



OUR WORK.



Democracy at Work
Institute US FEDERATION OF
WORKER COOPERATIVES

OUR MISSION.

Democracy at Work Institute (DAWI) is the national think-and-do tank for worker ownership. Our mission is to expand worker ownership to communities locked out of good jobs and ownership opportunities. DAWI was created in 2013 by the U.S. Federation of Worker Cooperatives (USFWC) to ensure that worker cooperative development in economically and socially marginalized communities is adequately supported, effective, and strategically directed. We have taken a practical visionary approach to drive a generational wave of strategic growth in the field.

ABOUT US.

We are a national multi-racial, multi-lingual and class-diverse organization with a deep bench of expertise in cooperatives, employee ownership, labor, community organizing, law, business, finance, marketing, organizational development, adult education, and communications. Headquartered in Oakland and New York, our fourteen staff are located remotely throughout the West Coast, Northeast, and South.

The Democracy at Work Institute was originally conceived as an educational project of the U.S. Federation of Worker Cooperatives. It was created to develop resources and supporting cooperative development. The organization did that quite successfully at a small scale for several years, undertaking projects like the Worker Cooperative Document Library and the Democracy at Work Network (DAWN) of peer advisors. These projects built capacity, leadership and resources and earned the US Federation a reputation for being effective and innovative leaders in the field of worker cooperative development and support.

In 2013, as capacity grew and conditions on the ground made it clear that not only was a larger scale needed, but that the time was right, the Democracy at Work Institute scaled up and incorporated its own organization. At its current stage, we envision an Institute that is equal parts clearinghouse, relationship-builder, thought leader, organizing body and “developer’s developer.” We are a movement-based think-and-do tank equipped to build the field of worker cooperative development from a praxis-oriented perspective.



What is a Worker Cooperative?

A worker cooperative is a values-driven business that puts worker and community benefit at the core of its purpose.

The two central characteristics of worker cooperatives are:

- workers own the business and they participate in its financial success on the basis of their labor contribution to the cooperative
- workers have representation on and vote for the board of directors, adhering to the principle of one worker, one vote

In addition to their economic and governance participation, worker-owners often manage the day-to-day operations through various management structures.

Any business can be a worker-owned and -controlled business. In the U.S., worker cooperatives tend to be concentrated in the service and retail sectors. Common industries include: accommodation and food service health care manufacturing and engineering technology, and design.

The number of worker cooperatives has grown steadily over the past 20 years, and is made up of both well-established businesses and new, growing ones, increasingly including some businesses that have been sold to their employees by their owners. Our research shows there are currently more than 450 worker cooperatives in the United States.



*The Typical Worker Co-op:

2:1

has a top-to-bottom pay ratio of 2:1. The average U.S. corporation has a CEO-to-employee pay ratio of 303:1.

\$15.82

pays an hourly wage of \$15.82 and brings in a median annual revenue of \$588,698.

3.7%

has a 3.7 percent profit margin and has 9 employees.

*Statistics provided from the 2017 State of the Sector Report, co-produced by the Democracy at Work Institute and the U.S. Federation of worker cooperatives.

Our Work

The Democracy at Work Institute undertakes work that increases understanding, grows available resources, supports worker cooperative development in undersupported areas and contributes to the formation of a strategic approach to worker cooperative development. Our initiatives build infrastructure and capacity: foundational research and publishing on effective practices, peer advisor training, capital access, rural cooperative development, and a focus on supporting conversions of existing businesses to worker cooperatives.

RESEARCH

DAWI maintains the master data set of worker cooperatives and democratic workplaces in the United States, including revenues, payroll and asset information. We publish an annual State of the Sector report, and collaborate with academic researchers to study the impacts of worker ownership on individual workers and on businesses. Additionally, we undertake strategic research initiatives to inform policy, partnerships and investment in the field.

DIRECT BUSINESS SUPPORT

DAWI has provided technical assistance, training and consulting to hundreds of clients, including businesses transitioning to worker ownership, worker cooperatives, and other forms of employee ownership. We develop management, governance and financial tools for worker-owned businesses and partners based on best practices.

FIELD LEADERSHIP

Through publications, convenings, and working relationships, DAWI helps develop strategy for a relatively young field. We cultivate unlikely partnerships with other groups working for stronger cities, better jobs, a fairer economy, broad-based ownership, and racial equity. DAWI serves as the backbone organization for the NYC Worker Cooperative Business Development Initiative, a collaborative of NYC-based organizations receiving over \$10 million in city funding to date. We helped inform the federal Main Street Employee Ownership Act, and have consulted on a handful of state and local policies to date in support of employee ownership. We also advise governments, funders, and others considering investing in worker ownership as a strategy to increase equity.

WORKERS TO OWNERS

Recognizing both an opportunity and a need for field strategy, in 2015 DAWI focused much of its work on seizing a generational opportunity to preserve small businesses through transition to employee ownership. We convened and funded the national Workers to Owners collaborative (www.becomingeo.org), which has grown to over 25 practitioner organizations around the country. We launched a legacy business initiative to reach minority-owned businesses, a consulting practice to support transitions, and a field-building communications campaign. Today this work is recognized as the leading edge of employee ownership growth, coalescing policy, new finance models, and partnerships that expand the field.

COMMUNITIES OF PRACTICE

DAWI is the only national organization dedicated to strengthening the field of worker cooperative development. In this capacity, we have trained cohorts of cooperative developers, and we consult with organizations exploring worker cooperative development, from city governments to nonprofits and CDFIs, to small business developers. DAWI's School for Democratic Management (www.schoolfordemocraticmanagement.org) trains cooperative managers and members to create effective participatory workplaces. We have partnered with Rutgers University to offer a Certificate in Participatory Management in 2019.

INNOVATION

DAWI's Research & Development division undertakes direct business development and fund development projects to fill gaps we identify in the field. We develop, demonstrate, document, and debrief. To date these innovation projects have included creating the Rapid Response Cooperative staffing agency model, being part of the founding work group on the California Harvesters farmworker employee trust, and incubating the Legacy Business Investment Fund to preserve minority-owned legacy businesses through conversion to employee ownership.

ECOSYSTEM WORK

We do place-based work with economic developers in both rural and urban areas to help them root business assets through employee ownership. The SEED (Shared Equity in Economic Development) Fellowship that we run with the National League of Cities creates a yearlong learning cohort for decision-makers in economic development to incorporate employee ownership and worker cooperatives into their work. Working with economic developers, finance institutions, Native and community groups, we provide direct technical assistance to support both startups and conversions to cooperative ownership in rural communities.



Project Focus: Rapid Response Cooperatives

Democracy at Work Institute (DAWI) is spearheading the the Rapid Response Cooperative (RRC) Development Project, which aims to create replicable, out-of-the-box worker-owned businesses that provide a pathway to work for DREAMers and undocumented individuals.

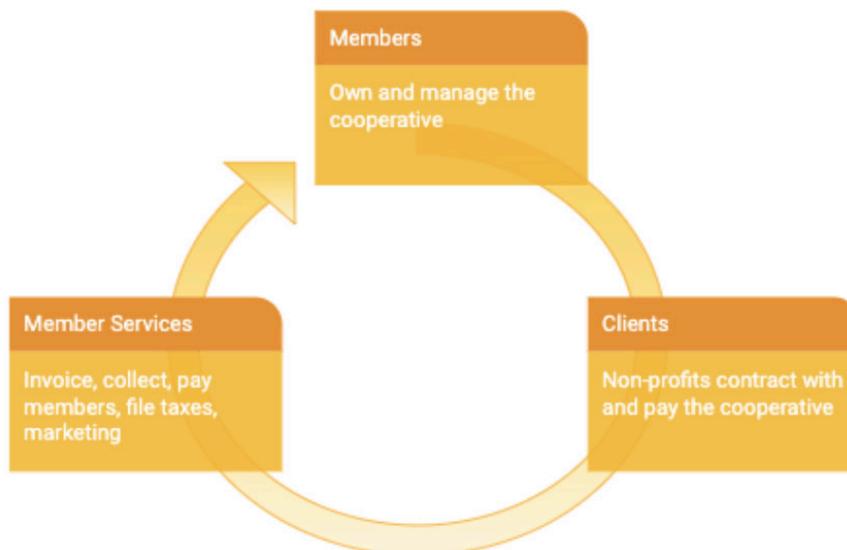
This platform allows individuals with barriers to employment a way to find steady work in the field of their choice. The RRCs act as professional staffing agencies, aggregating resources to market its members, negotiating contracts, and providing back-office services. Their guaranteed payment pool ensures members get paid regularly no matter when clients pay.

DAWI has developed and vetted the intellectual property and processes to create multiple RRCs around the country and is working to link the cooperatives through an associated model that would enable shared services, larger contracts, benefits, and a legal defense fund.

This project will establish proof of concept for a new model of organizing workforce participation for DREAMers, undocumented individuals and others with barriers to employment, a model that can be replicated and scaled. It also brings together DAWI's relationships with immigrant rights groups, existing cooperative development models, and learnings from the field to create a practical and replicable solution that can quickly be established and implemented to meet pressing needs in a time of growing instability for immigrant workers.



How Radiate Consulting, the First Rapid Response Cooperative, Works





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