

YOUTH COOPERS

Module 1



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INTRODUCTION

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 labor 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).



What is 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**.



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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 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 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.



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- ❖ **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.



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- ❖ **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.



A Successful Example - SPICE

“Joining Spice opens a world of opportunity to meet people, learn new skills, socialise, make friends, and above all have fun, both nationally and locally.” Says Spice in their website for newcomers.

What do they do?: Spice is a charity that develops time credit systems for communities and public services. Organisations (from schools, to youth centres, homeless hostels or community cafes) invite community members to provide their time and skills by contributing to its running or organising activities and events. Each hour contributed earns the member one ‘time credit’. Time credits can then be spent on a wide range of other community activities – some offered by the ‘host’ organisation where the credits were earned, and others by external partners such as leisure centres, training opportunities, local theatres and cinemas or museums who have ‘spare capacity’ to offer. Individuals can also trade credits between themselves to provide mutual support.

More information: <https://www.spiceuk.com/>



Suggested Readings

<https://ctb.ku.edu/en/table-of-contents/assessment/assessing-community-needs-and-resources/develop-a-plan/main> This article describes briefly how to develop and implement a plan to assess the needs of a community and the resources that are available to them. This can help the readers understand why it's important that they know their context and the place they live and/or work in, and how to positively affect it in order to change it and improve it.

https://www.cambridge.org/core/services/aop-cambridge-core/content/view/ECD9D8F12BA1DC9B5620232AAEB3FDA5/S1052150X17000550a.pdf/social_or_commercial_innovation_strategies_in_social_enterprises_at_times_of_turbulence.pdf This is an article that investigates how different internal and external stakeholders may influence the innovation strategy of social enterprises in situations of turbulence, focusing on how they influence the adoption of innovations that affect primarily either social or commercial performance.

<https://onlinemasters.ohio.edu/blog/seven-skills-for-social-entrepreneurs/> An article published by the Ohio University that gives seven skills that social entrepreneurs should have in order to achieve successful businesses. It also provides examples of people that turned their business into a social innovator and succeeded.

<https://www.entrepreneur.com/article/244418> This is a journal article that gives advice on how to make your social enterprise stand out. The author gives 4 strategies to make your company or business more efficient in terms of social innovation.



Further Information

http://www3.weforum.org/docs/WEF_Social_Innovation_Guide.pdf This is a guide on Social Innovation, explaining what it is and how it benefits the companies. It offers first a general insight of what the term means, where it comes from and what it entails for companies. Then it has a whole chapter on what are the benefits for those companies that pursue social innovation. It also includes examples of different big companies that are using these techniques, such as Allianz, Nestlé or Philips.

<https://www.si-drive.eu/wp-content/uploads/2018/03/D3.6-SI-DRIVE-Global-Region-Report-2015.pdf> This is a report on social innovation strategies in different parts of the globe. It covers the whole of the European territories, grouping countries in regions (Western Europe, Southern Europe, Eastern Europe...). In each chapter it studies the region, the concepts of social innovation applied to that territory, and practices, social need and challenges that appear in that context. It also includes territories outside Europe, as Latin America, Australia or African countries.

<https://councilcommunity.com/2017/12/05/social-innovation-strategies-from-bottom-to-top/> An article written by Prof. Mario Aquino Alves of FGV-EAESP Brazil, who writes about different strategies on social innovation to reach success. In this article, Prof. Aquino Alves explains that, for him, social innovation aims to improve the individual, the community and the company; and that there are different strategies to reach that.

<https://www.theguardian.com/social-enterprise-network/2012/jul/06/best-bits-starting-up-advice> An article published by The Guardian that lists advice on how to start up a social innovator business. It also groups different resources that people wanting to start a business can use, as well as examples of entrepreneurs who successfully built a business of this type.

<https://www.thesedge.org/socent-spotlights/22-awesome-social-enterprise-business-ideas> This article gives a brief resume on how a social enterprise can work, how they make money, and it also suggests ideas of possible business that people can built in order to create a social enterprise. Moreover, for each idea this article provides an example of a successful business of that type.

