



SOLUTIONS



AN ELECTRONIC REPORT FROM THE CUNA OPERATIONS OFFICER COUNCIL

COO 2K

Good news! It's not a computer virus, programming glitch, or a new craze...it's the 3rd Annual CUNA COO Council Conference "Operations 2000: Next Generation Strategies."

Mark your calendars for September 27-30 and join us in beautiful Portland, Oregon. You'll enjoy a conference full of ideas and operations "know how" including strategy sessions and breakouts on:

- moving to a sales/service environment
- working with Call Centers
- developing automated e-branches
- and, training ideas for the new millennium

For conference information, call Cheryl Sorenson at 1-800-356-9655, ext. 4393. We'll also have complete conference details on our COO Council Web site as soon as they are finalized. Mark your calendars now and plan on attending this great conference in Portland! ♦

VOLUNTEER VISION

Editor's Note: *In this column, your COO Council volunteers share their experiences and visions for the future of branch operations. It is our goal that this column serves as an introduction to you, our peers, and as a networking forum to discuss current operation issues and trends. This issue features Laurie Kusch, VP - Quality Service Management, Columbia Credit Union, Vancouver, Washington.*

Laurie Kusch, 2000 COO Council Chair, says, "I've seen many changes in the credit union industry over the years. Today, the changes are coming faster and more often—from technology to training to compliance issues—it's often hard to stay on top it all. I joined the COO Council to learn from my peers and to see how each of you are dealing with the fast-paced, and ever-changing, environment of branch operations."

Laurie's credit union experience spans 28 years, most of which have been with Columbia Credit Union. Working as a teller, new accounts representative, loan officer, branch manager and, most recently, as Vice President

of Quality Service Management, she's dealt with a wide variety of credit union issues and trends. She says she can even remember when credit unions offered 6% savings and 12% loan rates!

Columbia Credit Union was the first to pilot checking accounts on the west coast, received a community charter for their service area in 1976, and was one of the first credit unions to start charging fees for some services. Laurie feels fortunate to have worked for a credit union that has been aggressive with new ideas over the years. And, hopefully, this can-do attitude will help them meet the new challenges credit unions will face in the years to come!

Laurie balances her professional and personal life by making time for family and friends. She also finds that having a sense of humor is very important! She and her husband, John, are new grandparents to Katie (7 months) and Ty (1 week). In her own words, Laurie confesses to "being obsessed with the whole grandma thing." And, we're thrilled she's so excited about the COO Council as well. ♦

TYPES OF ONLINE ATTACKS

The recent breach in internet security on the west coast, got a lot of press. With the addition of a mandated privacy policy, all financial institutions are taking a closer look at this area to be sure they are not vulnerable to an online attack. The *Comptroller's Internet Banking Handbook*, sites the following types of attacks:

Sniffers—Also known as network monitors, this is software used to capture keystrokes from a particular PC. This software could capture logon IDs and passwords.

Guessing Passwords—Using software to test all possible combinations to gain entry into a network.

Brute Force—A technique to capture encrypted messages then using software to break the code and gain access to messages, user IDs and passwords.

Random Dialing—This technique is used to dial every number on a financial institution's

telephone exchange. The objective is to find a modem connected to the network.

This could then be used as a point of attack.

Social Engineering—

An attacker calls the financial institution's help desk impersonating an authorized user to gain information about the system including changing passwords.

Trojan Horse—A programmer can embed a code into a system that will allow the programmer or another person unauthorized entrance into the system or network.

Hijacking—Intercepting transmissions then attempting to deduce information from them. Internet traffic is particularly vulnerable to this threat.

You should look not only at what you have in place to protect your systems from outside sources, but also what procedures are in place to guard against an attack by a disgruntled ex-employee. ♦



THE TIME OF YOUR LIFE

If we surveyed all of our members and asked them about their responsibilities in their respective credit unions, we probably wouldn't get two answers that were exactly the same. But everyone would be in agreement that more than any other position in the credit union, the operations professional wears multiple hats and is always struggling to find more hours in the day!

Here are some tips for those of you who haven't had the opportunity (or the time) to attend a time management course.

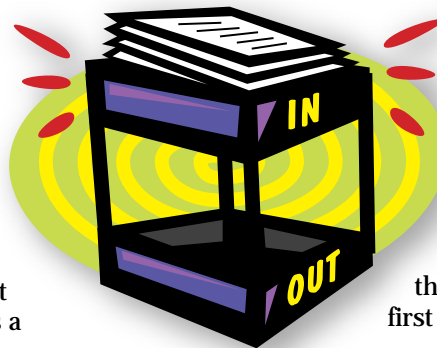
Organize your workspace for ease and efficiency. Use an organizational style that works best for you. Don't worry if your office looks a

mess as long as you know where everything is! Others may prefer a very systematic, organized area with everything in its place and labeled.

Set daily priorities. Do the most important tasks first and plan for interruptions because you know you WILL BE interrupted! If something doesn't get done, it wasn't important.

Strive for accuracy, not perfection.

Sometimes you just have to focus on the big picture and either let someone else spend time on small details or accept the fact that minor things might slip through the cracks. Remember you got where you are today because you can think and react quickly to the unexpected, so everything doesn't have to be perfect the first time around! ♦



SALES & SERVICE...NOT AN EASY TRANSITION—PART 1

Many credit unions are working on the transition to a true sales culture. They're finding it is not an easy process or something that happens overnight. The success of any new culture requires changes in beliefs, values and behaviors. These changes must not only occur at the organizational level, but also at the personal level. Many organizations have tried and failed because the transition from order taking to a sales culture is extremely difficult to accomplish.

The primary reason for underachievement is often due to a narrow approach that believes sales is a function of marketing or something that can be accomplished through a training program. A new culture will rarely result from activities such as training, incentives or merchandising *if* those activities are independent, uncoordinated or inadequate.

I'm sure we can all remember a fine restaurant that we love to go back to. The atmosphere is special, the service is the best with attentive staff who don't hesitate to recommend the chef's specials or give advice when you are trying to decide on dessert. Even if the prices are a little high, we want to go back.

This simple analogy is what we are trying to create in our branches and service centers—members who want to come back, staff that are attentive, know our products and are happy and rewarded to give advice to our members. What are the components to get us from “order taking” to “fine dining”?

SERVICE

Service is the first and foremost component of a successful program. The sale of financial products is highly dependent on trust and member confidence. Member satisfaction is the foundation on which a sales culture is built. Service expectations and demands keep rising so we constantly have to “raise the bar” in this area.

SALES LEADERSHIP

A visible leader must be appointed to monitor the program and **constantly** communicate progress. In addition, the success of the pro-

gram will be largely dependent on the sales competence of our branch managers. Branch managers must be energetic role models and capable coaches.

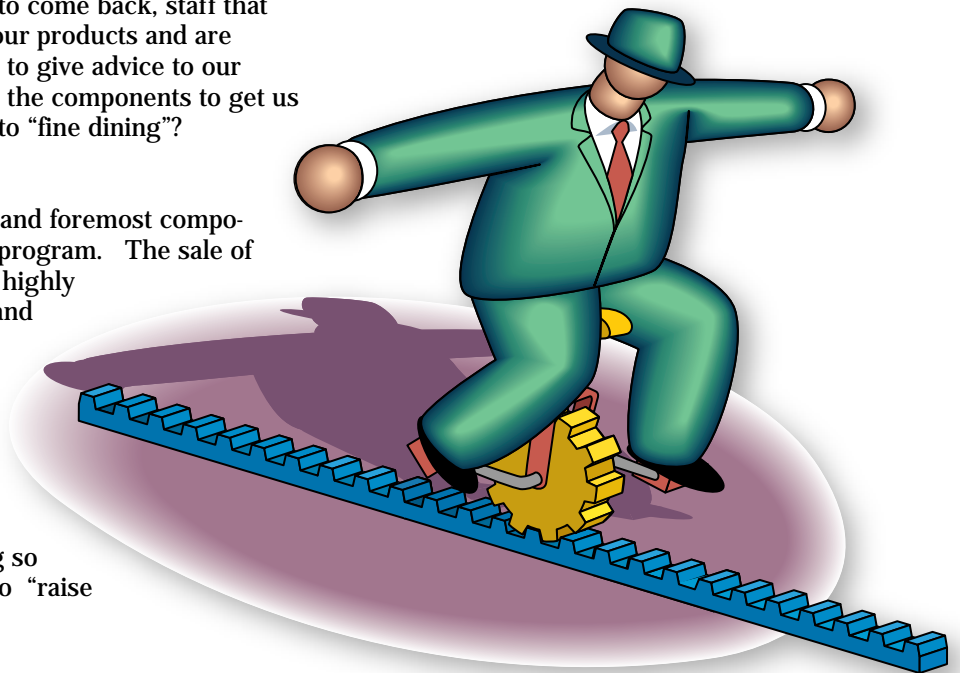
PRODUCT MANAGEMENT

If we want our staff to cross-sell products, we have to identify our profitable vs. unprofitable products. Staff may improve cross-selling efforts but adversely affect the bottom line. We need to identify the true costs of our products and provide information at the front line that will help migrate a member/household from an unprofitable relationship to a profitable relationship or bundle a “lost-leader” with other products.

TRAINING

Training is another essential component and often the only one that comes up when something has to be “fixed.” Product knowledge, service skills, referral techniques and coaching courses are just a few of the programs to provide fundamental knowledge to ALL staff.

In our next edition of *SOLUTIONS* we will look at the four remaining elements of an effective program. ♦



Now's your chance to...

TELL US WHAT YOU WANT TO SEE IN SOLUTIONS

To help you get the most out of your COO Council membership, we want to know what you want to see in your newsletter, *Solutions*. Please take a moment to answer the following questions.

You can fax your completed survey to Cheryl Sorenson at 1-608-231-4061 or link to the survey at the COO Council Web site at www.cuna.org and e-mail your answers to csorenson@cuna.com. We are looking forward to hearing from you!

Using the following scale (1- Excellent, 2-Good, 3-Fair, 4-Poor), please rate the current format of *SOLUTIONS*:

- Overall clarity and readability _____
- Layout _____
- Timeliness of articles _____
- Content _____
- Delivery method _____
- Usefulness of information _____

Using the following scale (1-Very Interested, 2-Somewhat Interested, 3-Neutral, 4-No Interest), please rate your level of interest in these topics:

- Compliance issues/guidelines _____
- Sales and service solutions _____
- Training programs _____
- Marketing ideas _____
- Conference updates _____
- Lists of interesting/timely websites _____
- New technology reports _____
- E-commerce _____
- Other, please list topics _____

Please let us know any additional comments you have about your COO Council newsletter, *SOLUTIONS*:

Thanks!

WELCOME NEW MEMBERS

Please help us welcome the following individuals who have joined the CUNA COO Council for 2000.

Robert Cheney, Jr., FAA Western FCU, Los Angeles, CA
Vaunette Hoskins, Granite CU, Salt Lake City, UT
Kim Rooney, Manitowoc Community CU, Manitowoc, WI
William Marsh, American Eagle FCU, East Hartford, CT
Frank Mangart, Power FCU, Syracuse, NY
Judy Tharp, South Carolina FCU, N. Charleston, SC
Cynthia Zavodny, Temple Area FCU, Temple, TX
Kim Sponem, CUNA CU, Madison, WI
Gary Peck, ICUL Service Corp., Naperville, IL
Brenda Dunbar, Citizens Equity FCU, Peoria, IL
Sheila Gillette, Ohio University FCU, Athens, OH
Gerrienne Burks, Northwest FCU, Herndon, VA
Kathy Cady, California Coast CU, San Diego, CA
Vicki Lawson, Purdue EFCU, West Lafayette, IN
Charlotte Norton, Randolph Brooks FCU, Universal City, TX
Rose Suire, Carter FCU, Springhill, LA
Charles Buzzell, CUNA CU, Madison, WI
Lynn Diegel, Oakland Catholic CU, Troy, MI
James Seale, 1st Community FCU, San Angelo, TX
Margaret Morales, Cabrillo CU, San Diego, CA
Sherry Andersen, EMSBLA Credit Union, Milwaukee, WI
Martin Carter, Research FCU, Warren, MI
William Cox, Pen Air FCU, Pensacola, FL



SOLUTIONS

© 2000 Credit Union National Association, Inc. All rights reserved.

Solutions is a web-based newsletter published quarterly by the CUNA Chief Operations Officer Council at www.cuna.org, click on Councils, then the CUNA Operations Council. Send news and COO Council information to editor, Cindy Wanamaker, SVP Retail Sales, Franklin Mint FCU, 1974 Sproul Rd., Suite 300, Broomall, PA 19008; phone 1-610-325-5070; fax 1-610-325-5265; e-mail cindyw@fmfcu.org. For Council membership and administrative information, call Cheryl Sorenson, manager of Council Administration, at 1-800-356-9655, extension 4393 or e-mail at csorenson@cuna.com.



CUNA & Affiliates