EMPLOY SSE

Training modules on SSE addressed to VET

Module 2: "Democratic management and horizontal governance in and for SSE ventures"

This document is part of a 4-modules training program to promote Social Solidarity Economy (SSE) into Vocational and Educational Training (VET) system.
The material is a useful tool for VET Trainers and Mentors as well as a guide for Career Opportunity Advisors and Policy Makers.

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Project Partners

Module 2: "Democratic management and horizontal governance in and for SSE ventures"

What about this training module?

The current training material is part of a set of training modules with the aim of promoting Social Solidarity Economy (SSE) into Vocational and Educational Training (VET) system. The vision is a comprehensive training and professional development of younger generations, which integrates alternative socioeconomic models in their framework of ideas and attitudes.

It is both a tool and a training material useful for VET trainers and mentors where they can find information, material, references, examples and case studies so to understand what SSE is about. It is a starting point for them to create their own material and integrate SSE in their teaching and training in an innovative and comprehensive way. Furthermore, it can be used as a guide for Career Opportunity Advisors and Policy Makers who need to assist and mentor young generations in their professional development path by opening up the SSE universe: an alternative development and "real business" paradigm of cooperation, employability and sustainability.

What about SSE?

SSE as an alternative socio-economic model is rooted in inclusive values and practices, highly needed in an "era of transition". SSE practitioners develop alternatives in all economic sectors in and beyond the current economic models by focusing on sustainability, social needs, reciprocity and solidarity.

In this framework, SSE is an economy aimed at a different form of development from the mainstream profit-oriented one. It includes organisations whose purpose is more focused on social and environmental value rather than the search for financial gain and growth. It is a way to satisfy human needs through economic activities – such as production and exchange of services – that reinforce values of social justice, ecological sustainability, cooperation, mutuality, community and democracy.

How it can help both VET trainers and trainees?

It is obvious, therefore, that *SSE could contribute to these capabilities for people through VET system.* More specifically it provides broad knowledge on social and economic dynamics, sustainable designing, democratic management, social/environmental/economic impact of every entrepreneurial activity, transversal knowledge etc., skills such as communication and relation skills, active listening, application of change management, application of social planning, teamwork, networking capacities, ability for collaborative driven partnerships and finally creative methodologies such as peer and cooperative ones, inclusiveness and democratic procedure methods, reciprocal approach between trainer and trainee etc.

How to use the modules?

The current module, together with the other three modules, can either be used as a stand-alone training or as part of other trainings in VET fields such as economics, management, local/regional development, environmental management and others. *It is not a full, detailed set of training material, but rather a comprehensive and holistic tool to trigger trainers' imagination, creativity and teaching skills so to develop their own material.* The objective of the training course is to provide educators with the learning outcomes needed for the design, planning, delivering and evaluating training interventions to their trainees, and especially the younger ones with an emphasis on NEETs, who want to be trained in SSE or integrate it in their training in other fields. Finally, it can be accordingly modified, *so to overpass "VET boundaries" and be used in other education levels.*

Title	Democratic management and horizontal governance in and for SSE ventures
Duration	*30 hours*
Introduction - General Purpose "Why is it helpful for VET trainers?"	The current module is a training package in the form of training curricula on the topic of Introducing SSE, which can provide a clear path for designing future training courses on key issues of the SSE field. Therefore, it is helpful for VET trainers in order to provide training so to: ● Understand how SSE organisations are being developed. ● Understand how SSE organisations are being managed. ● Understand and explain the different management techniques and paths. ● Define the social value and impact of SSE because of its internal management, governance and networking. ● Set objectives and create educational exercises in so to multiply the impact of democratic governance among SSE ventures. ● Challenge the decision-making processes within the organisations and provide proposals for improvement. ● Be able to cultivate values, critical thinking and cooperation through training programmes. ● Be able to use various learning techniques
Knowledge covered	● To be aware of the background of Democratic Management in SSE in general. ● To understand the principles of Democratic Management and Horizontal Governance. ● To recognize the importance of Democratic Management and Horizontal Governance in SSE current history. ● To define the main features of collective ownership and self-management. ● To spot the differences between the management of the enterprises and the governance. ● To form different collective management models. ● To decide which model suits to an SSE organization. ● To clarify the different roles of the members within the management of an SSE organisation (members, BoD, plenary, groups)

	● To understand the importance of the decision-making process in an SSE organization.
	● To be aware of the different decision-making models.
	● To understand how participative management benefits internal and external stakeholders – multi-stakeholder model.
	● To realise the benefits of democratic management for community and society.
	● To synthesize democratic management with long term social impact and community collective goals.
	● To connect the management with general democratic procedures in a society.
Skills achieved	● To apply different democratic models in SSE organisations.
	● To use horizontal governance in different types of organisations.
	● To manage members/workers/participants of an SSE organisation effectively.
	● To design a democratic operational model suitable to the needs of specific groups.
	● To categorise the different roles and tasks of an SSE organisation members/workers.
	● To create an action plan and methodology on building a cooperative-driven organisation.
	● To "translate" the core values and principles in decision making process.
	● To design horizontal and inclusive decision-making processes.
	● To gain experience by dealing with the difficulties/challenges of democratic management.
	● To deal with tensions derived from a horizontal decision-making process.
	● To imprint and evaluate the social impact of a democratic management process.
Attitude change	● To question the vertical management and governance as the most efficient one.
	● To reflect on the possible changes horizontal management could make on citizenship.
	● To encourage democratic, horizontal decision-making processes within organisations.
	● To realize the value of the productive dialogue within the organisations.

	● To challenge the "dominant" perception of management in a working environment. ● To support the democratic and self-organization model as a useful concept for citizens' empowerment.
Competencies obtained	● To create a cooperative management model. ● To deal successfully with tensions derived from a horizontal decision-making process. ● To line a division of working tasks in accordance with horizontal model. ● To design a democratic decision-making process model. ● To plan a collective management scheme for a consumer coop. ● To design a horizontal decision-making process with a productive operational model.
Main Content	**1. Perspectives and history** 1.1. Brief introduction to the concept of Social Solidarity Economy 1.2. Historical background of democratic management in each country 1.3. Roots and drivers in democratic and collective ownership in every country 1.4. Democratic management and SSE organizations: social dimensions **2. Values and principles of democratic management, collective ownership and horizontal governance** 2.1. Values: mutuality, solidarity, equality, self – help principles: democracy, participation, multiple roles 2.2. Governance: democratic and horizontal decision-making models 2.3. Management system: democratic and horizontal collective management models 2.4. Decision making processes (voting, consensus, unanimity) 2.5. Preparation and elements for good meetings 2.6. Multi-stakeholders' democratic management (associations, social enterprises) **3. External environment** 3.1. Multi-stakeholder model elements 3.2. The impact of participative management towards internal and external stakeholders

	3.3. The impact of democratic management for community and society
	3.4. Democratic management, long term social impact and community collective goals.
	3.5. Management in SSE and general democratic procedures in a society
	4. Implementation challenges
	4.1. Building democratic management model - step by step
	4.2. Conflict resolution and non-violent communication
	4.3. Facilitation and meetings
	4.4. After the storm - how to run an organisation after the conflict
	4.5. Design a governance and an operational model for a worker coop
Methods/Techniques/Tips for Trainers	It is important to use participatory learning models and practice-oriented teaching, together with the need for knowledge and basic learning about the topic. Time for discussion and debate required.
	Tips for Trainers
	● Debate on possible use of historic models of democratic management and horizontal governance in modern world.
	● Game for practice democratic management in local context.
	● Workshop on conflict resolutions in democratic management.
	● Case studies that are understandable for trainees and their current relation with the topic.
	● Create inclusive space for discussion on presented case studies.
	● Study a visit to the specific case that you are teaching about or some close related case study.
	● Connect SSE movement as a sector working on local/global problems.
	● Use local problem and debate how it can be solved with democratic management.
	● Create role play game (like Boal's Theatre of Oppressed) for learning and experience on this issue.
	Techniques / Methods/ Tools
	● *Sociocracy 3.0.*
	We can say that Sociocracy is a 21st Century consensus style decision making process. What is different from consensus is that it is not trying to reach total agreement, but to provide consent, to reach situation with absence of reasonable objections. Instead of best decision with total approval, which is very often not possible in today's world and in big organisation/processes,

Sociocracy seek for good enough decision that with all can live. Sociocracy 3.0 was set up in 2015 as a parallel track of the whole movement that is providing comprehensive and guided democratic management and collaborative guide so that the whole organisation can become prosperous, resilient and with mutually supportive people. They consider Sociocracy 3.0 as social technology and it is totally free licensed under Creative Commons Free Culture License. It is very appropriate to learn about Sociocracy through practical workshop or training on it.

More info: https://sociocracy30.org

● *Loomio*

Loomio is an online tool, an open-source platform for meetings and working together, for decision making in a collaborative and inclusive way. It is created by Enspiral, a social enterprise and cooperative from New Zealand. They wanted to create a tool that is of use for everyone that are affected by some decisions. Many consider Loomio as a game, because you can see all decisions, which means you see approvals but also disagreement and that is persuading participants to not neglect different opinions and approaches. We can say that Loomio helps us to work together and get better decisions for our organisation/initiative, a decision that work for everyone.

More info: www.loomio.coop

● The module is produced during "Covid restrictions era" and the digital tools are essential for any kind of interaction. Here are some examples **of participatory digital tools:** Moodle Platform, Slack (for instant communication), Trello (for task management), JamBoard (for Whiteboard), Mentimeter, BigblueButton, Jitsi (for conferences), election runner (for voting).

Examples - Case studies - Exercises	**Case Study: Suma Coop** Suma from UK is a unique story in today's world. It is co-op founded in 1977 founded, and praised as successful business with no bosses and an equal pay. They are practicing what they call collective management and has rotation in daily jobs. With almost 200 workers they are largest common ownership cooperative in the UK and largest independent food wholesaler/distributor company. They have £50 million turnover and export ethical and fair trade, non-animal food, cosmetics and other products in 50 countries. At the same time, they are managing to provide a double market wage for their workers. Today they are electing management committee of six people that are temporarily taking care for previously agreed business plan. They are trying to make decisions with agreement and consensus. They are all working on their business strategy and deciding about it on general meetings. More info: https://www.suma.coop/ **Case Study: Mietshäuser Syndikat**

Mietshäuser Syndikat is operating from 1987 and it is a federation of housing commons that are moving real estates from real estate's market. They are a network of residential places that are managed by their users, by the residents. It is not possible that anyone sell the house where they live, not even if all resident is specific house agreed – all federation members must agree on that. At the end of 2018 there were 136 cases connected with Mietshäuser Syndikat and several more to come, including new federation in Austria called HabiTAT and another one in Netherland. The federation is based on solidarity and mutual help, "houses" and "residents" support each other, but every unit finds their own way for democratic management in living. With their very deep democratic approach and horizontal governance, they are working on decommodification of real estate market. It is possible because of very innovative legal structure whereas triple body governance exists Mietshäuser Syndikat as limited liability company, every "house" as limited liability company and Unregistered association where even non-resident can be active. They all can veto each other and with that successfully run a housing sector as democratically run commons.

Group Exercises

Learning cooperative thinking and solidarity through numbers

- **Step 1.** Here is a game. You should have four group of participants exactly. Present them this picture:

  XXXX   X= -1

  XXXY   X=1   Y= -3

  XXYY   X=2   Y= -2

  XYYY   X=3   Y=-1

  YYYY   Y= 1

  So, you have four groups and they collectively have to decide if they will take X or Y. You see possible options. You tell them that they should gain as good score as they can get and not be in the minus. They are allowed to talk only within their table, within their group. While telling them that, almost all people will get on psychological alarm that we are learning and used to it in western civilisation to not end as a "looser". That means that will try to avoid take Y, because if only one group take X, the group that took Y will be in -1. If more take X it will be even worse for Y. That is why we are learning in our societies that not enough based on cooperative work and solidarity how it is even better or safer for ourselves to be all down (if all take X all four tables will be -1), than to think how we all can be winners (if all take Y all four tables will be in +1, all winners). But without communication among the groups, mistrust and scare to be left alone with Y will make most of the groups to take X. There will be visionaries that will understand concept of the game, but we never experienced that all four tables from the beginning take Y. What is absurd that visionary table, will be in minuses while using Y.

Tell them to take decisions for several rounds (let's say 3 rounds) and after each round write result on the table or board or flip-chart, whatever you have, so that everyone can see.

- **Step 2.** Stop the game, and tell them that each group can choose their representative that will go out of the room for a meeting. They are not allowed to speak, but with body language, mimic, hands etc. can express their attitude and send a message. (hint. Very often, the group that catch the concept of the game will show to others with hands an Y sign, trying to explain how all need to go for Y). Of course, you are with them and watching that all play fair without words.

  Sometimes, already after this break and "negotiation" at the speechless meeting, they will all understand that it is the best to work together and be after every round at least with +1 (all take Y) than to have some group in huge minuses (or you can connect all this to economy and say they are in huge debt). But from our experience, this speechless break will not be enough for cooperative and solidarity behaviour.

- **Step 3.** Organise new rounds of taking Y or X, let's say 2 to 3 rounds.

  If they don't reach common Y and all winners situation, make another break and invite them again for new round of communication. Representatives of four groups once more go with you out of the room. This time it is allow to speak. One or two group will say: "common guys, can't you see that we are all in benefit if we choose Y, don't be afraid, let's work together, let's have some trust among us". After this, representatives of the groups will come back to their tables/group and announce to them that they agreed and that they will all opt for Y, without fear that someone will mislead them. Organise two rounds and tell them to pick now X or Y. they will all choose Y and will be in +1.

- Ask them what happened now and what they learned

Ball's game – leaders vs. cooperation

- This is a very interesting game for practical learning about leadership and followers, cooperation and responsibility. It can also be used as a warming session part or introduction part. You need many balls, depending on the size of your group. For example, 10 people 10 balls, 15 people 15 balls. Small ones, size like tennis ones, but easy ones so that no one gets hurt, the ones that jump very high, but are light from sponge material inside.

- **Step 1.** Put all participants in the circle. Tell them you will start to play a game with throwing and catching the ball. They can pick randomly to whom they want to throw. The person tries to catch the ball and pick someone else. They are just throwing with body language, without saying anything. The rule is that you start and the ball needs to pass everyone's hands and end at your possession like when you started. If the ball falls down on the ground, the group needs to start all over again. (hint: At this point very often, the ball will fall down repeatedly. People are not used to it maybe, perhaps they don't

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know each other, and they are not synchronized enough. Leave them in for several 2-5 minutes).

- **Step 2.** No matter if that one ball comes at the end to you, stop the game and introduce new balls, let's say 3-4 new balls, but this depends on the size of your group. Start as in step 1., you are throwing each ball from the start and all of them need to end at your possession after passing each other hands once. Pass one ball, wait for a couple of seconds and then the second one and so on. Now there will be even more chaos, balls will start to jump all over the place and collide in the air. When only one ball falls down, all is coming back to you and starting over. The balls that come to you as the last person just leave on the floor.

- **Step 3.** Stop the game, introduce more balls in the game 6-10 depending on the size of your group. More balls, more chaos, more fun. But still it will be very hard that all balls come back to you.

- **Step 4.** Tell them that now you will continue to play, but before they throw the ball they can name the person to whom they will throw away. Now you see, it will be a little bit easy, and circle by circle they will be better. They are learning the rules of the game, learning the pattern and learning to work together. They will start to act as a team, they will be organised.

- **Step 5.** Test how many balls can make the whole circle pass each one's hands and come back to you. Ask them what they think with how many you can make the whole circle.

  (hint: Allow them to use as many balls as they say. Very often they will want a lot, it will be a sign of their dedication and passion as a group. They will get confidence and self-esteem. But they are still dependent on you, you are a talker, a leader, you organise everything, like you are their leader.

- **Step 6.** Stop the game and say like this was fun, but the new rule is that they have only one ball and only one minute to make a circle where the ball needs to pass everyone's hands. Step back, now they are on their own. No more leader that will tell them what to do. They will start to organise themselves and do it very fast.

- **Step 7.** Before they finish, stop the game again, and say that you were mistaken and that they have not one minute, but 1 second. Also the ball needs to touch everyone's hands and the person who started and threw the ball first needs to catch it as the last one. They will first stare at you like you are crazy and it is not possible. You will see here all of their characters and personalities. Some of them will start to organise immediately and think about the solutions with lots of efforts and attempts. Some of them will still look in your direction and wait for some help, some of them will totally give up because it will be too hard and they will think it is not possible. You will get a usual situation when different people have to create something or work something together.

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(hint: It is important to leave them alone so that they can take responsibility and make decisions all together in as much is possible participatory way.)

● **Step 8.** Eventually, they will find a solution together and someone will organise all of them.

(hint: Solution is that they connect and touch their hands as if they are clapping, but in the direction like a slide looks. And the person that is throwing the ball first, uses one hand on the top of the slide from their hands and with another ball waiting to come at the end and catch it.

● In this game they learn first how to communicate and how to work in an organised way, how it is easier to work following the patterns. But, as the game progresses, not just that they need to rethink everything and use new and innovative approaches, they are learning horizontal governance and real democratic management where solution is depending on them and their co-operation. They are learning how to make decisions and solutions through games and by playing.

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Resources (Articles, videos, presentations)

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Books and Articles

● Book – Free, Fair and Alive – The Insurgent Power of the Commons by David Bollier & Silke Helfrich, Gabriola Island: New Society Publisher

● BASICs – Book about Commons including special chapters on democratic management and governance

● Global Vision for a Social Solidarity Economy: Convergences and Differences in Concepts, Definitions and Frameworks

http://www.ripess.org/wp-content/uploads/2017/08/RIPESS_Vision-Global_EN.pdf

● International manifesto for solidarity economy

https://base.socioeco.org/docs/manifesto_for_solidarity_economy.pdf

● Social and Solidarity Economy – Is There a New Economy in the Making? by Utting, P., van Dijk, N. and Matheï, M-A. (2014)

http://www.unrisd.org/80256B3C005BCCF9/search/AD29696D41CE69C3C1257D460033C267?OpenDocument

Online Examples/Case Studies for Workers-Run Places

● Website that gathered information on factories/working places organises or occupied by workers. Real cases on all challenges in democratic management, surviving on the market and create productive zone in the working area.

http://www.workerscontrol.net/

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	● A guide for anyone who wants to create an inclusive and democracy based working environment. - The Design of Governance Systems for Worker Cooperatives. The ICA Group https://institute.coop/sites/default/files/resources/Democratic-Governance-The-Design-of-Governance-Systems-for-Worker-Cooperatives.pdf ● Member Handbook Worker-Owned Restaurant Corporation, DBA Casa Nueva: Meetings & Consensus Rev. 01/08/09 South Mountain Company / www.southmountain.com ● Model Governing Documents https://www.uk.coop/developing-co-ops/model-governing-documents ● Resources for Decision making processes https://www.seedsforchange.org.uk/resources ● Social impact tools http://mercatsocial.xes.cat/ca/eines/balancsocial/ http://evalumip.adepes.org/
Glossary	● **Social Solidarity Economy** (SSE): a way to satisfy human needs through economic activities (such as exchanges, production, consumption and services) that reinforce values of social justice, ecological sufficiency, cooperation, mutuality, community and democracy. Solidarity economy is not a sector of the economy, but a vector of change and transformation of the economic system. ● **Cooperative**: An autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise (International Cooperative Alliance definition). Cooperatives are voluntary organisations, based on the values of self-help, democratic principles of management, equality and solidarity, guided by common principles of action. Members actively participate in setting policies and making decisions. ● **Democratic management**: a specific style of management which is based on the idea of self-determination, inclusiveness, equal participation, deliberation autonomy, reflexivity, cooperation, self-management and collective ownership. ● **Participative decision-making**: Involves the participation of all the people engaged in an activity or affected by certain decisions. Participation is a right held by all people to engage in society and in the decisions that affect their lives. Participation is thus a political endeavour that challenges oppression and discrimination, in particular of the poorest and most marginalised people. ● **Participatory processes** enable people to see more clearly, and learn from the complexity that they are living and working amid. Through participation

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people can identify opportunities and strategies for action, and build solidarity to effect change.

- **Worker self-management**: "worker self-management (WSM) is the idea that those who produce should control their workplaces. It is based upon the premise that hierarchical forms of MANAGEMENT and organization are unnecessary, undesirable, and can be replaced by DEMOCRATIC forms of decision making." Extract from The Dictionary of Alternatives, Utopianism and Organization, Martin Parker, Valérie Fournier, and Patrick Reedy, Zed Books, USA, 2007.

- **Consensus model**: Consensus is a process of synthesizing the wisdom of all the participants into the best decision possible at the time. It is not necessarily unanimous agreement and, in fact, participants may consent to a decision they disagree with. The root of consensus is consent, which means to give permission or approval.

- **The management system:** The governance system operates alongside (but separate from) the management system. The management system is largely under the control of co-op managers or leadership, and focuses on carrying out the regular business of the firm.

- **The governance system** on the other hand, provides the means for matters of organizational direction and policy to be dealt with democratically.

- **Social impact**: SSE actors accept the fact that their work should be public and traceable. For that they don't use usual financial social impact measurement tools that only quantified social, political, environmental etc. work in pure money, and financial savings for funders/society. They are using auditing or evaluative tools that are focusing more indicators that are presenting level or performance of their integration in their social/political ecosystem and how they contribute to general wellbeing.