

# SOLUTIONS



AN ELECTRONIC REPORT FROM THE CUNA OPERATIONS OFFICER COUNCIL

## Set Sail for the 3rd Annual CUNA Operations Conference

Set sail for the 3rd annual COO Conference September 27 - 30 at the Portland Hilton in Portland, Oregon! **Operations 2000: Navigating the Next Generation** will feature great breakout sessions on three hot topics - marketing, sales and service techniques, and tips for working with new technology - so, you can mix and match sessions to meet your needs.

And, you'll enjoy these nationally renowned speakers in the general sessions:

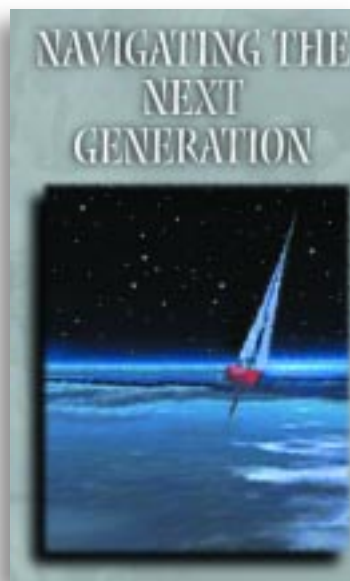
**Nancy Friedman, *The Telephone Doctor***,<sup>®</sup> offers unique insights on customer service etiquette in an enjoyable and informative presentation entitled "How to be an Island of Excellence in an Ocean of Mediocrity." She'll share the five things customers NEVER want to hear and answer your questions in a lively Q and A segment. Nancy has appeared on Oprah, The Today Show, and CNN and authored two best-selling books on customer service and telephone skills. She and her husband live and work in St. Louis.

**Denise Wymore, *Creative Paradox, Extreme Arts & Sciences***, delivers a lively, unusual presentation designed to give us all a refreshed perspective on the new millenni-

um. "2000 Reasons to Question Everything" is a clever combination of brainstorming, barn burning, and bonding. Denise discusses everything from the Internet and e-commerce to Pokemon to mantras for daily living. You'll come away from this session with a new perspective on just about everything.

**Jep Enck, *President, Enck Resources***, provides some great techniques for dealing with "human element" and the stress in customer relations. His presentation is a rare blend of carefully-chosen theory, useful facts, illustrative stories, and practical how-to's. With more than 20 years of management and speaking experience, Jep is known for his dynamic, engaging style and is one of today's most popular speakers.

You'll also want to make time to network and relax while cruising the beautiful Willamette River on Friday evening. Join us for appetizers and some fantastic scenery. Transportation to and from the cruise is provided, so you can kick back and visit with your peers. Conference details will be available in May. You will be able to find them at [www.cuna-operationscouncil.org](http://www.cuna-operationscouncil.org). We'll see you in Portland in September! ♦



## 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 Dave Brugger, VP - Branch Operations, CEFUCU, Peoria, Illinois.*

**Dave Brugger, Past Chair COO Council**, says, "One thing I've learned over the years, is that a group of people can accomplish a lot of things when they work together for a common goal. And that's what the COO Council is all about—bringing together operations know-how for the benefit of all credit unions. While none of us may have faced the same situation or experience, the exchange of ideas and best

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practices can help all of us stay innovative and competitive.”

Dave joined CEFCU in 1971 as a collector and has held a wide variety of positions throughout the credit union, including teller, branch manager, and human resources manager. In his current position as Vice President of Branch Operations, Dave works with 20 branches and also oversees facility maintenance and security.

During Dave’s tenure, he’s worked closely with CUNA and CUNA Mutual on several projects. He helped launch CUNA Mutual’s BDS Training and served on the steering committee for Service Edge Training. He served as the inaugural chair for the COO Council and says the time spent with his peers from other credit unions has provided him with some great ideas and invaluable insights!

Dave feels his greatest learning opportunity came as HRD manager when he implemented a quality circle program at CEFCU. The program, Employees Quality Improvement Process, or EQIP, is still viable 15 years later! Employee teams have created new screens on the computer system to counteract fraud, introduced new products for members like debit cards and online banking, and worked on community service projects.

Dave’s found out that it’s this team effort that makes the COO Council work as well. By exchanging ideas, all credit unions can work together to remain competitive and on the cutting edge with new products and technology. We’re glad he’s decided to stick around and share his expertise with the COO Council for a few more years! ♦

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## Sales and Service...Not an Easy Transition—Part 2

In our last edition of Solutions we began to look at some components that are necessary to make the transition from “order taking” to a true “sales and advisory” culture. We looked at service, sales leadership, product management and training. They are only half the equation...

### PERSONNEL

Recruitment and retention strategies as well as a creative compensation program that includes incentives and/or bonuses, will be necessary to attract, keep, motivate and reward staff. The job market continues to shrink and competition is strong, not only for your members but your staff as well.

### GOALS & MEASUREMENT

“What gets measured, gets done” is a phrase we have all heard. Realistic goals in the area of cross-selling, referrals, member retention and member satisfaction must be developed. Recognition of goal attainment in the form of both tangible rewards and public recognition should also

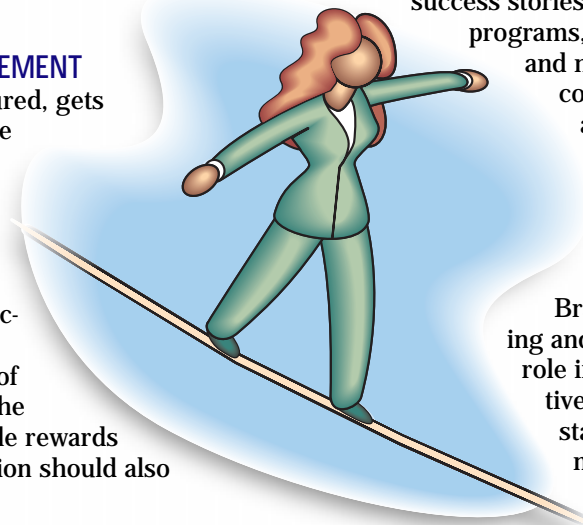
be part of the program. Naturally, these goals should be tied into the performance appraisal process and consideration should be given to weight this area a little more heavily in the review process to validate its importance to the organization.

### COMMUNICATION

In our credit union, we often say there’s that ‘C’ word again! Communication, or lack of it, can make or break an organization. As an operations professional, you are often the one to handle the “details” and it is normally branch/service center staff that must explain those details to your members. Ongoing, continuous communication is critical including success stories related to sales and new programs, what didn’t work and why and member concerns and compliments. Don’t be afraid to share the bad news as well, because we can all learn from our mistakes!

### SALES ENVIRONMENT

Branch design, merchandising and brand identity all play a role in the sales & service initiative and send a message to staff that a serious commitment is being made to the cultural change. Do



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your offices look professional? Is there an adequate area for member privacy? Do you have collateral pieces to facilitate the sales process? Are you looking at administrative type tasks that should be removed from your branch/service centers to the back office to give your staff more time to spend with members? Just like that fine restaurant we men-

tioned in Part 1 of our article, the environment does make a difference!

As you can see, you can't make the change overnight. But I'm sure if you think about it, many of your organizations are taking steps in the right direction and you just have to integrate them under a master menu. Bon appetite! ♦

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## Direct Deposit Delivers a Direct Hit

Not a day goes by that something doesn't come up about product penetration, cross sales, or product-used ratios. Regardless of the terminology, this new performance measure looks at the number of credit union products a member uses. The more products used, the more likely members are to consider your credit union their primary financial institution.

While there's no sure-fire formula for increasing product usage, many credit unions have found that by promoting direct deposit, they've made a direct hit with members. And, best of all, their cross sales results have also increased dramatically.

The benefits of direct deposit to members include immediate access to their money, reduced time spent waiting in line to deposit or cash their paycheck, and less chance of lost or misplaced checks. And, once a member

signs up for direct deposit, it's easy to cross sell other convenience products like ATM or debit cards, online banking, and checking or money market accounts which makes accessing funds even more convenient.

In short, direct deposit is one of the best products a credit union can cross sell to increase members' product usage. But, there are additional benefits to your credit union as well, including reduced traffic in branches on busy days, more efficient processing of deposits, and less check handling.

In addition, promoting direct deposit is easy and can be done very cost efficiently, especially when you work with your SEG partners. For information on how to promote direct deposit to your members and a list of additional benefits for participating companies, visit [www.directdeposit.org](http://www.directdeposit.org) and [www.ezpay.org](http://www.ezpay.org). Remember Direct Deposit Week is May 15 - 19! ♦

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## Solutions Survey



Thanks to those of you who took the time to respond to our survey in the March 2000 edition of *SOLUTIONS*. We received GOOD to EXCELLENT marks on our format, which covers areas like clarity, content & delivery method.

The top topics you selected for future editions included compliance, e-commerce and new technology. Sales/service solutions, training programs and helpful Web sites were all runners up.

It's our goal to produce a newsletter every two months and, as you requested, you will see more of the above topics covered in future issues (starting with this issue!). If you didn't get a chance to respond or you if you have new ideas or topics, don't hesitate to send your thoughts to [cindyw@fmfcu.org](mailto:cindyw@fmfcu.org) or [bdunbar@cefcu.com](mailto:bdunbar@cefcu.com). Thanks for the feedback! ♦

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## Fighting Check Fraud

Technology is not only helping credit unions, but today's crooks and con artists are taking full advantage of that same technology! The United States Secret Service has given us another tool for fighting check fraud by creating a counterfeit check database. This database is being made available to financial institutions and law enforcement groups to help facilitate the sharing of information.

To use this resource go to [www.badcheck.treas.gov](http://www.badcheck.treas.gov) and complete the online questionnaire. Once access is granted, you will receive an email with instructions for further use. You may then submit information about your credit union's counterfeit checks as well as read about other fraud situations and communicate with other F.I. and law enforcement officials through out the country. ♦

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## COMPLIANCE—Can't Live With It...Can't Live Without

Credit Unions must comply with a host of both federal and state regulations. In some credit unions, compliance is monitored and the responsibility of one individual or department. But, in many cases, it is a shared duty with no one area taking complete ownership. No matter how it is dealt with at your credit union, operations and compliance go hand-in-hand and we would all agree it's not getting any easier!

One great resource is CUNA's COBWEB, *Compliance Brainstorming on the Web*. This

listserv is available to all CUNA-affiliated member credit unions to share compliance questions and concerns by email. Although not a replacement for legal counsel, it is a great informal source to exchange ideas and compare notes with others. Just click on COBWEB on CUNA's web site, sign-up and start participating with a great group of knowledgeable professionals. You will, at times, get overwhelmed with the information that comes your way, but with many email packages you can establish a rule to have all email coming from this source directed to one folder so it doesn't interfere with other communications. ♦

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## Resource Roadmap

We would like to include as a regular feature of *SOLUTIONS* other resources that many of you may find helpful. If you come across a web site, phone number, training program or publication that you think others may like to hear about, please pass the information along and we will try to publish in future editions. All sites and phone numbers have been verified and/or contacted at the time of publication.

### [www.cybercrime.gov](http://www.cybercrime.gov)

A new site on cybercrime that includes press releases, speeches, legal text and Justice Department reports on the subject of cybercrime. It also contains information on prosecuting electronic intruders, searching & seizure of computers, encryption and privacy aspects of cybercrime.

### [www.occ.treas.gov](http://www.occ.treas.gov)

Once you arrive at the home page, click on Internet Banking for guidelines and articles on this newest financial delivery system.

### [www.arraydev.com](http://www.arraydev.com)

Information on and a free quarterly email subscription to *The Journal of Internet Banking* as well as prior articles such as "Identity Verification over the Internet-A new Approach".

### [1-877-ID-THEFT \(1-877-438-4338\)](tel:1-877-ID-THEFT)

Toll-free number sponsored by the Federal Trade Commission created as a hotline for victims of identify theft. It operates Monday-Friday, 9:00 a.m. - 5:00 p.m., Eastern Standard

Time. Your members can report the crime and get advice from telephone counselors who have been trained on what to do to prevent erosion of accounts and credit.

### [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)

Online, secure location for reporting identity theft plus a great resource for information on this timely subject that you may find useful for member education and/or newsletter material.

### [1-800-540-OFAC \(1-800-540-6322\)](tel:1-800-540-OFAC)

Phone number dedicated to inquiries from all financial institutions related to OFAC compliance. ♦



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## Reach Out and Tell Someone...

...AND SPREAD THE WORD about the COO Council. Have you attended a prior CUNA Operations Council Conference and learned something? Do you find this newsletter helpful? Do you like having other operational professionals that you can contact for help and ideas?

If you answered YES to any of the above then you probably know just one other professional that could also benefit from joining the council or attending the upcoming conference

in Portland, Oregon. Think about your peers at your own credit union, at other credit unions in your state, or those you may have recently met at a seminar, league meeting, community function or even a listserv contact that you regularly communicate with and tell them about the Council. It's easy to join at [www.cunacoocouncil.org](http://www.cunacoocouncil.org) or to obtain more information. If each of us tells just one other individual, we'll bring in a wealth of talent and new ideas that will benefit everyone! ♦

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## WELCOME NEW MEMBERS

The CUNA COO Council welcomes the following new members.

**James B Macphail**—*Pacific Service CU, Walnut Creek, CA*  
**Roxanne Law**—*King County CU, Seattle, WA*  
**Sandy Knox**—*Credit Union of America, Wichita, KS*  
**Michael Perez**—*Pacific Transportation FCU, Colton, CA*  
**Don R Ford**—*H E B FCU, San Antonio, TX*  
**Carol Martel**—*DM FCU, Tucson, AZ*  
**Debra L Herbert**—*Maryland CU, Upper Marlboro, MD*  
**Stephanie Sherrodd**—*Warren FCU, Cheyenne, WY*  
**Katherine Weekley**—*Florida Commerce CU, Tallahassee, FL*  
**David Proffitt**—*Alcoa Tennessee FCU, Alcoa, TN*  
**Scott D McCaw**—*Philadelphia Telco CU, Trevoze, PA*  
**Karen L Friel**—*NASA FCU, Bowie, MD*  
**Ruth H Korotzer**—*Seattle Metropolitan CU, Seattle, WA*  
**Patti L Osterhoudt**—*Mid-Hudson Valley FCU, Kingston, NY*  
**Cecelia Pelino**—*Marine FCU, Irvine, CA*  
**Kathryn M Jopp**—*Firstel FCU, Maple Grove, MN*



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*Solutions* is a web-based newsletter published quarterly by the CUNA Chief Operations Officer Council at [www.cuna.org](http://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@fmcu.org](mailto:cindyw@fmcu.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](mailto:csorenson@cuna.com).



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