**Co-operative Educational Trust Scotland** 

## Award Title: Certificate in Co-operative Studies

## Unit Title: Co-operative Enterprise – The Democratic Alternative (SCQF level 5)

**Unit summary and entry requirements :** This unit gives candidates an understanding of the cooperative enterprise model, the internationally agreed values and principles which govern cooperatives and their structure. To achieve all Outcomes and Performance Criteria of this Unit candidates will require to have examined simple case studies of **at least two** co-operative enterprises, a social enterprise and two different types of private enterprise. These case studies may be used to illustrate Performance Criteria in all Learning Outcomes. The evidence for Learning Outcome 1 may be included in the evidence for 3.4, provided all aspects of the Performance Criteria are satisfied.

There are no entry requirements.

Learning outcome 1:	Evidence
Demonstrate an understanding of the Values and	
Principles of Co-operative Enterprise	
<ul> <li>Performance Criteria:</li> <li>1.1 Investigate the co-operative values. Compare and contrast how two different types of existing co-operative enterprises (eg. a large retail co-operative and a community co-operative) demonstrate these values.</li> <li>1.2 Examine the ethical policy of one of the above Co-operative enterprises. Identify the characteristics which distinguish them from other organisations which might adopt these ethical values.</li> <li>1.3 Investigate the co-operative principles. Compare how the two different types of</li> </ul>	<ul> <li>Written and/or oral evidence which</li> <li>demonstrates knowledge and understanding of the six co-operative values</li> <li>relates these to a practical context.</li> <li>Written and/or oral evidence which demonstrates</li> <li>an understanding of ethics in business</li> <li>an understanding of the distinguishing features of a co-operative enterprise.</li> <li>Written and/or oral evidence which</li> <li>demonstrates knowledge and</li> </ul>
co-operative enterprise investigated in 1.1 have used these principles to put their values into practice.	<ul> <li>demonstrates knowledge and understanding of all seven co-operative principles</li> <li>relates these to a practical context.</li> </ul>
Learning outcome 2: Demonstrate knowledge and understanding of the essential elements of the co-operative business model	Evidence
Performance Criteria: 2.1 Define what is meant by 'members of a Co-operative.' Illustrate using an example of an existing Co-operative enterprise.	<ul> <li>Written and/or oral evidence in the form of</li> <li>a definition</li> <li>an example of who the members of an existing co-operative are.</li> </ul>

<ul> <li>2.2 Describe and explain the rights and responsibilities of 'members of a co-operative.'</li> <li>Illustrate using an example of an existing co-operative enterprise.</li> </ul>	<ul> <li>Written and/or oral evidence in the form of</li> <li>a clear description and explanation of members' rights and responsibilities</li> <li>a clear description and explanation of members' rights and responsibilities in the context of an existing co-operative.</li> </ul>
2.3 Define the 'purpose of a co-operative.'	Written and/or oral evidence in the form of a definition.
<ul> <li>2.4 Illustrate, using an example, the economic, social and psychological benefits to members of participating in a co-operative.</li> <li>2.5 Describe clearly what is meant by 'governance'</li> </ul>	Written and/or oral evidence in the form of a clear explanation of the economic, social and psychological benefits to members of participating in an existing co-operative. Written and/or oral evidence in the form of a
and what distinguishes 'co-operative governance' from the governance of other companies.	statement describing what is meant by governance and what distinguishes 'co-operative governance' from the governance of other companies.
2.6 Explain clearly the roles and main responsibilities of members, the board of directors and management in a co-operative.	<ul> <li>Written and/or oral evidence in the form of three statements each of which clearly explains the role and lists at least three responsibilities of the <ul> <li>members</li> <li>the board of directors</li> <li>management</li> <li>in a co-operative.</li> </ul> </li> </ul>
2.7 Identify the key factors which influence how effectively a co-operative is governed, with reference to the members, the board of directors and management.	Written and/or oral evidence in the form of a list of <b>at least three</b> factors which ensure the members, the board of directors and management work together effectively in a co-operative.
Learning outcome 3: Investigate the differences between co-operative,	Evidence
social and private enterprise. Evaluate the	
'co-operative advantage' to a community of	
Being members of a co-operative.	
<ul> <li>Performance Criteria:</li> <li>3.1 Identify an existing social enterprise. Outline the characteristics which clearly identify it as a social enterprise, including who benefits from it and what these benefits are.</li> </ul>	<ul> <li>Written and/or video evidence in the form of a report on an existing social enterprise which clearly</li> <li>describes the nature of its business</li> <li>states its social purpose</li> <li>explains how it uses its profit</li> <li>identifies its beneficiaries</li> <li>explains how they benefit from the social enterprise.</li> </ul>

<ul> <li>PLC (public limited company). Compare these two companies, clearly describing</li> <li>their common characteristics, which identify them as private enterprises</li> <li>their differences.</li> </ul>	<ul> <li>with different structures which clearly</li> <li>identifies their common purpose</li> <li>explains the differences in their ownership and management structure</li> <li>explains how they distribute their profits</li> </ul>
3.3 Compare the social enterprise identified above with one of the private enterprises identified above by commenting on their similarities and differences, which must include an explanation of 'Triple Bottom Line.'	<ul> <li>Written and/or oral evidence in the form of two statements</li> <li>one clearly describing similarities</li> <li>one clearly explaining the differences, including an explanation of 'Triple Bottom Line'</li> <li>with relevant evidence selected from given sources.</li> </ul>
<ul> <li>3.4 Identify two existing co-operative enterprises eg. a large retail co-operative and a community co-operative. Prepare a report on each of the two co-operative enterprises which clearly describes <ul> <li>the nature of its business</li> <li>its purpose</li> <li>its members</li> <li>economic, social and psychological benefits to members</li> </ul> </li> <li>3.5 Compare the above two co-operative enterprises with the two companies examined in 3.3, commenting on similarities and differences.</li> </ul>	<ul> <li>Written and/or video evidence in the form of a report on each co-operative enterprise which clearly describes <ul> <li>the nature of its business</li> <li>its purpose</li> <li>its members</li> <li>economic, social and psychological benefits to members</li> <li>with relevant evidence selected from given sources.</li> </ul> </li> <li>Written and/or oral evidence in the form of one statement commenting on any similarities between either of the businesses in 3.3 and one statement clearly highlighting the differences between the co-operative enterprises and the two businesses examined in 3.3.</li> </ul>
<ul> <li>3.6 Demonstrate, with reference to the community co-operative above, how cooperation can be more effective than competition.</li> <li>Justify the use of the phrase 'not just for profit' to describe this co-operative.</li> </ul>	<ul> <li>Written and/or oral evidence in the form of an explanation of</li> <li>how the members co-operated</li> <li>why this was more beneficial to members than competing, including an explanation of 'not just for profit.'</li> <li>with relevant evidence selected from given sources.</li> </ul>