

CO-OP CREATION LESSON



Grade level & Curriculum Connections:

- Suitable for Grades 11-12
- Entrepreneurship: The Venture, (BDI3C) Grade 11, College Preparation
- Entrepreneurship: The Enterprising Person, (BDP3O) Grade 11, Open
- Entrepreneurship: Venture Planning in an Electronic Age, (BDV4C) Grade 12, College Preparation
- Marketing: Goods, Services, Events, (BMI3C) Grade 11, College Preparation
- Marketing: Retail and Service, (BMX3E) Grade 11, Workplace Preparation
- Business Leadership: Becoming a Manager, (BOG4E) Grade 12, Workplace Preparation

Materials

A1: [Co-op Creation Reflection Worksheet](#) (Shareable Google Document)

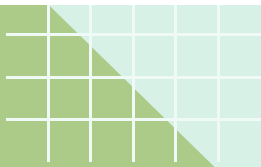
A2: [Student Copy: Co-op Creation Template](#) (Shareable Google Document)

Reference materials: R1: [What is a co-operative? Slide Deck](#) (PDF)

Learning Goals & Timing

- **Developing Entrepreneurial Skills:** Students will develop essential entrepreneurial skills such as teamwork, leadership, communication, and problem-solving. They will work collaboratively to identify a community need, explore and evaluate stakeholder impact, determine a value proposition and utilize the business model canvas.
- **Community Engagement and Impact:** Students will identify a specific need or problem in their school or community that their co-operative business can address. They will analyze the social, economic, and environmental impact of their business on the community and develop strategies to maximize positive outcomes, demonstrating their ability to be socially responsible entrepreneurs.

You should plan for approximately 2-3 periods of worktime for this lesson.



01

Lesson Introduction & Instructions

Introduce the activity and review tasks.

Sample teacher script:

- For this lesson, you will begin with reviewing a slide show that explains the co-operative business model. It's a type of business that uses a shared ownership model to achieve economic and social goals. You will fill out a reflection document after reviewing the slide show.
- The next activity will have you working in small groups to create, explore and define a business that will fill a need in your community. You will be provided with a fillable template with step-by-step instructions, you will record your ideas as a group and submit the worksheet at the end of the assignment.
- By the end of this activity, you should have a deeper understanding of how to plan and develop a co-operative business.

02

Part 1

Provide students with a copy of the What is a Co-operative? Side deck (R1). Students will review the slide deck independently and complete the Reflection Document (A1). (30 minutes)

03

Part 2

Divide students into smaller groups of 3-5 people. Each group will receive a copy of the Student Copy: Co-op Creation Template (A2). Students will work collaboratively through each of the 8 activities, recording their ideas on the template provided.

Teacher Guidance Note:

You may wish to guide the class through the process, with a brief introduction before each activity and de-brief at the end of each activity. Additional guidance notes and anticipated responses are provided in this lesson outline.

04

Part 3

(Optional) You may wish to wrap up the lesson with a class share back, and invite each group to present their completed *Business Model Canvas* to the class.

Teacher's Guide: Anticipated Responses

We've included each activity from the *Student Copy: Co-op Creation Template* along with anticipated student responses and timing guidelines. Anticipated responses are indicated in **blue font**.

Activity 1: Teacher's Guide

ACTIVITY 1: BRAINSTORM THE ISSUES (15 Minutes)

Use the space below to brainstorm ideas about what is missing in your school or community. Where is there a need to be filled? What kinds of issues are happening in your community that aren't being addressed? How could you help fill a need, address a social or economic issue, or provide a product or service that doesn't exist?

Need/issue/problem	Possible Solution
Ex. It's hard to find vegan food in this area.	Open a vegan restaurant.
Ex. There is a lot of homelessness in this area.	Create a homeless shelter.
Ex. There is a lot of food waste in our school.	Start a food waste collection program in the school.

Activity 2: Teacher's Guide

ACTIVITY 2: DEFINE YOUR PROBLEM (15 minutes)

In the space below, outline the idea behind your business. Try answering these questions to help you get started:

- What is your business idea? How would you tell a friend about what you want to do?
- A good business idea is one that solves a problem. What problem are you trying to solve with your business?
- In a single sentence, identify your end-goal. Once your business is up and running, what will it accomplish? Describing this end goal or ideal situation will help you create the co-op's vision statement. This might change later on.

Example:

Our idea is to open a vegan restaurant.

We tell our friends we want to open a restaurant where they could get delicious plant-based food, with ingredients from local farmers.

The problem we are trying to solve is the lack of plant-based food options in our town.

Our end goal is to provide a place where people would feel comfortable, where people could get introduced to delicious plant-based food, where we could help local farmers by buying their produce and promoting them in our restaurant, and by reducing negative environmental impact by encouraging people to eat more plant-based food.

Activity 3: Teacher's Guide

ACTIVITY 3: IS A CO-OP THE RIGHT FIT? (15 minutes)

(Teacher note: answers **in bold** are what students should be aiming for in a co-operative enterprise)

Co-ops aren't the right fit for every business. You need to be able to work with a group and co-ops are more focused on providing solutions through a business venture, than just making profit. So how do you know if a co-op is the right choice for your business idea? Complete the quiz to find out if you have a cooperative mindset. (You may choose more than one answer for each question.)

1) What's the main reason(s) you want to create this business? (one or more of the bolded answers)

- a) **To provide a good or service for the business's owners to use (e.g., fast internet)**
- b) **To benefit my community (e.g., end homelessness)**
- c) To make a profit for the business's owners
- d) **To give myself and the other owners a job/career**

2) How do you want decisions to be made about your business?

- a) **Each owner should get an equal vote on how the business is operated**
- b) Certain groups in the business should have a greater say than others
- c) Owners that invest more should get a greater say
- d) One person should be chosen to make most of the decisions

3) What do you want to do with your profits? (one or more of the bolded answers)

- a) **Profit should be shared by the owners based on how much they use the business**
- b) **Profits should be donated or invested back into the business**
- c) Profits should be given to investors
- d) The profits should go to the person in charge

4) Who should oversee the business's operations?

- a) **All of the owners should have a say in how the business is run**
- b) The wealthiest owners should run the business
- c) The owners who invested the most should run the business
- d) The operations should be overseen by only one person

6) Who should own the business? (one or more of the bolded answers)

- a) **The people or businesses that use its services**
- b) **The people who provide the raw materials or finished products that the business manufacturer or sells**
- c) **The people who work at the business**
- d) **The community**
- e) None of the above

It's important to have a discussion around quiz results with the class. The purpose of this quiz to explore the characteristics of a co-operative business. Students should refer to the "correct" answers to inform both the direction of their business and how they approach decision-making in their group.

Activity 4: Teacher's Guide

ACTIVITY 4: IDENTIFY YOUR CO-OP'S STAKEHOLDERS (20 minutes)

For this activity, you'll identify the stakeholders that could affect or be affected by your business. At this point, try to include as many groups as possible. This information will be valuable later in the course when we build the business model canvas.

Use the following questions to help identify your business's stakeholders:

Stakeholder	Who are they?
1.Users/customers (Who will use your business; who will buy its products or use its services?)	People who want to eat plant-based food, help the environment, try something new, support local businesses and farmers
2.Staff (Who will work at the co-op?)	Our group will do the work at the co-op, but we might have to hire more staff such as a chef.
3.Investors (Who will invest in or fund the co-op?)	We will invest in the co-op and get a loan from a financial institution for extra funding.
4.Suppliers (Who will supply the business? Where will you get the materials/resources needed?)	We will try to use local farmers to get ingredients.
5.Beneficiaries (Who will benefit from your business? Will it be owners, community members?)	The owners, our customers, local farmers.
6.Others	The environment

Activity 5: Teacher's Gude

ACTIVITY 5: WHOSE PROBLEM ARE YOU TRYING TO SOLVE? (20 minutes)

As we saw in the first activity, every business solves a problem. In a co-operative, the primary purpose is to solve a problem.

In this exercise take a look back at your stakeholder list in Activity 4, and identify the groups whose problem the co-op will solve. Try to keep this straightforward.

For example, if you're starting a grocery business, you're solving the problem of consumers who lack access to food.

List the relevant stakeholder group(s) below and identify how the co-op solves their problem.

Stakeholder	Problem/Solution
Customers	Lack of access to vegan food in our area. Consumers want more plant-based options. Consumers want to support local farmers. Consumers want to know where their food comes from. We will create a restaurant for people looking for plant-based food.
Owners- us	We want good jobs. We want to work with friends and people we like. We want to have a say in our work, not just get bossed around. Our solution is to open our own business where we can work together and no one is the boss, we are all equal partners.
Suppliers- local farmers	Local farmers want to sell more products locally. Local farmers want to promote their food so more local people will buy it from them. Local farmers want to reduce transportation costs. We will support local farmers by using their produce in our restaurant and promoting their farms to our customers.
Environment	Animal products create more GHG. Transporting ingredients long distances creates more GHG and emissions. Plant based food is more sustainable and creates less greenhouse house to grow, and sourcing supplies locally reduces transportation.

Activity 6: Teacher's Guide

ACTIVITY 6: WHAT KIND OF CO-OP ARE YOU CREATING? (15 minutes)

You may already have a clear sense of the type of co-op you're creating, or you may need to have more discussion and explore your options.

Here are some tips to help guide your discussion:

Consumer co-op: This type of co-op is created to provide a service to a group of customers. The business is owned by the people who buy its products or services, (like a grocery store or financial institution), or the people who use its services (like residents in a housing complex or parents using a daycare for their children). The customers pay to become a member, pay for products and services and receive benefits in return.

Worker co-op: This type of co-op is created primarily to provide jobs for a group of people. The business is owned by the employees who work there, and they make the decisions. A worker co-op can be any type of business; some examples are retail stores or cafes owned by the people who work there, or technology related services like video game developing or website development that are owned by the people who do the work and provide the services.

Producer co-op: This type of co-op is created to provide a way for a group of people working in the same industry to produce, sell, promote or distribute their products more effectively. The business is owned by the people that provide the raw materials, or products that are sold by the co-op. Examples might be a group of farmers who pool their resources to build a processing plant to produce butter, ice cream and other dairy products from their milk, or a group of artists who share costs to operate an art gallery to sell their finished artwork.

Multi-stakeholder co-op: This type of co-op is created when a group of stakeholders with different roles or interests want to work together to solve a big issue. The business is owned by the people that provide the raw materials, or products that are sold by the co-op. An example is a healthcare clinic owned by doctors, patients and staff who all want the same goal; accessible and high quality healthcare, but they all have slightly different interests and perspectives. Another example might be a vegan restaurant owned by employees and local farmers who share a goal of providing high-quality, accessible plant-based food to their community, but who have slightly different interests. For example: the farmers might want a place to sell their produce, and the employees might want good paying jobs.

Choose the type of co-op you will be from the list below:

Type of Co-op	Owner Group	Yes/No
Consumer co-op	The customers; the people who use or buy your products or services.	No
Worker co-op	The employees; the people who work at the business.	Yes
Producer co-op	The people who provide the raw materials or the finished products that the business manufactures, processes or sells.	No
Multi-stakeholder co-op	A combination of different stakeholders. (ex. Customers, employees, other businesses or partners, investors.)	No

Activity 7: Teacher's Guide

ACTIVITY 7: DEVELOP YOUR VALUE PROPOSITION (20 minutes)

In this exercise, let's consider the value proposition for the members and customers of your co-op. Remember, a value proposition is a statement about the value a business creates for its customers. With a co-op, you may also have to consider the value you offer to members. Your value proposition promotes what you offer and why customers and members should choose you over your competition.

Answer the following questions to help with this:

1. Why would someone want to become a member of the co-op? What are the benefits to being a member of the co-op?

A: Someone would want to be a member of our co-op because it would be a great place to work, they could help make decisions and have a say in how the business is run. They would be treated fairly. They could work with people that have the same goals and business vision. They could help the community.

2. What does your business offer your customers? How will your business meet their needs, why should customers choose your business over another one?

A: Our business will offer high quality, healthy and delicious plant-based food. They will be eating local produce and helping to support local businesses and farmers. They might be introduced to a different way of eating, they will help climate change and create a positive impact on the environment.

3. What are 2 benefits your co-op will offer that makes it a better choice than other businesses?

A: Delicious food that they can't find anywhere else in the area.
Helping to support local businesses and farmers.

4. Now, based on your answers, write a sentence that explains the value the co-op's members and customers will get from your business:

A: Our business will offer a great place to work where you can feel like your opinion matters, and will offer delicious, sustainable food that will help local farmers and the planet.

Activity 8: Teacher's Guide

ACTIVITY 8: BUSINESS MODEL CANVAS (40 minutes)

WHO will be involved?

Who are your:

Owners: The people who will work at the business.

Customers: People in our community who want to eat plant-based food.

Suppliers: Local farmers.

Investors: Owners and financial institution if needed.

Staff: The owners, and we will hire additional staff if needed.

Activity 8: Cont'd Teacher's Guide

Key Activities:

“Key activities” are the processes that make it possible for your business to work. There may be endless activities necessary for the business to function, but choose three or four to describe here. Common key activities include:

Where will you get your supplies: *From local farmers. We will visit local farms to source the best ingredients.*

How will you serve your customers: *We will do the cooking or hire a chef, and we will work as servers.*

How will you advertise your products or service: *We will advertise on social media, ask our farmer suppliers to promote us, advertise at local farmer markets or health food stores.*

How will you deliver your products or services: *We will have a restaurant in a physical location that will be open for our customers to eat in or take out food. We will also offer pre-made frozen meals for customers to purchase.*

Value Proposition:

HOW is this business idea helping your members/owners? How is this business helping its customers? Why should people want to join your co-op? Why should people want to use your products/services?

This business is filling a need for sustainable, vegan food in our area. There are no other restaurants that offer this type of food in our town. Our owners/members will benefit from co-owning a business that is helping local farmers, the environment and that is promoting healthy eating. Our owners/members will want to join our co-op to work with great people who share the same goals and are willing to help and support each other so that everyone is successful. Our customers will want to use our business to taste new and delicious food that encourages a healthy lifestyle, helps the environment and they will benefit by being able to easily incorporate more plant-based food into their diet.

Key resources:

What do we need to start up this business? Think about human resources, financial resources, equipment, training, support etc.

We will need people to create a business plan, renovate the restaurant and get it ready to open, source the ingredients, create the menu, prepare and serve the food, do the bookkeeping and manage the money. We will need money to renovate and rent the restaurant space, buy furniture, cooking equipment, supplies and ingredients and advertise. We will need to learn how to cook or hire a cook. We will need to get our Food Handlers Certification and Smart Serve certification if we are serving alcohol.

Revenue streams:

How will you make money? What are your costs to run the business and how will you earn revenue?

We will make money by charging customers for their food. We will need to calculate the food costs for each menu item and set the price so that we will make a profit. We will need to pay for rent, utilities, internet, phone bills, ingredients, cleaning supplies, and wages for staff and owners.

Thank you for choosing the *Co-op Creation* lesson plan, we hope you had a positive experience!

For lesson delivery support email mchristmann@ontario.coop

To provide feedback, please fill out this 5 minute survey: [Teacher Survey](#)

For more lesson plans and activities, visit cooperativeminds.ca