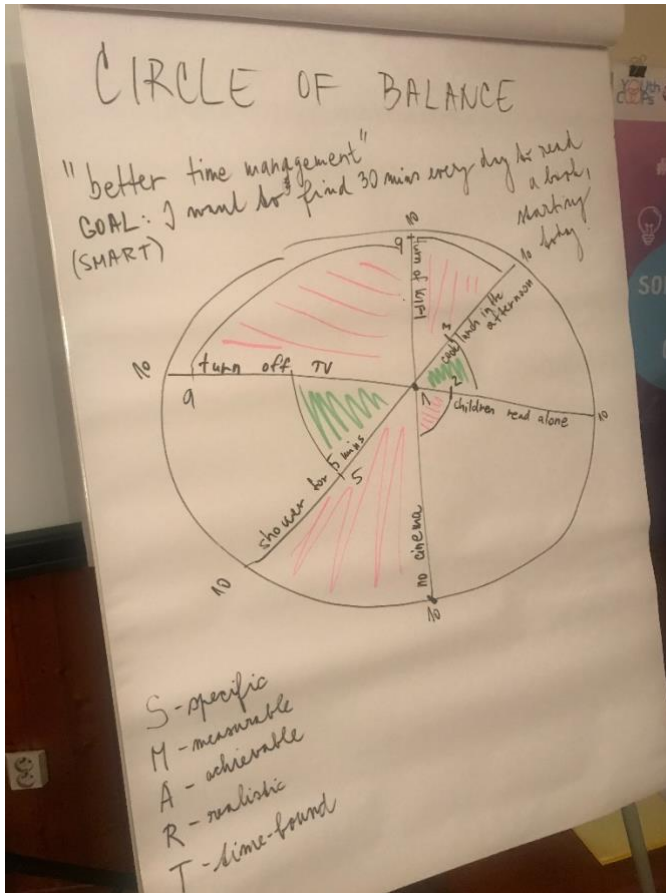
Circle of Balance Coaching Tool

This tool helps to solve an issue or think about an important topic in a different way.

- ⇒ Step 1: Choose an issue or a topic you want to work on.
- ⇒ Step 2: What is the first thing you can do to reach your goal?
- ⇒ Step 3: When will you do it?
- ⇒ Step 4: How certain are you? (i.e. 90%)

⇒ Step 5: What benefits will you get?

⇒ Step 6: If you do it, what will be different?



Competency Passport

It allows you to get familiar with the main competences relevant for social entrepreneurship and organization management, as well as to identify the ones they need to develop.

Before going any further with Competency Passport, let's identify social and civic key competences that are defined by European Commission.

Personal, social and learning to learn competence

Personal, social and learning to learn competence is the ability to reflect upon oneself, effectively manage time and information, work with others in a constructive way, remain resilient and manage one's own learning and career. It includes the ability to cope with uncertainty and complexity, learn to learn, support one's physical and emotional well-being, to maintain physical and mental health, and to be able to lead a health-conscious, future oriented life, empathize and manage conflict in an inclusive and supportive context.

Citizenship competence

Citizenship competence is the ability to act as responsible citizens and to fully participate in civic and social life, based on understanding of social, economic, legal and political concepts and structures, as well as global developments and sustainability.

Cultural awareness and expression competence

Competence in cultural awareness and expression involves having an understanding of and respect for how ideas and meaning are creatively expressed and communicated in different cultures and through a range of arts and other cultural forms. It involves being engaged in understanding, developing and expressing one's own ideas and sense of place or role in society in a variety of ways and contexts.

Entrepreneurship competence

Entrepreneurship competence refers to the capacity to act upon opportunities and ideas, and to transform them into values for others. It is founded upon creativity, critical thinking and problem solving, taking initiative and

perseverance and the ability to work collaboratively in order to plan and manage projects that are of cultural, social or financial value.

⇒ Take your time to think about competences that you have and the ones you need to develop.

7 Key Skills of Successful Social Entrepreneurs

Creativity and innovation: For social entrepreneurs, the intuition to find a business opportunity in an unjust set of circumstances is not enough; they must also develop creative solutions to address the injustice. This is often done by thinking outside the box.

“If you always do, what you always did, you will always get, what you always got.” Albert Einstein

Optimism: Social entrepreneurs are confident that they can achieve a bold vision, even when many other people doubt them. They have a strong sense of self-efficacy and a belief that they have control to change their circumstances.

“Every day gives man a hope for a new tomorrow.” Hermann J Steinherr

Leadership: Social entrepreneurs take initiative and action to solve problems (rather than complaining about what’s wrong).

"A good leader inspires people to have confidence in the leader, a great leader inspires people to have confidence in themselves."
Eleanor Roosevelt

Resilience in the face of adversities, obstacles, challenges, and failures. When things fall apart, social entrepreneurs rise to the occasion. They thrive in the most ferocious storms. They see failures as valuable feedback.

“Fall seven times, rise eight times.” Japanese Proverb

Grit: This is a combination of perseverance, passion, and hard work—the relentless drive to achieve goals, complete commitment to achieving their task.

“Over time, grit is what separates fruitful lives from aimlessness” John Ortberg

Emotional and Social Intelligence: Social entrepreneurs should be excellent at connecting with others and building strong relationships.
“Knowledge comes from learning. Wisdom comes from living.” A.D. Williams

Empathy: Social entrepreneurs are able to put themselves in the shoes of others and imagine perspectives other than their own; this is one of the most valuable qualities for understanding the needs of others whom they serve.

“Be somebody, who makes everybody feel like a somebody.” Brad Montague

Communication, Cooperation and Teamwork

In order to run effective communication and cooperation to work with a team, Edward De Bono has developed an effective and innovative methodology: Six Thinking Hats.

Six Thinking Hats method provides a means for groups to plan thinking processes in a detailed and cohesive way, and in doing so to think together more effectively.

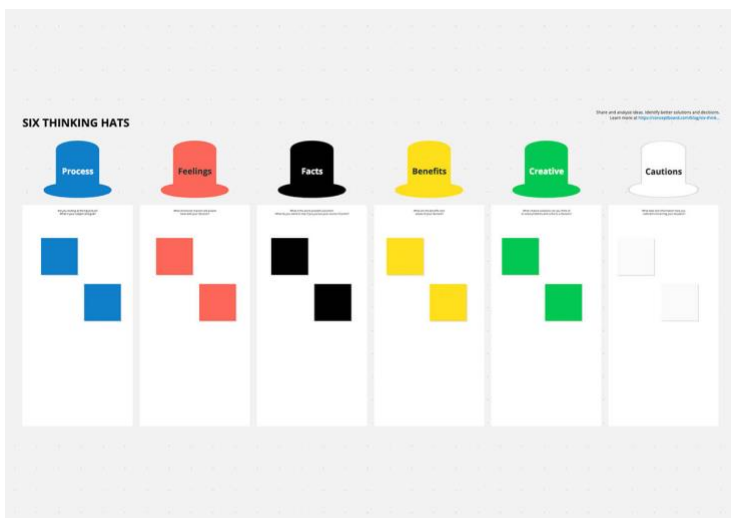
The premise of the method is that the human brain thinks in a number of distinct ways which can be deliberately challenged, and hence planned for use in a structured way allowing one to develop tactics for thinking about particular issues. De Bono identifies six distinct directions in which the brain can be challenged.

White Hat: with this thinking hat, you focus on the available data. Look at the information that you have, analyse past trends, and see what you can learn from it. Look for gaps in your knowledge, and try to either fill them or take account of them.

Red Hat: "wearing" the Red Hat, you look at problems using your intuition, gut reaction, and emotion. Also, think how others could react emotionally. Try to understand the responses of people who do not fully know your reasoning.

Black Hat: using Black Hat thinking, look at a decision's potentially negative outcomes. Look at it cautiously and defensively. Try to see why it might not work. This is important because it highlights the weak points in a plan. It allows you to eliminate them, alter them, or prepare contingency plans to counter them.

Yellow Hat: this hat helps you to think positively. It is the optimistic viewpoint that helps you to see all the benefits of the decision and the value in it. Yellow Hat thinking helps you to keep going when everything looks gloomy and difficult.



Green Hat: the Green Hat represents creativity. This is where you develop creative solutions to a problem. It is a freewheeling way of thinking, in which there is little criticism of ideas.

Blue Hat: this hat represents process control. It's the hat worn by people chairing meetings, for example. When facing difficulties because ideas are running dry, they may direct activity into Green Hat thinking. When contingency plans are needed, they will ask for Black Hat thinking.

A meeting may start with everyone assuming the Blue hat to discuss how the meeting will be conducted and to develop the goals and objectives. The discussion may then move to Red hat thinking in order to collect opinions and reactions to the problem. This phase may also be used to develop constraints for the actual solution such as who will be affected by the problem and/or solutions. Next the discussion may move to the (Yellow then) Green hat in order to generate ideas and possible solutions. Next the discussion may move between White hat thinking

as part of developing information and Black hat thinking to develop criticisms of the solution set.

CONCLUSIONS: THE YES EXPERIENCE AND POTENTIAL FOR SOCIAL COOPERATIVES

The partnership for YouthCoops project was set in the early 2018, to respond to the European priority to promote entrepreneurship education and social entrepreneurship among young people.

At that moment we considered Social Cooperative the ideal business model to obtain sustainable investment, performance and efficiency.

After 2 years of working, in Europe, and the World, deeply affected by the new challenges caused by the COVID-19 Pandemic, unknown and unimaginable before, the results of our work strengthen more than ever the validity of our premises and the results we achieved.

We face today an important economic global crisis, that risks to leave young people behind, concentrate economic value and power in few hands, and to disadvantage local areas.

Social Cooperatives represent a huge potential for drive and enhance young participation in a moment of challenge.

What we all, trainers, youth workers, and aspiring entrepreneurs learned in the last months is that adaptability, quick reply to new needs, innovation and social responsibility are basic requirement for future workers and entrepreneurs.

And the principles of democracy, social inclusion, active learning, sustainability, adaptability that are the base for cooperative business offer a sustainable path to follow in this direction.

The crescent interest in socially responsible business finds in Social cooperatives' values a resilient model.

The value orientation of a business is always more appreciated. Services and product must have a social impact, must influence the environment with a positive change.

On the other side, a flexible work organization is not only possible, but in some cases the only

doable way. Being autonomous, free and objective oriented is a pillar for smart-flexible working, and a basic requirement of cooperative model.

To search for innovative solution and take initiative are strong motivation for young people and also a social need themselves.

Search for new balance and improve quality of life is again strongly felt among young and not so young workers and citizens.

The principal about 'Mutual learning – inter cooperation between cooperatives' create economies of a scale and is a tool to foster management capacities and skills development.

In conclusion, a cooperative is defined 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”.

They are owned and controlled by their members who take decisions democratically. These members can be workers, producers, users or clients according to the type of cooperative.

This make the cooperative model more resilient and now more than ever worth to be improved and impulse.

Trough the learning modules content in this booklet we aim to promote social cooperatives as crucial actors for present and future European economic organization and innovation progress

The overall assessment of the YOUTHCOOPs activities, the learning activities with mentors and tutors, the Blended mobility with young aspiring entrepreneurs and the test of the on line platform show the respondents' satisfaction with the planning, organization and implementation of the activities.

Respondents confirmed that the topics covered and the practical exercises applied during the mobility are among the basic knowledge that

young entrepreneurs must have in order to create a sustainable social enterprise.

The theoretic content, mixed with informal learning strategies and the direct involvement of social cooperators and entrepreneurs boosted the motivational effect of the activities, and drove to the expected results.

The partnership strongly believe in the potentiality of the output achieved, and in the integration of the content in the on line platform: www.youthcoopsportal.eu

The portal is not only a content for learning modules, but an open space for young people and mentors to meet and contribute each other in a “cooperative’ system.

The international dimension and the different backgrounds of mentors involved assure a multiplicity of approached, and to cover a wide range of mentoring needs. Furthermore, the platform offer the ideal networking place.

At the end of a long, fruitful and worth process we thanks all the partners who hardly work for

the project; the focus groups in the different countries who helped us since the beginning of the project to analyse the reality.

A big thanks also for the mentors, who gave a great contribution to the module content and to test the output.

Finally, we thank the young entrepreneurs who took part to the final blended mobility: with their participation, enthusiasm, ideas and feedback gave sense to the effort of the last 2 years.

We are looking forward to promoting their stories as successful cooperative case studies.

Stay tuned on the project webpage and Social channel because news is coming about that.

Nothing of this could be possible without Erasmus+ programme. We express our gratitude for awarding the grant that made possible the development of the project.

CASE STUDIES

In this part, you will find successful case study example from partners' countries.

Campoastur



This cooperative was founded in 2012, and it is composed of several different agro-cooperatives of the Asturian region: AACOMASI, Cooperativa Agropecuaria de Cangas del Narcea, COSEA, COASTUR, la Oturense and Unión Ganadera de Tineo. It started functioning officially in 2013. Its main objective was, and still is, to give answer to the needs emerged in the agrarian sector in the last 20 years, with all the changes that happened in society. They want to give importance to the manufacturing and distribution of agrarian products, ensuring a fair price for everyone involved and the sustainability of the practices.

For more information: <http://campoastur.es/>

Central Lechera Asturiana



Although the gathering was already established from previous years, it is in 1969 when Central Lechera Asturiana is established as a cooperative. From that point onwards, the cooperative grows and grows, providing dairy products not only to the region of Asturias, but also to the rest of the Spanish territory. It will become one of the biggest companies in all Europe. The main functions of the cooperative are to keep the natural factors of the products, ensure the sustainability of the environment – core for the animals that give the products to the cooperative– and to make sure that the breeders and farmers receive a fair amount of money for

their work. All of this make their products ones of the best quality, making the cooperative one of the biggest companies in Spain.

For more information:

<https://www.centrallecheraasturiana.es/es/>

Cooperativa de enseñanza del Principado



COLEGIO

PRINCIPADO

This cooperative stands for equality in education, providing the same opportunities to everyone and fostering the inclusion and solidarity among students. It was founded in 1979 as a cooperative, but it was already established as a private school in the previous years. They offer education from the early school years to the last compulsory years (16 in Spain), what is called

ESO; and they also have a programme in English from the Trinity College.

For more information:

<https://www.colegioprincipado.es/>

Training Cooperative Santa Maria De Los Angeles – Malaga



The School of F.P. Sta. María de los Ángeles is a training cooperativ formed by teaching professionals whose purpose is education at all levels. It is a cooperative school, thought as a space for cooperation between teachers, families and students for the training of individuals capable of giving creative responses, and for the solidarity construction of a world freer and fairer. The School is independent of any

political, economic or religious group. Consequently, with his career, and from the private sphere, he conceives, however, education as a public service. Cooperatives have principles and values that make them the best economic model to achieve a more just and sustainable society. The people who work in a cooperative have an ethical commitment to honesty, transparency, social responsibility and concern for others. The origin of cooperativism is in the need to collaborate to access a common benefit and improve the situation of the people who are part of that project.

For more information:
<https://santamariadelosangeles.es/filosofia/>

Bread Houses Network



Bread Houses Network is the first establishment in Bulgaria between a socio-cultural center and a social oven which supports and works with people with special needs and vulnerable groups. The main instrument of impact is the community bread making, in which the participants "knead to mix." They go through all the steps of making a hand-made bread with sourdough, drawing in flour, kneading, forming dough figures. Through the activities the participants do not only make bread, but also create friendships, share stories and thoughts,

make music and poetry. The overall mission of the network is to inspire individuals and communities world-wide to discover and develop their creative potential and cooperate across gender, age, ethnic, and religious backgrounds - all through collective bread-making, accompanying art forms, and sustainable agriculture, as the process enables communities to develop their own community cultural centers and community bakeries to house and nurture civic participation.

For more information:
<http://www.breadhousesnetwork.org/>

Blagichka- Zero Waste Restaurant



“Blagichka- zero waste” is the first Bulgarian zero waste restaurant that hires underprivileged youths to work and cook delicious food with local ingredients. The restaurant unites the love of food, faith in young generation, healthy choices and the strive for zero waste. The restaurant opened in 2019, and before that they were a catering company (“Blagichka – Kitchen with a cause”) with the same mission. In Blagichka’s place you can find sweet muffins, cakes of various flavours, biscuits, creams, fruit salads, tarts, brownies, etc. They work only with suppliers who would bring the ingredients unpacked – with no plastic packs. They also do the shopping with our own boxes and bags.

For more information: <https://blagichka.com/>

Nueva Via



Nueva Via was born from love to sweets of a young lady who suffered with food intolerance. The company owner, Diana Samolejova, started to have this kind of health issues when she was only sixteen years old and as there was a lack of quality products on the market, she started to experiment and create her own, healthy cakes. The idea to set up a business with raw desserts got mature when Diana was 18. One year later she opened her first “raw” patisserie in Bratislava. The team consists of 6 young people. One of the company values is to create a working environment in which everybody is doing what

she/he likes in order to show own potential. Therefor the work they are doing is their hobby too. All the recipes as well as the final look of the individual cakes are invented by the company staff. All tastes, designs and ideas born in the heads of six collaborators. The greatest emphasis is put on the quality. They use only the highest quality natural products. In the production, you will not find gluten, lactose, white sugar, margarine or artificial colours. All this effort and attention to quality pays off and in 2018 the company increased its earnings by 90%. Such trend continued also in 2019. However, despite an increased interest in their products and rapid growth of earnings, Nueva Via prefer a continuous, yet step-by-step expansion of the production that will not harm the quality.

For more information: www.nuevavia.sk

KRASPLAST s.r.o.



The social enterprise KRASPLAST s.r.o., is a company established in the year 1993. At the beginning, the main area of business of this company was processing of plastic materials. As the biggest success the company considers the moment, when it was registered (in 2003) as a social enterprise focused on the support of people with disabilities. The production is focusing on the classification and processing of the technological plastic waste. Within their activities, there is also the assembly of light weight plastic components which require a high degree of manual skills. And this is the area where the company gives chance to disabled

people. The company headword is: “Let’s give disabled citizens a chance to work and fully integrate into the society!”

For more information: www.krasplast.sk

Molti Volti



In 2014, a group of friends with different culture experiences, professionals and social, coming from 8 countries Senegal, Zambia, Afghanistan, Bangladesh, France, Spain, Gambia and Italy, gives life to a space designed and structured to offer dignity, citizenship and value from the diversity. Like this Moltivolti was born a model of social enterprise based on the relation, a laboratory of representation of a new society in which the exchanges among the diversity are on the base of development. A project intimately connected with the neighborhood of Ballarò in Palermo, that grows in equilibrium with the

colorful populated market from old and new citizens. Moltivolti is a restaurant with a Sicilian-ethnic and popular cuisine and a co-working space dedicated to the third sector. Two different areas that lives in synergy with another, the profit that supports non-profit but from which it draws the energy and meanings. From the intergration to the interaction, the kitchen as a metaphor for a new recipe of domestic partnership and development support.

For more information: <https://moltivolti.org/en/>

SUGGESTED READINGS

The Social Cooperative Education and Promotion Train in Turkey

This article contains an interview with Ms Rabia Gökçen Mert Korkmaz, Expert at the Ministry of Trade, talking about the situation of social cooperatives in Turkey. In it, they mention the actual status of these companies and how they started with the idea of the “Social Cooperative Train”. They also explain the different activities they carry out under this training, and its main purpose: to spread social cooperatives around the country.

https://www.ilo.org/global/topics/cooperatives/news/WCMS_651207/lang--en/index.htm

Article on International Labour Review (1921-1965)

This article, written by Jean Orizet, is contained in the International Labour Review (1921 – 1965), and it talks about the cooperative movement and its benefits to the wellbeing of the workers. It is a clear image of how the cooperative movement started and a great way to compare it to what we have nowadays.

Orizet, Jean, "The co-operative movement and the welfare of the worker", *International Labour Review*, 64:1, 1951, p.1-23.
[https://www.ilo.org/public/libdoc/ilo/P/09602/09602\(1951-64-1\)1-23.pdf](https://www.ilo.org/public/libdoc/ilo/P/09602/09602(1951-64-1)1-23.pdf)

Cooperatives and alternative food networks in Italy. The long road towards a social economy in agriculture

This article analyses the cooperative movement in Italy with special attention to the agricultural sector and to the emergence of the new model of social cooperatives in the last decades of the 20th century. The authors go through the different stages of social cooperatives in Italy since the end of WWII, arriving at the present, seeing how the movement has changed its focus and its ways of working.

Fonte, Maria and Ivan Cucco (2017). “Cooperatives and alternative food networks in Italy. The long road towards a social economy in agriculture”. *Journal of Rural Studies*. Volume 53, July 2017, p. 291-302.
<https://www.sciencedirect.com/science/article/abs/pii/S0743016717300979>

Social Solidarity Economy in Barcelona: The ECOS Cooperative

This article talks about a Cooperative settled in Barcelona which deals with other small and new cooperatives, helping in their growth process. To put it simple, ECOS is a cooperative of cooperatives, a second-degree cooperative.

<https://cooperativecity.org/2019/04/25/social-solidarity-economy-in-barcelona-the-ecos-cooperative/>

Farm Cooperatives and the Social Economy: The Case of Spain

This paper aims to show the role of the cooperatives in the new social requirements, taking into account their functioning principles and the new conceptual frame they are involved in, but specially focusing on the case of Spain. The authors will analyse the major changes that

Spanish farming cooperatives suffered in the recent years, with a great development and growth.

Juliá Igual, Juan Francisco and Sergio Mari-Vidal (2002). *Farm Cooperatives and the Social Economy: The Case of Spain*.

[https://www.researchgate.net/publication/46534612 Farm Cooperatives and the Social Economy The Case of Spain](https://www.researchgate.net/publication/46534612_Farm_Cooperatives_and_the_Social_Economy_The_Case_of_Spain)

***YOUTH COOPS: PROMOTING SOCIAL
AND COOPERATIVE
ENTREPRENEURSHIP AMONG YOUNG
PEOPLE***

Co-funded by the
Erasmus+ Programme
of the European Union

