

Co-operative Education Trust Scotland Ltd.	
Award Title: Certificate in Co-operative Studies	
Unit Title: Co-operative Enterprise – The Democratic Alternative (SCQF level 6)	
<p>Unit summary and entry requirements: This unit gives candidates a clear understanding of the co-operative enterprise model, the internationally agreed values and principles which govern co-operatives and their structure.</p> <p>There are no entry requirements although this unit does provide progression from Co-operative Enterprise – The Democratic Alternative (SCQF level 5).</p>	
Learning outcome 1:	Evidence
Analyse the effect of the values and principles on how co-operative enterprises operate.	
Performance Criteria: 1.1 Investigate the values and ethics of a corporate business compared to a co-operative enterprise. Describe clearly how the similarities and differences impact on the operation of the businesses and assess what distinguishes co-operatives from other enterprises.	Written and/or oral evidence which demonstrates knowledge and understanding of the values and ethics of co-operative enterprise and the impact these have on how a co-operative operates.
1.2 Establish how the principles distinguish co-operatives from other types of businesses. Illustrate with appropriate exemplification.	Written and/or oral evidence which demonstrates knowledge and understanding of the co-operative principles and how they are applied in context.
1.3 Analyse, with relevant exemplification, <ul style="list-style-type: none"> • how an existing co-operative business puts the principles into practice • the impact on their business 	Written and/or oral evidence which demonstrates <ul style="list-style-type: none"> • a clear understanding of how an existing co-operative business puts the principles into practice • assesses the impact on the co-operative business.
1.4 Comment critically on the statement “The principles do not apply to all co-operatives in every business situation.” Justify your conclusions.	Written and/or oral evidence which gives examples of principles which do not apply to particular co-operatives either all or some of the time.
Learning outcome 2:	Evidence
Explain the core elements of co-operative governance	
Performance Criteria: 2.1 Explain what is meant by ‘governance’ and the main purpose of ‘corporate governance.’	Written and/or oral evidence in the form of a clear explanation of ‘governance’ and its main purpose.
2.2 Identify the key elements which distinguish co-operative governance from other forms of corporate governance.	Written and/or oral evidence which demonstrates knowledge and understanding of at least three key elements which distinguish co-operative governance from other forms of corporate governance.

2.3 Explain two ways in which the members of a co-operative can exercise their right to participate in the governance of the co-operative.	Written and/or oral evidence which demonstrates knowledge and understanding of two ways in which the members can exercise their right to participate in the governance of the co-operative.
2.5 Explain the relationship between the roles of members, management and the board of directors in a co-operative.	Written and/or oral evidence which demonstrates knowledge and understanding of the relationship between the roles of members, management and the board of directors in a co-operative.
2.6 Examine the governing document or 'rules' of an existing co-operative and explain in your own words the essential elements including <ul style="list-style-type: none"> the purpose of the organisation how it admits members how they can exercise their voting rights 	Written and/or oral evidence which demonstrates the ability to extract and explain essential information in a practical context.
Learning outcome 3: Discuss the essential elements of the co-operative business model.	Evidence The same evidence may be used for 3.1, 3.2, 3.3 and 3.4 providing all Performance Criteria are met.
Performance Criteria: 3.1 Examine the definition of a co-operative in the International Co-operative Alliance's Statement on the Co-operative Identity. Investigate and report on the purpose and membership of an existing co-operative and comment on how it satisfies this definition.	Written and/or oral evidence which demonstrates knowledge and understanding of at least three essential elements for an enterprise to be a co-operative and how these essential elements are applied in a practical context.
3.2 Identify the rights and responsibilities entailed in ownership of a co-operative. Illustrate using an example of an existing co-operative.	Written and/or oral evidence which <ul style="list-style-type: none"> demonstrates knowledge and understanding of the rights and responsibilities of ownership in a co-operative recognises what these look like in an existing co-operative.
3.3 Explain the theory behind the distribution of benefits to members in a co-operative and illustrate how this works in practice for an existing co-operative.	Written and/or oral evidence which <ul style="list-style-type: none"> demonstrates knowledge and understanding of 'proportionality' and 'equality' in the distribution of benefits to members explains what this looks like in an existing co-operative.
3.4 Explain the responsibility of members if a co-operative makes a loss and what actions they might take to meet this responsibility.	Written and/or oral evidence which <ul style="list-style-type: none"> demonstrates awareness of members' responsibility if a co-operative makes a loss gives two examples of how they might meet this responsibility.

Learning outcome 4: Analyse the differences between co-operative enterprise, social enterprise and private enterprise.	Evidence The same evidence may be used for 4.1, 4.2, 4.3 and 4.4 providing all Performance Criteria are met.
Performance Criteria: 4.1 Analyse the similarities and differences between co-operative, social and private enterprise in relation to <ul style="list-style-type: none"> • purpose • ownership • control • beneficiaries. Justify your conclusions.	Written and/or oral evidence which demonstrates knowledge and understanding of the <ul style="list-style-type: none"> • purpose • ownership • control • beneficiaries of co-operative, social and private enterprise. Conclusions about similarities and differences should be supported by relevant and accurate interpretation of the above factors.
4.2 Explore how each type of enterprise is financed and how surpluses are distributed.	Written and/or oral evidence which demonstrates knowledge and understanding of how each type of enterprise is financed and how surpluses are distributed.
4.3 Analyse the differences between shareholders in a private enterprise and 'shareholders' in a co-operative and justify these differences with reference to the International Co-operative Alliance's Statement on the Co-operative Identity.	Written and/or oral evidence which <ul style="list-style-type: none"> • demonstrates an understanding of at least three differences between owning shares in a co-operative and owning shares in a private enterprise • gives reasons for these differences based on the International Co-operative Alliance's Statement on the Co-operative Identity.
4.4 Analyse what constitutes 'success' for each type of business. Give reasons for the conclusions reached.	Written and/or oral evidence which demonstrates a clear understanding of <ul style="list-style-type: none"> • the purpose of each type of business • how this influences what the business considers as 'success.'
4.5 Explain the 'co-operative advantage' and evaluate its effectiveness. Justify your answer.	Written and/or oral evidence which explains the 'co-operative advantage' with reference to how a co-operative balances members' needs with operating a successful business.