

A TRAINING MANUAL FOR STARTING WORKER-OWNED COOPERATIVES

**The WAGES Curriculum to Assess Feasibility
& Develop Group Cohesion**

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About WAGES

Women's Action to Gain Economic Security (WAGES) is a non-profit organization in Mountain View, California, whose mission is to "promote the economic and social wellbeing of low-income women and to raise their awareness and participation in the struggle for self-determination and a just and democratic community." WAGES provides comprehensive technical assistance to groups of women who want to start business cooperatives, training participants in all of the skills required to get a business off the ground: assessing feasibility, developing a business plan, incorporating, marketing the business, and so on. WAGES has adopted a holistic approach to economic development, and offers social support services to participants as well as childcare during trainings.

In addition to the technical assistance program, WAGES provides consulting services to other community organizations that are starting or working with cooperatives. Persons interested in contacting WAGES about this curriculum or the services we provide can reach us at the following location:

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I. Introduction to the Curriculum

II. Curriculum Modules

1. Introduction to Ourselves & Our Vision

- Introductions to get to know each other.
- Identifying expectations from the training.
- Review of program goals, objectives and philosophy.
- Participant feedback on training program and discussion of expectations.

Homework (HW): Fill out the "Work/Skills Chart"

2. Introduction to Coops and Cooperation

- Video, "The Spirit of Cooperation."
- Group discussion and analysis of the principles of cooperatives, the individual/social alternative they represent, and the advantages and disadvantages of cooperatives as compared to conventional businesses.
- Establishing the group's "Principles of Cooperation:" groundrules to promote cooperation and accountability to each other.

HW: Fill out "Assessment of Entrepreneurial Traits," "How Much Time Do I Have to Build a Business?" and "Assessment of Personal Income Needs."

3. Introduction to Small Business Development

- Presentation on the basics of small business: how to start one, why they fail and what it takes to succeed.
- Conduct personal assessments to explore the traits needed as small business entrepreneurs.
- Conduct personal assessments to explore how much time participants have or can allocate in order to build a successful business.
- Examine personal income needs and compare these to realistic estimates of how much income they are likely to earn during planning and start-up .

4. Step 1: Choosing the Businesses: (A) Learning About Our Business Ideas

- Exploring market demand: Presentation by a resource person (or panel of resource persons) on participants' business choices.
- Creating a list of businesses to consider.
- Planning site visits to businesses on the list.

HW: Site visits.

5. Communication in Groups

- Exploring the factors that influence our communication styles.
- Identifying positive and negative ways to communicate in groups.
- Practice disagreeing, and giving and receiving constructive feedback.
- Exploring the role and responsibilities of the process observer.

6. Step 1 (continued): Choosing the Businesses: (B) Exploring Our Skills and Interests

- Reportbacks from site visits.
- Exploring our dreams/interests.
- Exploring our skills/experiences.

HW: Thinking about your top 3 business choices.

7. Step 1 (continued): Choosing the Businesses

- Discussion: Pro's & con's of the business ideas.
- Voting and deciding on three businesses (plus two back-ups).
- Breaking into three committees.
- Review of the feasibility stage: key steps & concepts.

Participant HW: Participants who have not yet done a site visit to a business they are on a committee to research need to do so.

Facilitator HW: Identifying solid list of contacts and resource persons for each business idea.

8. Step 2: Exploring the Market & the Competition: & Research Skills: Learning how to Create a Research Plan

- Learning about the market and the factors that affect markets, including customer demand and competition.
- Learning how to create and implement a research plan.
- Creating a plan to research customer demand and competition.

HW: (a) Conducting research on competition; (b) Reading an article about market niches.

9. Research Skills: Learning Interview & Survey Skills

- Learn key research skills including how to conduct interviews and surveys.
- Develop surveys for research into customer demand and competition.
- Practice presentation and interview skills through role plays.
- Increase self-confidence and skill in relating to "experts."
- Practice process observing and facilitation skills.

HW: Conducting research on competition and customer demand.

10. Working in Committees

- Examine democratic process in small groups.
- Critique committee process to date and brainstorm recommendations for improvement.
- Learn problem-solving steps and techniques.
- Understand the role and power of committees in relation to the larger coop.

HW: Continued from previous training.

11. Research Skills: How to Analyze & Report Data

- Learning how to compile, analyze and report data.
- Learning how to make recommendations to the larger group.

HW: Committees meet to analyze research findings, prepare reports.

12. Step 3: How do the Businesses Operate?

- Reportbacks on research into customer demand and competition.
- Learning about business operations.
- Developing a research plan to obtain information about business operations.

HW: Setting up site visits and/or interviews with business owners.

13. Membership, Governance and Management Issues in Coops

- Panel discussion on membership, governance and management issues in coops and collectives.
- Comparison of governance systems, member responsibilities, major internal challenges, ideas about how to deal with them.
- Discussion about structures and processes that group members might consider adopting.

HW: Fill in "What I Need from the Group."

14. Who Am I? What Do I Need? Sharing About Ourselves & Our Needs from Each Other

- Sharing personal information and formative experiences with each other.
- Discussing what we need from each other and the program in order to commit to starting a business.

HW: Preparing reports on business operations.

15. How will Our Business Operate? Clarifying Goals for the Business

- Reportbacks on business operations research.
- Values & Identity: Exploring members' values about work and running a business.
- Determining members' business operation goals for job creation, skills, work environment etc.

HW: Developing questions for site visits to coops.

Saturday: Site Visits to Coops

16. Step 4: Calculating Business Expenses

- Learning about projections and profit and loss statements.
- Differentiating between different kinds of business costs.
- Committee work: Creating a plan to obtain information about business costs.

Participant HW: Gathering information on costs.

Facilitator/Consultant HW: Gathering information on variable costs.

17. Step 5: Estimating Sales Income

- Learning what income is and how it is calculated.
- Learning how to estimate the “break-even” point for a business.
- Reportback on findings about costs in preparation for applying break-even analysis to the group’s business ideas.

18. Step 5: Estimating Sales Income (continued)

- Applying break-even analysis to the committee's business ideas.
- Learning about factors that influence income.
- Developing a plan to gather data on factors influencing income.

HW: Gathering information on prices and sales.

Facilitator/Consultant HW: Gathering complementary data.

19. Step 5: Estimating Sales Income (continued) & Step 6: Is this Business Feasible?

- Reportback of findings of research into prices and sales.
- Setting initial prices for their products/services.
- Creating one year profit and loss statements for each business.
- Examining loan requirements of the businesses.

Facilitator/Consultant HW: Creating cash flow statements for the businesses.

20. Step 6: Is this Business Feasible? (continued)

- Examining income and cash flow statements for each business.
- Review of the final Feasibility Report Form.
- Committee work: Preparing the final reports.

21. Decision-Making in Cooperatives

- Learning about different methods of decision-making.
- Learning basic principles of consensus decision-making.
- Practicing consensus decision-making with a hypothetical issue.

HW: Preparing the final reports.

22. Step 6: Is this Business Feasible? (continued)

- Small group reports summarizing the research on the businesses.
- Discussion of the reports, pro's and con's of each business.

HW: Fill out "How Do I Feel About the Businesses? How Do I Feel About the Group?"

23. Step 7: Deciding on a Business

- Decision on which business idea to pursue.
- Decision by individuals on whether to go forward with the business.

24. What's Next & Evaluation of the Training Series

- Review of next steps (if the group decides to continue).

- Evaluation of the training series.

CELEBRATION!

III. Appendices

1. Hand-Outs

2. Feasibility WorkBook

3. Feasibility Report

4. Trust-Building Activities