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SOLIDARITY ENTREPRENEURSHIP 101

APPROACHES, TIPS & TRICKS

This document will outline what solidarity entrepreneurship means, what it can look like and how to be a solidarity entrepreneur based on SAF and SEIZE's Solidarity Entrepreneurship 101 Workshop.



WHY DO WE NEED A SOLIDARITY ECONOMY?

- **The economy is an inseparable part of our society and lives**
- **Broad transformational change is needed**
 - this is widely acknowledged
- **Viable alternatives exist**
 - studying and duplicating these efforts is valuable
- **The solidarity economy offers a real alternative**
 - offers an alternative that can meet needs in a way that doesn't exploit people or irrevocably harm the natural environment



WHAT IS CAPITALISM?

To understand transforming the system we must first understand the system we aim to transform!

- **Private ownership of property and capital**
- **Profit maximization as the only metric of success**
 - profit-driven behaviour that doesn't seek to redistribute wealth fairly
- **Competition in theory, oligopoly in practice**
 - oligopoly is the domination of a market by large players



WHAT IS THE SOLIDARITY ECONOMY?

The solidarity economy is a global movement to build a just and sustainable economy where we prioritize people and the planet over endless profit and growth. Growing out of social movements in Latin America and the Global South, the solidarity economy provides real alternatives to capitalism, where communities govern themselves through participatory democracy, cooperative and public ownership, and a culture of solidarity and respect for the earth. Three key characteristics to any enterprise within the solidarity economy:

- **Democratic accountability**
 - Businesses and organizations accountable to their members



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WHAT IS THE SOLIDARITY ECONOMY CONT'D

- typically done through electing a Board of Directors that oversee operations and ensure activities align with the mission of the organization
 - Could also include
 - participatory budgeting process
 - consensus building, etc!
- **Public and collective ownership**
 - this means that the people who are affected by the organizations activities have ownership of it
 - **Cooperation and community focus**
 - The idea is that if the market place is big enough and that we should collaborate to make it even bigger for all



ENTREPRENEURSHIP WITHIN THE SOLIDARITY ECONOMY: GETTING STARTED

- **It takes A LOT of work!**
 - New enterprises as a side project can often become all-consuming
 - Ask yourself, do I have enough...
 - ...free time?
 - ...financial freedom?
 - ...capacity?
 - Starting often requires your free labour
- **Assess your skills and traits**
 - Whatever skills you don't have try to find a team member who does
 - The beauty of working in the solidarity economy is you are never expected to do anything alone!



GETTING STARTED CONT'D

- **Always aimed at fulfilling a need**
 - identify an environmental / social / economic need in your community
 - determining how to address it
 - no need to reinvent the wheel (ex. what has worked for other communities)
- **Create 'with' not 'for' the community**
 - big part of solidarity economy is empowering workers and local community
 - a good tactic for making sure your goals are in line with the local community is conducting surveys and attending community events



GETTING STARTED CONT'D

- **Understanding risk**

- collective organizing helps reduce the individual financial risk of starting an enterprise
- plethora of funding opportunities for nonprofits and cooperatives that reduce individual burden and risk of bankruptcy

- **External Analysis**

- **PEST's - Political, Economic, Social, Technological...**
- **Political** - regulations, legislation, stability, events
- **Economic** - demographics, spending habits, inflation, Consumer Price Index
- **Social** - culture, values, attitudes
- **Technological** - innovations, preferences, experiences



MODELS TO CONSIDER

Democratic processes are built into the collectively owned structure of all of the following models:



THE ENTREPRENEURIAL PROCESS

- **Development**

- identifying your opportunity and co-founding team
- researching the industry, demographics of area, market research
- creating a business plan
 - here you can conceptualize any issues you may run into
 - can attract funding
 - helps to strategize and position yourself

- **Determination**

- relationship building is key to staying motivated
- on average it takes about 3 years to co-found an organization



THE ENTREPRENEURIAL PROCESS CONT'D

- **Management**
 - before you launch, you need to know how you will manage the organization
 - three key functional areas of business are:
 - operations,
 - marketing, and
 - finance
 - how do you plan on overseeing these areas?
 - what will the staffing structure be?



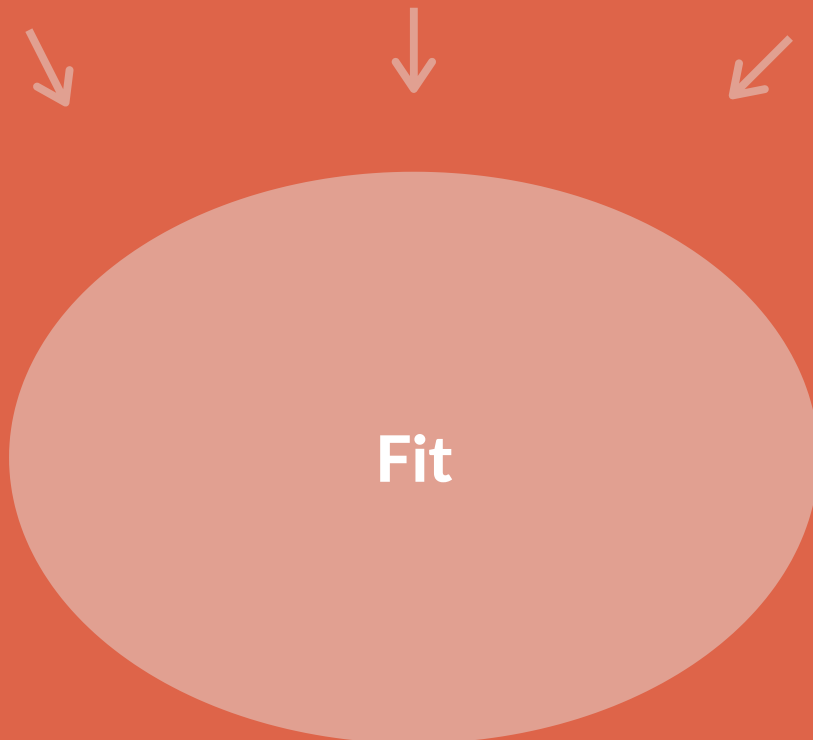
CLARIFYING YOUR CONCEPT

- Refining your business idea into a feasible concept involves various simultaneous steps
- Determining the opportunity in consultation with the needs of your community will ensure you are providing meaningful work
- Assessing your own skills and the skills of your co-founders to help fill in each other's gaps
- Assessing all the available resources and your teams capacity
- These processes help you determine the **FITNESS** of your concept



CLARIFYING YOUR CONCEPT CONT'D

The Opportunity **Available Resources & Capabilities** **Your Skills & Experience**



**Clarification of
your concept**



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TREE AMIGOS WORKER COOPERATIVE- A CASE STUDY

Timeline

2013 - Founded as a sole proprietorship

2015- Incorporation

2016 - Burnout & Setback

2017- Organizational soul searching

2018 - Feasibility Study & Provisional
Committee

2019 - Formation of Cooperative
Association

2020 - Completion of Cooperative
Conversion

2021 - Internal restructuring and
"launch off"

- workers hired in the offseason to create policies, develop and approve trainings, and initiate rebranding
- Taking on a crew from another company
- Co-operative consultation



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THE MEDIA CO-OP- A CASE STUDY

- Local independent news
- Building a co-operative media network nationwide

After many successful years, the key lessons learned were,

Negative:

- Pace and sustainability
- Money
- Relationships
- Youthful

Positive:

- Empowerment
- Energy at Grassroots
- Reader funding works
- Radical coverage = leverage



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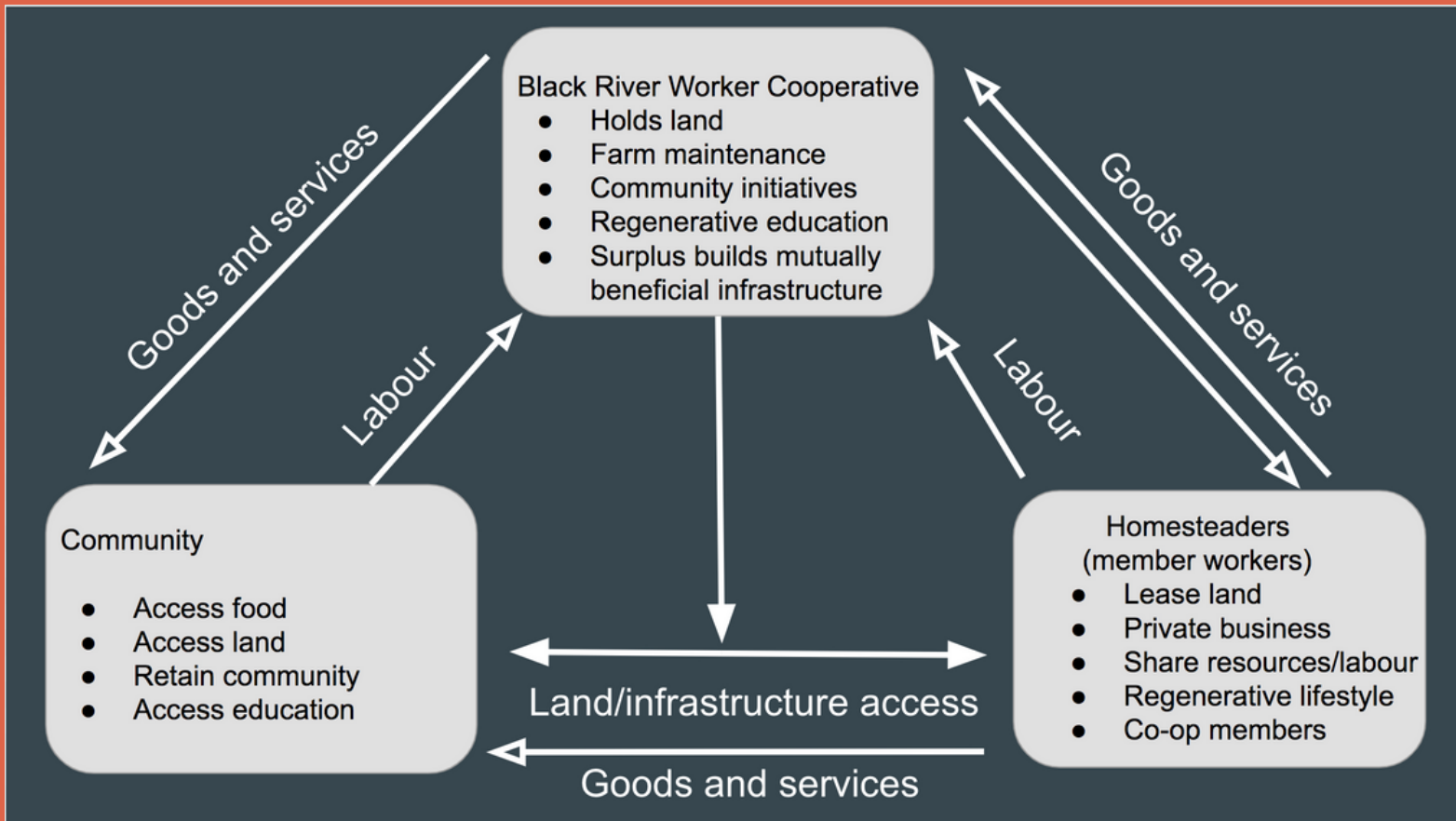
LOCAL FOOD AND FARM COOPS- A CASE STUDY

- Association of food and farming co-ops working towards food system transformation within their communities, supporting one another and the emergence of new food and farming co-ops across Ontario
- 2nd tier co-operative
- Co-op Field School
- Co-op Marketing
- Co-op Trade Routes
- Co-op Development
- Created Fair Finance Fund



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LOCAL FOOD AND FARM COOPS- A CASE STUDY



- **The future of Local Food and Farms Co-ops**
 - **cooperative conversion**
 - **core mentorship program**
 - **succession and land connection**
 - **financial autonomy / sustainability**



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SOCIALIST ECONOMY
INCUBATION ZONE

**GOOD LUCK WITH YOUR
SOLIDARITY
ENTREPRENEURSHIP
ENDEAVORS!**

