

Supply Services
A Self Study Guide for Members and Staff of Agricultural Cooperatives

CHECK OUT!



To prove to yourself that you have fully understood this Study Guide, you should now go through the following multiple choice questions. Mark which you think is the right answer to each question. If you have any problems with a particular question, go back and read the corresponding lesson again.

The key to the answers can be found at the end.

1. What should be kept in stock by a well-managed supply co-operative?
 - a. All the possible items needed by members.
 - b. Items which are needed by the majority of members.
 - c. Only a few very necessary items.
2. What is the meaning of "a high rate of stockturn"?
 - a. The goods are delivered quickly after they have been ordered.
 - b. The goods are ordered in large quantities.
 - c. The goods are sold quickly after the delivery.
3. What is the advantage of ordering small quantities at a time and turning the stock quickly?
 - a. The available money can be used to stock more types of goods.
 - b. Total freight costs will be lower.
 - c. Ordering procedures will be simpler.
4. What should you do if there are some goods missing in a delivery to the society?
 - a. Sign the delivery note, if the driver/delivery man promises to bring the missing goods as soon as possible.
 - b. Return the delivery note unsigned and ask the supplier to send a new correct one later.
 - c. Make a note on the delivery note and have it endorsed by the driver/delivery man.
5. How can you make sure that you have received all the goods listed on the supplier's invoice?
 - a. By comparing it with your copy of the order.
 - b. By comparing it with the delivery note.
 - c. By taking stock.
6. What is meant by "markup"?
 - a. The general price increase or inflation.
 - b. The illegal practice of ignoring price control regulations.
 - c. The amount you add to the cost price in order to arrive at the selling price.

7. Which of the following items of information should the sales note contain?
 - a. The cost of the goods to the society.
 - b. The society's selling price of the goods.
 - c. The society's "markup".
 8. Should the sales be recorded?
 - a. Yes, all sales must be recorded.
 - b. Only credit sales must be recorded.
 - c. Only cash sales must be recorded.
 9. Which of the following are important disadvantages of "word-of-mouth" as a way of informing members?
 - a. The information may be inaccurate.
 - b. It is too expensive.
 - c. The information will reach also non-members.
 10. If you keep bin-cards for each item in stock, when should you make entries on the cards?
 - a. Only when you count the stock.
 - b. Only when there is a change in the stock.
 - c. Only when goods have been damaged.
 11. When should sales be recorded on the bin-cards?
 - a. When the goods have been paid for.
 - b. When the stock is finished.
 - c. When the goods are taken out of stock.
 12. What is meant by "leakage" in a business?
 - a. Staff spreading secrets about the profits.
 - b. Goods are sold at discount prices all the time.
 - c. Goods are spoiled or disappearing without being paid for.
 13. How can you find the amount of leakage in your business?
 - a. By comparing the cash received with the total of all sales notes.
 - b. By keeping records of all damaged goods.
 - c. By comparing the balances on the stock-cards with the actual stocks.
 14. What could cause leakage?
 - a. High freight costs.
 - b. Poor stock control.
 - c. Low prices.
 15. What should you do to reduce leakage?
 - a. Increase sales.
 - b. Improve work systems and procedures.
 - c. Increase prices.
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There are some questions for group discussion on the next page.



To complete your studies of this topic, you should apply what you have learnt to real situations. Undertake these activities with your colleagues by visiting a cooperative other than your own.

1. Study the supply services of another co-operative

First, make up a questionnaire and interview some members to get their opinions on questions like the following:

- Is the co-operative supplying all the farm inputs needed by the farmers? What is lacking?
- Are the prices acceptable?
- How good is the service offered by the society?
 - location of the warehouse
 - opening hours
 - transport services
 - payment conditions
 - reliable supplies
 - bureaucracy
 - staff knowledge and behaviour

Find out what the committee, manager and staff think about the same questions. Compare the responses and suggest what the society might do to improve its services.

2. Visit the warehouse of another supply co-operative

Check the following matters:

- Is the warehouse laid out in the most effective way? Is the space used properly?
- Are the goods stored so that they can easily be put into and taken out of stock? Is security satisfactory?
- Are there any items in stock which might be difficult to sell? How might they be disposed of?
- How many staff work in the warehouse? Are they all busy; are there too many or too few?
- What are the procedures for issuing supplies to customers?

Discuss your observations with the manager and find the reasons for any unsatisfactory conditions. Suggest what the society might do to improve its warehouse.

Key to the "Check-Out" questions:

Question	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Correct answer	b	c	a	c	b	c	b	a	a	b	c	c	c	b	b
Lesson	2	3	3	4	4	5	6	6	6	3, 7	7	7	7	7	7