



Enterprise to Transform the World

- How to simply change your enterprise challenge or experience into an active global citizenship one.

“Co-ops are recognised in many countries and institutions as self-help organisations particularly suited to assisting poor people to work out of poverty. The United Nations estimated (in 1994) that the livelihood of three billion people was made more secure by co-operatives.”

Co-op College, UK

Index:

2. Introduction
3. Business, constitutions and values of development
4. Successful development and successful social enterprise
5. Making a constitution or Articles of Association
6. Comprehensive source of activities for co-op business planning, running and evaluating
7. – 9. Changing your enterprise day into an active global citizenship experience, using a 20 presentation at the beginning, a decision-making tool, a five minute activity and a ten minute activity, with final evaluation questions.
10. Powerpoint slides visual index
11. Powerpoint notes.

To support this document you will need to visit:
<http://www.globalfootprints.org/transformenterprise/>

Here you will find the downloadable powerpoint, evaluation sheet, Articles of Association sheet, Session instruction sheet and links to the mentioned websites.

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Tel: 020 7364 6405

All the activities have been developed from working with 'First Questions', East of England Co-op, CLADA and Dynamix.

Business, Accountability and World Development

“The Draft Guidelines on a ‘Human Rights Approach to Poverty Reduction’ defined “poverty” as the lack of capability to enjoy a life of dignity. Without certain basic freedoms, a dignified human existence is not possible.”
Corporate Social Responsibility Revisited: A case for social accountability in development process! M. Thami Ngwenya

Combating poverty around the world is about ensuring everyone has human rights. To understand how development works we need to look at how people can, within their own communities, struggle free from poverty.

The following pages argue that social enterprise addresses development issues by being a tool for development, paralleling the needs for successful development, tackling poverty both directly and through promoting democracy and human rights.

For you to deliver enterprise, using social enterprise, so that it addresses rather than ignores or stereotypes global issues, it is important that you have an understanding of the relationship between development and social enterprise.

This booklet will help you to begin to understand that relationship and to see how we can start ensuring children are given the most exciting and relevant way of learning about development, moving away from the stereotypical, marketing images of charities and fund-raising, to the empowering images of women’s co-ops, Fairtrade farmers and credit unions.

It ends with how to convert, using a 20 minute powerpoint with interactive quiz, a demonstration scenario and two activities for the students, as well as a series of evaluation questions, your enterprise challenge/day/project into a active global citizenship experience.

Given an enabling environment, co-operatives can contribute substantially to meeting the Millennium Development Goals through:

- enabling small producers to access markets and capture more of the value chain;
- promoting savings, credit and banking services;
- reducing vulnerability and promoting security through micro-insurance;
- being schools for democracy (opportunity for leaders to emerge and to learn to be accountable to democratic institutions); and
- providing goods and services – including health, education, water and housing.

Department for International Development, UK

“A man can defend his rights effectively only when he understands what they are, and how to use the constitutional machinery which exists for the defence of those rights – and knowledge of this kind is part of development.”
Julius Nyerere 1968, President, Tanzania (1961 -1985)

‘**Constitutional machinery**’ is what is needed to ensure accountability, it includes public rules of governance, of how communities or groups, including co-ops and social enterprises work and make decisions, and how to complain and bring about change when things go wrong. If they are rights based, it is about defending your rights.

Businesses that are incorporated legally need **Articles of Association**, or **constitutions**. If these are created by the members of the business and ensure democratic decision-making processes, as in businesses that are co-ops, then the members are learning about the importance of constitutions in development and human rights. The United Nations sees co-ops as grass-roots schools of democracy.

“Thus development strategists are urged to incorporate in their plans mechanisms to assure accountability, transparency, participatory decision-making, non-discrimination and attention to vulnerable groups, social justice, equity, and empowerment. Human freedom, for example, is seen as a both a goal and a means towards development.”
Corporate Social Responsibility Revisited: A case for social accountability in development process! M. Thami Ngwenya

These values are reflected in those of the co-operative movement. You can compare them to the values of your enterprise or funding panel or Mybnk:

Co-operative value	Your panel fulfils (tick)	Suggested criteria
open membership		no discrimination based on gender, race, religion etc
democratic member control		decisions made openly through votes or consensus
autonomous, self-help organisations controlled by their members		A document that describes how the team is formed and how it works, this is called a constitution, could ensure that it expresses these values.
provide education and training for their members		Team ensures its members has relevant training – eg in project application evaluation, decision-making, co-op working
promote co-operative working in the community		Promoting its work as a co-op, using itself as a marketing example of why be a co-op and how they help communities.
share and network with other co-operatives		Inform other co-ops of its work in terms of being a co-op, encourage other similar teams to see themselves as co-ops, use coops and credit unions as possible sources of training...
work for the sustainable development of their communities		This is the aim of what you do – creating projects for the development of your community. Are there criteria for selecting appropriate projects to work on that includes issues of sustainable development? These might include community cohesion, empowerment, democracy, rights, environment, energy reduction...

The list of inputs needed for successful development projects are those that are needed for children to run a successful social enterprise project, and is why social enterprises are becoming a major tool for local development within poor areas of both the South and the North.

“To be successful any development project depends on a range of other inputs, notably: a minimum of good governance, rule of law and human rights, adequate local human and physical capacities, appropriate technology, a receptive host community and a minimum of social order, access to required finance and equipment, and, to be sustainable, capacity building.”

Comparing development work and social enterprise:

For a successful development project	For a successful social enterprise
a minimum of good governance	Articles of association/constitution created through an accountable process
rule of law and human rights	Promote human rights values within the workings and aims of the enterprise, and ensure respect is expressed through the teamwork
adequate local human and physical capacities	Audit of team skills and local support
appropriate technology	Access to communications & production technology
a receptive host community	Whole school support and involvement, including wider community
a minimum of social order	Importance of structures of networking, support and market
access to required finance	Access to microloans, start-up funding,
Access to required equipment	Access to telephone, photocopier, computer...
capacity building	Training for teachers and children, profits used to sustain activity.

This link between poverty, human rights and development is expressed in the conclusion of the Commission on Human Rights in its 62nd Session:

“While the existence of persistent poverty indeed erodes the possibility of enjoyment of human rights and fundamental freedoms, so does the lack of enjoyment of human rights hamper the ability of individuals and communities to extract themselves from the grasp of poverty, thus ensuring its persistence. It is a vicious cycle that needs to be approached from both its poles if long-term effective change is to be expected.”

Social enterprise tackles poverty from both ends, it promotes human rights and accountability, whilst it addresses the economic needs of a community.

Advice on making a Constitution from *Co-operative Futures* includes:

“**Constitutions** - Whatever legal status you choose for your business, it is very important that a properly drafted **constitution** is adopted at the outset. This should be drafted in plain English avoiding any vague or legalistic words.

A constitution is an agreed set of rules covering at the very least the following issues (note: this list is not exhaustive):

- what the aims (“objects”) of the business are
- the powers of the business in achieving its objects
- how the business governs itself, e.g. through an elected management committee/board of directors
- what the powers of the management body are
- who can be a member and on what terms
- how meetings are convened and conducted
- how the constitution can be amended
- what happens to any profit the business makes
- how the business is wound up
- other principles which you want to apply to your business”

The role of Articles of Association described by Companies House:

“**7. What are articles of association?** A company’s articles of association are its internal rulebook. Every company formed under the Companies Act 2006 or earlier Acts will have articles of association – commonly referred to simply as the company’s “articles”.

“The articles are chosen by the members and form a contract between the company and its members. They help to ensure the company’s business runs as smoothly and efficiently as possible and will set out how the company will make decisions and include various matters connected with the shares. Every company is required to have articles by law and the articles are legally binding on the company and all of its members.

“The articles cannot contain rules that are against the law. Provided that the members observe this general principle they have complete freedom to choose which rules go into their company’s articles, although they may find it convenient to rely on model articles as a default position. If the members decide to draw up their own rules they should consider whether they need to take legal or other professional advice and have bespoke or tailor-made articles drawn up for their company

“On incorporation a company can adopt model articles, model articles with amendments or bespoke articles. Model articles are available for private companies limited by shares, private companies limited by guarantee and public companies.”

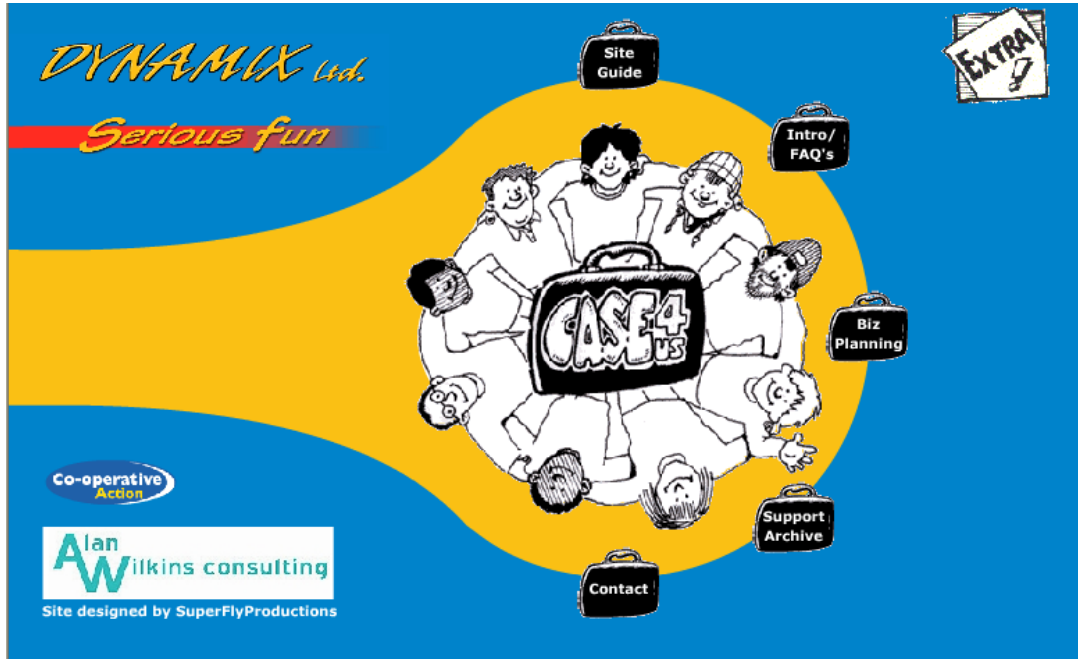
To find quoted documents:

<http://www.companieshouse.gov.uk/about/gbhtml/gp1.shtml#ch1q6>

<http://www.givingandsharing.org.za/pages/Projects/Thami%20Ngwenya%20Corporate%20Social%20Responsibility%20Revisited.pdf>

<http://www.co-operativefutures.coop/pdfs/L9%20Aug%2006.pdf>

Activities:



www.case4us.com

Case4us is a website with downloadable activities, lesson plans, worksheets, games indexed as a Matrix with 'start-up', business planning, running the co-op and review and reflection.

Resource Matrix

4 Stage business planning model

To view documents click on the ticks below, to save documents right click and select "save target as"

Stage	Step	Icon 1	Icon 2	Icon 3	Icon 4	Icon 5	Icon 6
Start Up	Our Co-Op and its Members	✓	✓	✓	✓	✓	✓
	Meetings and decision making	✓	✓	✓	✓	✓	✓
	All Stage notes - Start Up	✓	✓	✓	✓	✓	✓
Business Planning	Developing the enterprise idea - Product	✓	✓	✓	✓	✓	✓
	Developing the enterprise idea - Service	✓	✓	✓	✓	✓	✓

The Start-up is separated into two stages, 'Step 1 Our co-op and Its members' and 'Step 2 Meetings, roles and decisions'. These can be used to build-up parts of the 'Articles of Association' or 'constitution'. These statements need to be put together and agreed as a document.

First Stage

FACILITATOR'S NOTES

Step 1 – Our Co-operative and its members

Welcome to the first set of facilitators' notes. We hope to guide and support you in facilitating the process and stages of establishing, running and review of a co-operative enterprise in educational settings.

The first thing is to ask is "why?" You need to be clear about the aims of the project or course. There is more written on this in other sections of this website. See:

First Stage

FACILITATOR'S NOTES

Step 2: Meetings, roles and decisions

The second step of establishing a co-operative is looking at the importance of communication, deciding how information is to be shared and recorded, and where responsibilities lie within meetings.

Aims
To explore running effective meeting and roles to support the business planning stage.

Preparation

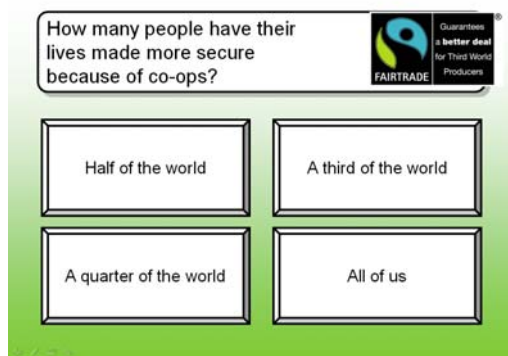
Four important activities to transform your enterprise event:

These activities were presented in a twenty minute launch presentation to an Enterprise Day at the Newham VI Form College. It is based on a straight forward powerpoint presentation that aims to affect the approach during the rest of the day, allowing the young people to do enterprise within a global development agenda.

The aim of the presentation is to introduce social enterprise and co-ops, highlight how important they are to development around the world, and to frame their group-work and decision-making within a sustainability and community agenda.

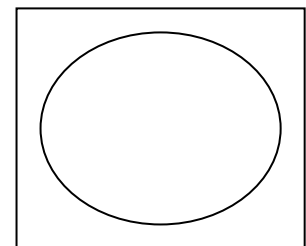
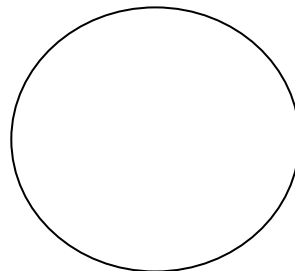
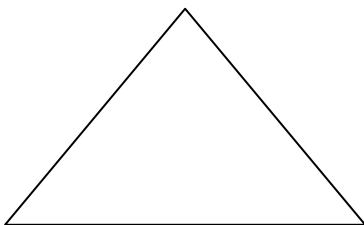
How Important are Co-ops:

Two multiple choice questions on the role of co-ops in the economics of world development, taken from a set of 8 questions online, can be used to quickly shift the attitude of the students, who may only think of the co-op as a shop, a bank on TV or a local funeral parlour. The audience can vote for the answer they think is correct.



Deciding on management structure:

The powerpoint introduces the structures to the audience. Later, when they are in their enterprise groups, they could do this activity. To encourage them to do it you can give each group a set of A3 sheets with a shape on each.



Lay on the ground three shapes. Draw on a flip-chart or whiteboard explaining what the shapes mean:

Triangle – a business run by a director/entrepreneur. The leader or team of leaders tells the other staff what to do.

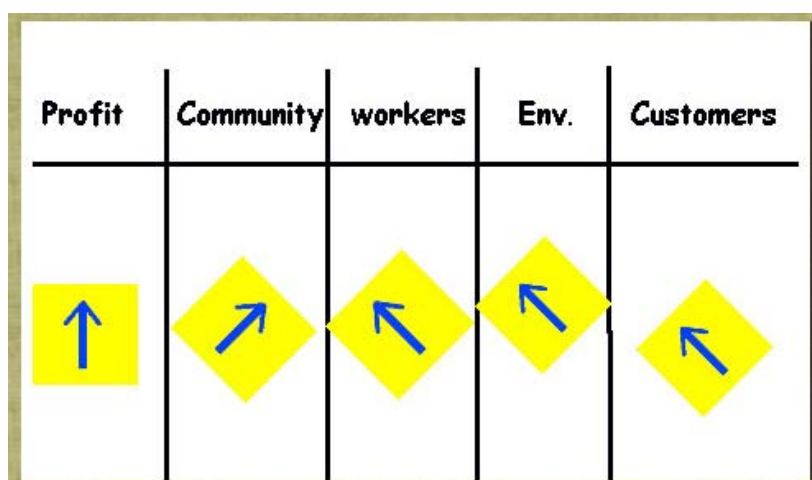
Circle – a workers co-op, all staff are equal and discuss and agree on decisions together, by voting or consensus (everyone agreeing).

Washing Machine – a co-op in which the workers elect a management group who then lead the business, but are acting on behalf of the staff, and must report to them.

The social enterprise members must stand on the shape they want their business to be. The shape with the most people standing on it becomes the overall structure of the business. This can then be put into the Articles of Association.

Decision-making Tool:

Multiple Bottom Line is a simple decision-making tool that can be demonstrated online, or using stick-its and large sheets of sugar paper.



The powerpoint slide is hyperlinked to the webpage with an interactive multiple bottom line. A business scenario can be given to illustrate the use of the tool: a company making sports shoes is advised by its marketing group to produce brighter coloured shoes. This needs to change the production process so it will use bleaches and coloured dyes instead of the natural materials used before. How will this effect the profit? Local community?... take hands from the audience.

The resulting table is an audit of corporate social responsibility. To turn it into a social enterprise you need to use the profit to make the other outcomes more positive, buy more expensive environmentally friendly bleaches, and environmentally friendly dyes...

It is very easy to use as an auditing device – how the decision affects the profit/ environment/ community/ workers/ customers. But the function in a social enterprise is to make decisions using the profit to ensure that all bottom lines are positive. This activity reinforces the nature of a social enterprise and embeds its values in making decisions.

Once the tool has been introduced as a way of defining what is a social enterprise then the social enterprise groups can use the bottom line for all their relevant decision-making. Every group will be given a sheet of sugar paper with the bottom lines on it, so they can use it when they want to during their activities and discussions.

In the Constitution you can put 'decisions will be made using a multiple bottom line tool trying to ensure that all bottom lines are positive.'

Ensure each company has Articles of Association

On top of the activities you normally do with your enterprise projects, get the students to write the name of their company, its aim and the rules of how it will be run, including a financial checking system, and the allocation of roles, and this can be their Articles of Association. This constitution ensures accountability and defends the rights of people within the business and hopefully the wider world, including customers. This is vital in stopping corruption, helping people to learn about democracy, working together and exercising their rights. There are two slides in the powerpoint to suggest this, as well as a downloadable worksheet.

Evaluation:

When the students present their business plan the panel could evaluate it partly on how it reflects on being a social enterprise.

At the end of the day have as part of the evaluation the following questions:

1. how many times did you use the multiple bottom line tool

None once twice three or more

2. circle the phrases linked to social enterprise?

Community everyone helping make decisions profit
Environment competition co-operatives

3. how important are social enterprises around the world in combating poverty?

Not important important very important

4. how important is a constitution to ensure fairness and openness in decision-making?

Not important important very important

5. Social enterprises help develop democracy and human rights?

A lot quite a lot some not much not at all



Powerpoint slides for framing an Enterprise Day or project within the global dimension of poverty reduction and sustainability.

What is a Co-op?

• Businesses owned and run by their communities, these can be the workers, the customers or the local community.
 • Their values include democracy, participation, equality, openness, fairness, improving the lives of their members, sustainable world.
 • Co-ops are examples of social enterprises, businesses that aim to improve the world.

How many people have their lives made more secure because of co-ops?

- Half of the world
- A third of the world
- A quarter of the world
- All of us

Correct!
 Co-ops employ 20% more people than multinationals around the world.



Banking on the World

"...Co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the task of creating productive employment, overcoming poverty and achieving social integration..."
 Kofi Annan



1

2

7

8



Sorry, click to try again

Show me the right answer

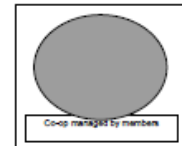
Correct!
 According to the United Nations 3 billion people are helped by co-ops! That's half of the world.



Director Lead



Workers Co-op



3

4

9

10

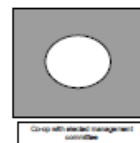
How many people do co-ops employ around the world?

- Half the number as multinationals
- The same as multinationals
- 20% more than multinationals
- 10% more than multinationals

Sorry, click to try again

Show me the right answer

Elected Team lead



5

6

11

Co-operative businesses are seen to be schools of democracy.

Telegraph.co.uk

Iran can no longer suppress its youth

What will your Articles of Association be?

Articles of Association

- What are your aims?
 - Do you have any values to do with the community or sustainability?
 - Who are your members?
 - How will you make decisions?
 - What roles of responsibility will there be?
 - How will you ensure all your finances are accountable?
 - Will you use the multiple bottom line as part of your decision-making (see next slide)?
 - Will your business through its success and marketing promote co-ops and social enterprise for others to create and use?
- You could write a short list under the questions and vote on it as your Constitution/Articles of Association.

12

13

Multiple bottom lines - exploring business & citizenship



Multiple Bottom Lines



14

15

Your business can mirror what is happening around the world to fight poverty!

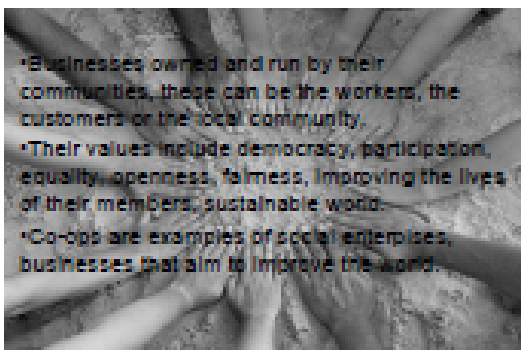
Work as a social enterprise and help change the world!

16

1

Three bullet points to introduce what a co-op is. Could ask the audience first – they may come up with a shop/bank... that cares (from the TV adverts) but it is a major economic force and political idea that is one of the foundation stones of Fairtrade.

What is a Co-op?



If wrong you can try again with the audience or click on show me the answer.

3



Sorry, click to try again

Show me the right answer

Because multi-nationals are seen to be major players in advertising and promotion... the role of co-ops is often overlooked.

How many people do co-ops employ around the world?



Half the number as multinationals

The same as multinationals

20% more than multinationals

10% more than multinationals

5

2

The next set of slides are two multiple choice questions putting the world importance and role of co-ops. You could get the audience to vote for each possible answer and click on the majority response...

How many people have their lives made more secure because of co-ops?



Half of the world

A third of the world

A quarter of the world

All of us

The answer is meant to be surprising and illustrate that co-ops are a major tool for fighting poverty...

4

Correct!

According to the United Nations 3 billion people are helped by co-ops! That's half of the world.



Again if they get it wrong give them the choice of trying again or showing them the right answer.



Sorry, click to try again

Show me the right answer

6

Again the answer is meant to cause a thoughtful pause... and why do young people not learn about co-ops... they may think.

The UN sees co-ops and social enterprises as extremely important tools in fighting poverty and in empowering groups.

7

Correct!
Co-ops employ 20% more people than multinationals around the world.

8

Banking on the World
"...Co-operative enterprises provide the organizational means whereby a significant proportion of humanity is able to take into its own hands the task of creating productive employment, overcoming poverty and achieving social integration..."
Kofi Annan

What structure would you choose to run your business – leader-led or...

As a workers co-op everyone having an equal say...or

9

Director Lead

10

Workers Co-op

Elected leadership team... the students can choose as part of their business plan – each team can have structure cards as a prompts.

Co-op businesses are seen to be schools of democracy allowing people who do not have a voice to take part in decisions...

11

Elected Team lead

12

Co-operative businesses are seen to be schools of democracy.

What will your Articles of Association be?

Your structure, your values, and how you make decisions can all become part of your constitution/Articles of Association.

Multiple bottom line is an activity used to define what a social enterprise is. First question, what is the bottom line? PROFIT.

13

14

Articles of Association

- What are your aims?
- Do you have any values to do with the community or sustainability?
- Who are your members?
- How will you make decisions?
- What roles of responsibility will there be?
- How will you ensure all your finances are accountable?
- Will you use the multiple bottom line as part of your decision-making (see next slide)?
- Will your business through its success and marketing promote co-ops and social enterprise for others to create and use?

You could write a short list under the questions and vote on it as your Constitution/Articles of Association.

Multiple bottom lines - exploring business & citizenship



Click on the image & go to the website with an interactive bottom line. Scenario: making sports shoes – marketing dept says need brighter colours, so invest in bleaches/dyes... how does this affect profit? Env? Community? Workers? Customers? This is a Corporate Social Responsibility audit (CSR)...

...if the business were a social enterprise it would use its profits to ensure all the bottom lines were positive – buying more expensive natural, biodegradable bleaches/dyes or investing in cleaning processes.

All student groups have a sugar paper bottom line with stick-it arrows for their decision-making.

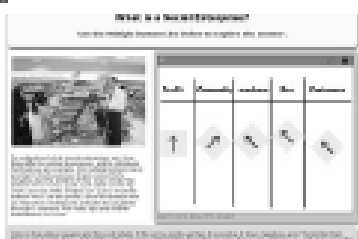
Last slide reminds us of the importance of co-ops.

15

16



Multiple Bottom Lines



[On-line multiple bottom lines activity](#)

Your business can mirror what is happening around the world to fight poverty!

Work as a social enterprise and help change the world!