

## Learning Outcome 2

*Investigate the success and impact on members of an existing co-operative in a developed country other than Britain, in a sector other than retail.*

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### Performance Criteria Checklist

Evidence may be presented for individual Outcomes or gathered as a whole by combining assessments holistically in one single activity. Learners may work individually, in groups or in pairs, depending on the centre. Learners may demonstrate their knowledge by way of a written or oral response. Oral responses may be given by way of a formal presentation or as part of a group discussion. Oral responses may also be videoed. Use of ICT is encouraged. Learners may be assessed by the teacher or by teacher and peer assessment.

There are many different ways of assessing the Outcomes in this Unit and centres should structure their assessments in a manner appropriate to their individual needs, therefore allowing access for all.

In order to achieve a Level 6 pass, learners must satisfy *all* performance criteria.

#### Performance Criteria 2.1

*The learner has indentified:*

A developed country which has a large number of co-operatives.



### **Performance Criteria 2.2**

*The learner has indentified:*

An existing successful co-operative in the chosen country, stating clearly its name, sector and location. ☐

### **Performance Criteria 2.3**

For the chosen co-operative:

*The learner has:*

Described the nature of the business ☐

Described its history ☐

Described its purpose ☐

Described its membership ☐

Described how the business operates ☐

Given a clear description of the scale of its operation, using at least three statistical facts ☐

Described the benefits it offers to its members ☐

### **Performance Criteria 2.4**

*The learner has analysed:*

The reasons for the success of the co-operative.



### **Performance Criteria 2.5**

*The learner has evaluated:*

The socio-economic benefits to members.



The financial benefits to members.



In the course of this assessment, learners will also develop broad generic skills for life, learning and work. These skills include evaluating a range of sources of information, skills in the use of statistics and research.

Performance Criteria 2.1-2.5 lend themselves to the development of literacy skills, particularly reading a range of texts and drawing conclusions from chosen sources. Skills of numeracy will be developed through the evaluation of a range of numerical, statistical and graphical sources of information.

ICT skills will also be developed through the use of Power-Point and as a research tool.

Citizenship and sustainability will also be an important aspect of this Unit as a whole.

There may also be opportunities for other additional skills for learning, skills for life and skills for work to be developed in the Unit. However, this could vary across centres depending on approaches being used to deliver the Unit in a centre and this should be for individual teachers and lecturers to decide.

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### Instrument of Assessment

In order to assess your learning and attain a pass in Performance Criteria 2.1-2.5, you will be required to investigate the success and impact on members of an existing co-operative, in a developed country other than Britain, in a sector other than retail.

This assessment may take the form of a written Report under exam conditions. You will have time to prepare for your assessment and should bring your notes with you.

Carefully follow the instructions below to structure your Report.

#### INTRODUCTION

Briefly introduce the purpose of your Report.

#### PARAGRAPH ONE

Name a developed country which has a large number of co-operatives.

#### PARAGRAPH TWO

Identify an existing, successful co-operative in your chosen country, stating clearly its name, sector and location.

### **PARAGRAPH THREE**

You must describe the nature of the business.

### **PARAGRAPH FOUR**

You must describe its history.

### **PARAGRAPH FIVE**

You must describe its purpose.

### **PARAGRAPH SIX**

You must describe its membership.

### **PARAGRAPH SEVEN**

You must describe **how** it operates.

### **PARAGRAPH EIGHT**

You must describe the scale of its operation.

### **PARAGRAPH NINE**

You must describe the benefits that the co-operative offers to members.

### **PARAGRAPH TEN**

You must analyse, **in detail**, the reasons for its success.

### **PARAGRAPH ELEVEN**

You must evaluate the socio-economic benefits to members.

### **PARAGRAPH TWELVE**

You must evaluate the financial benefits to members.

### **CONCLUSION**

Briefly summarise your Report.

In order to achieve a Level 6 pass in Performance Criteria 2.1-2.5 you must make sure that you have fully explained each point and used statistical facts where instructed to do so.

Good luck!

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### Finalised Marking Instructions

It is **strongly** emphasised that the references in the marking instructions indicating expected responses are for guidance only and **MUST NOT BE VIEWED AS PRESCRIPTIVE**.

The performance of candidates is measured against the **Performance Criteria Checklist** and it is against these, rather than a checklist of responses, that they should be assessed.

Candidates must satisfy **ALL** Performance Criteria to achieve a pass in Learning Outcome 2.

### **Performance Criteria 2.1**

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*Learners are required to name a developed country which has a large number of co-operatives.*

**Answers may include:**

USA

France

Italy

UK

Japan

### Performance Criteria 2.2

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*Learners are required to identify an existing successful co-operative in their chosen country, stating clearly its name, sector and location.*

**Answers may include:**

<b>NAME</b>	Dairy Farmers of America
<b>SECTOR</b>	Agriculture
<b>LOCATION</b>	Kansas City, USA

### Performance Criteria 2.3

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*The learner has described the nature of the business.*

#### Answers may include:

Dairy Farmers of America, Inc, is a farmer-owned milk marketing co-operative focused on securing markets and bringing value to their members beyond a milk check. Their members make DFA the organization it is today.

*The learner has briefly described its history.*

#### Answers may include:

In 1996, leaders from four of the nation's leading milk co-operatives, Associated Milk Producers, Inc., Mid-America Dairymen, Inc., Milk Marketing, Inc., and Dairymen Co-operative, Inc, gathered to discuss strategies for surviving in a consolidating world. As milk processors and grocers grew larger and more national in scope, the regional structure of co-operatives could not keep up. These four co-operatives realized a shared vision - to unite their talents, leadership, markets and capital into a single, stronger co-operative, better able to work for the dairy farmer.

On January 1, 1998, DFA was formed.

Since then, four more co-operatives merged into DFA, Independent Co-operative Milk Producers Association, Valley of Virginia Milk Producers Association, Black Hills Milk

Producers and California Co-operative Creamery (Cal-Gold), in order to take advantage of the unified voice and other benefits that working together brings to their members.

The model for farmers working together was so successful that in 1999, DFA and Dairylea, a member co-operative of DFA, partnered to create Dairy Marketing Services (DMS). DMS markets milk for both independent producers and co-operative members. Originally formed to give producers in the Northeast a better return for their milk, DMS is now a national organization.

DFA's president and Chief Executive Officer, Rick Smith, took the reigns in 2006 after serving as Dairylea's chief executive officer. Smith has been crucial in developing the Co-operatives' current culture of integrity and transparency and in redirecting the Co-operative to sharpen its focus on members.

*The learner has briefly described its purpose.*

**Answers may include:**

Today, DFA is a leading milk marketing co-operative and dairy food processor. They serve nearly 16,000 members through their core business of marketing members' milk, paying them a competitive price and being a leader in the dairy industry. In addition, they offer programs and services that make it easier and more profitable for their members to farm.

*The learner has described its membership.*

**Answers may include:**

Membership in DFA connects nearly 16,000 dairy producers in 48 states. From an Amish farm in Pennsylvania with 50 cows to a 3,000 cow dairy in California, their members work hard to supply high quality milk to the nation.

They know that dairy producers have a choice when looking to market their milk, and DFA strives to be a marketer of choice

*The learner has described the scale of its operation*

**Answers may include:**

This co-operative encompasses 48 states and is truly nationwide.

Nearly 16,000 members, with more than 3,000 employees.

*The learner has described how it operates.*

**Answers may include:**

At DFA, they live every day guided by their values of integrity, accountability, community, innovation, quality and passion. Whether it's their members rising at 5 a.m. for the first milking of the day or their employees putting in extra hours to bring value to their members, DFA's values serve as a compass for everyone in their organization.

Their Values

Integrity

They act ethically in all matters without exception.

Accountability

They deliver on their commitments and hold themselves responsible for their actions.

Community

They are committed to serving, leading and educating in the communities in which they live, and are connected to the greater agricultural community in which they operate. Through their DFA Cares Foundation, they provide relief and education to those in their communities.

### Innovation

They support an innovative environment where employees are encouraged to take appropriate risks and challenge the status quo.

### Quality

They are committed to quality, the quality of their products, their services and their way of doing business.

### Passion

They are passionate about the farmer-owners they work for, their jobs, the dairy industry, and about supplying the nation and the world with safe, nutritious products.

*The learner has described the benefits that the co-operative offers to members.*

### **Answers may include:**

#### Earnings from the Co-operative.

Profits are shared through annual patronage dividends based on member's patronage (volume) in DFA.

#### An equal voice.

Through their grassroots structure, each and every member is empowered to influence discussions regarding the business operations decisions of the Co-operative.

#### A guaranteed market for their milk.

The last thing on a dairy producer's mind should be where their milk is going to go. As a supplier to leading food and beverage companies, DFA ensures that there is always a home for their members' milk and that it will always be delivered fresh.

A competitive price for their milk.

As a leading national co-operative, DFA is able to work with other co-operatives throughout the country to co-mingle milk, creating efficiencies in hauling and reducing transportation costs. This also ensures that their members are receiving the best price for their quality product.

Programs and services.

DFA offers programs and services ranging from health and workers' compensation insurance to pace risk management tools, all designed to increase profitability and efficiency on members farms.

Returns on investments made on their behalf.

Through DFA, their members are investing in plants and brands throughout the country that not only produce returns that go back to their members, but also create additional markets for their members' milk.

### Performance Criteria 2.4

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*The learner has **analysed** the reasons for its success.*

### Answers may include:

By working together as a unit, the Dairy Farmers of America are able to provide a stable and reliable source of income for their members.

At DFA, sustainability is about more than their environmental footprint. It involves helping their members ensure that their farms remain viable to pass down through generations. It means manufacturing nutritious dairy products that are consumed by people around the world. It means training their employees and improving their performance to guarantee that their Co-operative remains successful. It means supporting their communities through volunteering their time, donating their products, and ensuring the future of the dairy industry by investing in tomorrow's agriculture leaders.

Sustainability means taking an active role in ensuring that their members, their Co-operative and their industry are able to make a difference for lifetimes to come.

### Performance Criteria 2.5

Award a tick for each point, depending on the quality of the description, relevance and accuracy.

*The learner has **evaluated** the socio-economic benefits it offers to members.*

**Answers may include:**

A guaranteed market for their milk.

The last thing on a dairy producer's mind should be where their milk is going to go. As a supplier to leading food and beverage companies, DFA ensures that there is always a home for their members' milk and that it will always be delivered fresh.

Programs and services.

DFA offers programs and services ranging from health and workers' compensation insurance to price risk management tools, all designed to increase profitability and efficiency on members farms.

They value their employees and reward them with competitive benefits, a supportive working environment and opportunities for growth.

They recognise the difference and impact of each employee and are committed to a diverse workplace; that's why they capitalize on the strengths of each individual and ensure that each employee is challenged in their role. Through Dairy University, their online learning system, employees receive online training and job enhancement classes.

Employees also have the opportunity to grow within DFA. After 12 months, employees are eligible to explore other internal opportunities.

They also want their employees to live a healthy lifestyle. Through their health and Wellness program, employees have access to:

- Online classes and materials tailored to help their employees make healthier choices in the areas of weight loss, smoking cessation, stress management and more.
- An Employee Assistance Program that helps employees with legal and health issues, including advice on parenting or stress, assistance in completing an online will or free counseling sessions for employees and their dependents, just to name a few.

At DFA, they understand that their employees provide value within their organization and in their community:

- They cultivate a culture of openness, transparency and integrity. Employees are encouraged to voice their opinions and share their ideas.
- They also believe they have a responsibility to give back to the communities in which they operate. That's why every DFA location participates in community giving events that benefit local, regional and national charities such as the American Heart Association, the Salvation Army and the American Red Cross.

*The learner has **evaluated** the financial benefits it offers to members.*

**Answers may include:**

Earnings from the Co-operative.

Profits are shared through annual patronage dividends based on member's patronage (volume) in DFA.

A guaranteed market for their milk.

The last thing on a dairy producer's mind should be where their milk is going to go. As a supplier to leading food and beverage companies, DFA ensures that there is always a home for their members' milk and that it will always be delivered fresh.

A competitive price for their milk.

As a leading national co-operative, DFA is able to work with other co-operatives throughout the country to co-mingle milk, creating efficiencies in haulage and reducing

transportation costs. This also ensures that their members are receiving the best price for their quality product.

Returns on investments made on their behalf.

Through DFA, their members are investing in plants and brands throughout the country that not only produce returns that go back to their members, but also create additional markets for their members' milk.

**[END OF MARKING INSTRUCTIONS]**