Valuing the Cooperative Business in the 21st Century

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Cooperative Benchmarking

• Ability to compare your cooperative to other similar cooperatives in a timely manner
  – Company basis
  – Departmental basis
  – Location basis
• Ability to identify historical trends within your cooperative
• Ability to analyze the impact of management decisions on your cooperative

Cooperative Benchmarking who is involved

• Farmer Cooperative Metrics (FCM)
  – Chapter 501a Iowa cooperative
  – Members are the respective state councils from throughout the US
• Coop Metrics
  – 308b Minnesota based cooperative
  – They have an 11 year history of performing these services in other cooperative segments
• Local farmer owned cooperatives

How does it work?

• Standard Chart of Accounts created by the pilot group of six cooperatives
  – River Valley Cooperative – Clarence, Iowa
  – Heartland Cooperative – West Des Moines
  – WFS – Truman, Minnesota
  – Prairieland Cooperative – Hubbard, Iowa
  – Farmers’ Cooperative Society – Sioux Center
  – Central Counties Cooperative – Reinbeck

• Your Chart of Accounts is mapped to the Standardized Chart of Accounts
• You don’t need to change anything with your COA
• If anything changes on your COA in the future it is flagged, mapped and sent to you to make sure it was mapped correctly
• Easy upload of data to secure web site

Standardized Chart of Accounts
Standardized Chart of Accounts

Reports available today

- Your Historical Financials (HiFi)
  - Income statements with trends highlighted
  - Balance sheet ratios with trends highlighted
  - Critical ratios graphed
- Top 25% identified with your comparison data next to it
  - You have the ability to play what if
What do the participants think?

“We are excited about the opportunity to benchmark key operating parts of our business units with selected peers on a live basis. We believe this can provide us an opportunity to make adjustments within an operating unit in a much more timely manner than period end benchmarking that we have attempted in the past.”

Tom Leiting, General Manager,
River Valley Cooperative Clarence, Iowa

What do the participants think?

“Managing a Grain and Farm Supply Cooperative has become very complex, and the key to making timely, informed decisions is good information. Coop Metrics is an excellent tool that managers can use to measure cooperative progress in several important areas. It also allows managers to benchmark key performance factors with other similar sized cooperatives. One of the things we like about Coop Metrics is that it is easy to submit the data.”

Bill Day, CFO, WFS, Truman, Minnesota

What do the participants think?

“Benchmarking allows our organization to measure our performance compared to a peer group with similar sized and types of cooperatives. The most important function for our organization is to identify our strengths area and continue to capitalize on those specific areas in the future.”

Larry Peterson, CEO,
Heartland Cooperative West Des Moines

For more information contact:

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