



# SOLUTIONS



AN ELECTRONIC REPORT FROM THE CUNA OPERATIONS OFFICER COUNCIL

## COUNCIL GEARS UP FOR MULTI-TRACKED CONFERENCE

Look for the latest thinking on credit union finance, technology and human resource development topics at this year's Operational Dynamics conference in Annapolis, MD., this coming October, and prepare to have your toughest questions answered by leading industry experts.

That was the goal of the CUNA COO Council executive committee when it met to plan the annual event earlier this year. Utilizing the operational discipline section of Career ExCELL<sup>SM</sup> the CUNA Councils' new career development product, meeting planners identified the top three issues facing credit union operations professionals as well as the major concerns within each of those issues. The net result was a triple-tracked set of sessions that focused on the most important challenges facing operations officers.

In the finance track, experts will talk about economic trends facing credit unions, pricing your credit union's balance sheet, and capturing member business loan market share. Presenters include Dr. Bill Hampel, CUNA & Affiliates' chief economist; Glenn Strebe, CEO of Air Academy FCU in Colorado Springs; and Mark Spenny, VP of mortgage and business lending for CEFCU in Peoria, IL.

Technology track sessions focus on technology tiering, the future of delivery systems, and maintaining a member focus in a high-tech world. Presenters include Jos Smith, a consultant with Extreme Arts & Sciences, Eugene, OR; Janet McDonald, SVP of administration for Purdue Employees FCU, West

Lafayette, IN; and Dave Brugger, VP of branch operations for CEFCU, Peoria, IL.

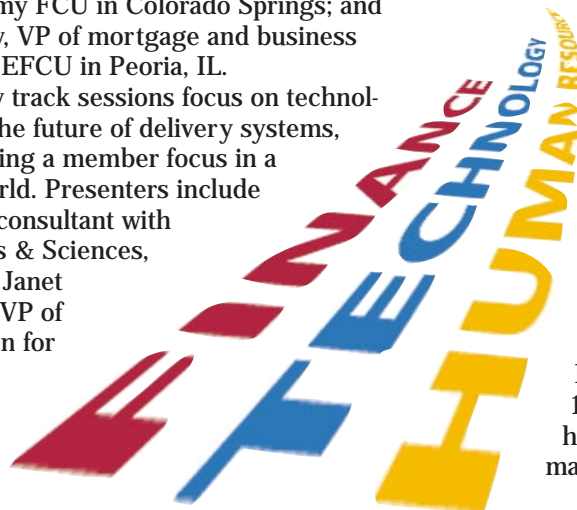
Under human resources, scheduled sessions include distributive workforce development, new workforce compensation and succession planning, and career pathing. Speakers include Dr. Joe Mancusi, president of the Center for Organizational Excellence, Falls Church, VA; Lyn Vra-Tarr, senior consultant with Mercer Inc.; and Thomas Swedberg, director of HR for Wescorp.

The conference will kick off with a session on how people succeed offered by Dr. Joe Mancusi. He will help participants identify strengths and weaknesses as well as watch for perils and pitfalls within their own efforts towards success. Dr. Randy Harrington, senior partner for Extreme Arts & Science will counsel participants on how to lead a more balanced life.

In addition, financial facilities expert George Frerichs will conduct a half-day workshop on the future of credit union facilities and delivery systems, and Jim Despain, VP at Caterpillar Inc., will describe the industry leader's commitment to and efforts toward values-driven operations and how it has made them successful.

Participants also will enjoy an executive tour of the operations center at Navy Federal Credit Union, the world's largest credit union located in neighboring Vienna, VA. The tour will be followed by a wine and cheese reception hosted by the credit union.

For more information, contact Cheryl Sorenson at (800) 356-9655, ext. 4433 and make plans to attend this year's CUNA COO Council Operational Dynamics Conference October 10-13 in Annapolis. The conference hotel is filling fast, so be sure to make your reservations right away! ♦



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## **ADD VALUE TO DIFFERENTIATE YOUR CU**

Demonstrating the differences between your credit union and its competitors doesn't happen through product and service enhancements alone anymore. The computer industry knows this. It's found the marketing advantage of new advances has shrunk from 18 months to weeks or even days.

So when members perceive competing products and services as equal in value, you must find a way to differentiate the credit union and add value.

How you do that depends on your existing position and what's important to members. You can offer members value in six areas:

**1. Information.** What do you or others in the credit union know about events or trends that affect members' lives and financial well being? What do your vendors, trade groups, and professional organizations know? You may assume members know more than they do, that all are as financially astute as you are. If so, your credit union is underestimating its importance in bringing critical information to members' attention.

Make a list of all your credit union's intellectual resources and present value by supplying nonconfidential information. Newsletters are one tool; referrals are another. If a member has a problem your credit union can't handle, keep your local newspaper's community resource guide handy. Having the facts elevates staff in members' eyes from sales representatives to experts.

**2. Distribution.** Where are your branches located? How are your lobbies and drive-up lanes designed? In a convenience-driven society, these details can give you an edge. For example, Visions Federal Credit Union, Endicott, N.Y., redesigned its main office to emphasize electronic services that help members avoid waiting in the teller line.

Internal processes also are part of distribution. If your loan application system is time-consuming for members, improve it. For example, take loan applications by

phone, or provide mortgage applicants instant, automatic updates on the progress of their paperwork.

**3. Systems.** What delivery mechanisms beyond branches can members use to access their accounts? Determine whether you can use current tools, automated teller machines, voice response systems, home banking, to add value for select members. Consider adding bill presentation and payment to your World Wide Web site.

Internally, identify the tools you could use to improve member relationships. Mine your marketing customer information file for new ideas.

**4. Stabilities.** What areas of the credit union give members additional comfort and value? Examine how well-capitalized your credit union is ... how long it's been in business ... staff turnover rates ... whether members likely will see the same faces for longer than six months ... whether you deliver consistently greater value through better rates and service.

**5. Product or service design.** What's your capacity for developing and implementing superior loan, savings, and other financial products?

**6. Assets for key members.** What critical financial, technical, or interpersonal data or tools do you have available to help members in special situations? Examples would be product and service packages for seniors or college-bound borrowers, or car-buying information for auto-loan applicants. Think about similar opportunities to add value for other groups of members.

Adapted from an article by Ron Karr, speaker, consultant, and author of "The Titan Principle: The No. 1 Secret to Sales Success." He can be reached at 800-423-5277 or at [www.ronkarr.com](http://www.ronkarr.com). ♦

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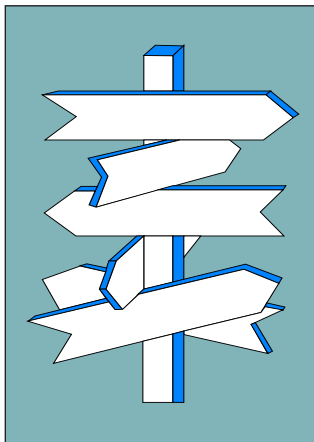
## SECURING YOUR FUTURE

by Sherry A. Mossotti, Empire Federal Credit Union

Some recent articles propose that the CFO position is the most direct route to CEO. If this is so, what can YOU, as the COO do to ensure you're on the right path?

The best way to start, is to learn your credit union's financial statements inside and out. Don't be afraid to ask the CFO some questions. Learn critical ratios, especially the ratios used in NCUA's CAMEL rating system. If you're not comfortable asking your CFO or CEO questions, consider attending CU-related financial seminars or schools. (Some I've attended and would highly recommend include CUNA's Management School, the MERIT program which offers a strong module on CU finance, and CUNA's CU Finance for Non-Financial Managers and Volunteers workshop. These worked best for me and taught me more than I'll ever use, in simple, easy-to-understand language.)

In addition to gaining a strong understand-



ing of the financials, you'll need to know what skills you'll need to emulate to be considered for a CEO position. Take a look at the CUNA Council's new Career ExCELL<sup>SM</sup> program.

Career ExCELL is designed to be the credit union movement's single most comprehensive

professional development resource. This resource specifically defines the traits and skills identified by nationwide credit union CEOs as those being most critical to the credit union CEO position.

Last, but not least, make sure your resume is in order and stands apart from the rest. A visit to your local bookstore or library can help with your resume. Some books even contain sample letters to use in your search, and provide some excellent sample resumes.

And don't be afraid to send some resumes out. Your interviewing skills will sharpen with each interview, and practice makes perfect. (Remember, you can always refuse an offer if you receive one...)

If the CEO position is your target, now is the time to start your planning, and training, to reach your goal. ♦

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## CREDIT UNION + COMMUNITY EVENTS = GREAT MEMBER RELATIONS

By Brenda Dunbar, Citizens Equity Federal Credit Union

The bottom line is - you can enjoy great member relations by getting involved in what's going on in your credit union's community. It's true! When you consider all of the recent bank mergers and shrinking philanthropic budgets, it's not hard to see how you can gain a competitive advantage just by being active in your community's special events. And, best of all, it's easy.

First, find out what is near and dear to your community's heart and be a part of it. From a 5K walk to local festivals, there's plenty of opportunity for your credit union to be involved in special events. Consider sponsoring the entertainment stage, setting up a booth in the merchant's tent, or even flipping pancakes at the kickoff breakfast. You can do a lot or just a little bit. But, you'll be surprised

at how much exposure your helping hand or sponsorship funds will generate in the community.

While it's okay to be a part of the big events, you'll also want to encourage your staff to help out in quiet ways. If your member center is located near a school or daycare center, make time for your employees to read to the children over lunch hours. Or, allow employees to leave early to help work the concession stand for their children's sporting events. For the most part, people know your employees and when you give them the time to volunteer, it speaks volumes for your credit union's community commitment.

Remember to establish an "over & above" corporate objective and document your community involvement as well. Before you know it, your employees and members will come to respect the importance your credit union has placed on helping the community.

So, when you add it all up, there's really no good reason not to be active in your community—especially when good member relations is the number one benefit. ♦

## **TRAINING YOUR BRANCH MANAGERS**

Do you have new branch managers or ones that want to improve their supervisory and management skills? If so, you may want to check out CUNA's Branch Operations Institute. Whether you have seasoned staff or staff just starting out, this 3(-day seminar has something for everyone.

The Branch Operations Institute is an efficient blend of topics relevant to branch managers, or aspiring branch managers, including developing a sales culture, managing the branch budget, policy compliance, and the unique leadership dynamics of being a branch manager. You'll get new ideas that will improve the productivity of your staff and create an environment of overall quality and efficiency. Here are just a few comments from recent participants:

*"This was a tremendous program. I went back excited and encouraged to implement some of the ideas discussed."*

*"My eyes were opened to how much better a CU we can be."*

*"Although I have many years in the financial industry, Branch Operations Institute provided me information that was new and applicable."*

*"The instructors were the best."*

*"I received practical information to keep my branch in a profitable mode."*

*"A wealth of information."*

The program is next offered October 17-21, 1999 in St. Pete Beach, Florida. For more information contact Bonnie Loether in CUNA's Center for Professional Development at 1-800-356-9655 extension 4139.

Perhaps you are looking for training in the areas of Regulatory Compliance (Sept 26-Oct 1 in Atlanta) or Security (Sept 27-30 in New Orleans)—give Bonnie a call, and we'll fax you information on the topic you request. ♦



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## WELCOME NEW MEMBERS

The CUNA COO Council would like to thank and welcome our 1999 new members signing up in January - March 1999 for membership. April through August will appear in the next newsletter.

### January

**Marlene Huerta**, Alaska State EFCU,  
Fairbanks, AK  
**Patty Traversone**, Pima FCU,  
Phoenix, AZ  
**Steve Webb, Jr.**, Baton Rouge Teachers  
FCU, Baton Rouge, LA  
**Anthony McCollim**, Matcom FCU,  
APG, MD  
**Linda Ramsey**, Montgomery County  
Teachers FCU, Gaithersburg, MD  
**Sharon Blizzard**, Capital Area School ECU,  
Lansing, MI  
**Mary Litz**, Nebraska CU League,  
Omaha, NE  
**Lourdes Garcia**, North Jersey FCU,  
Totowa, NJ  
**Mark Humphries**, 66 FCU,  
Bartlesville, OK  
**Doug Hauser**, Wisconsin CU League,  
Pewaukee, WI

### February

**Gary Moffatt**, First Entertainment CU,  
Hollywood, CA  
**Nadgr Moghaddam**, First Financial FCU,  
West Covina, CA  
**Terri Snyder**, Nazarene CU,  
Brea, CA  
**Linda Costa**, Raychem EFCU,  
Redwood City, CA  
**Phil Bachman**, US FCU,  
Bloomington, MN  
**Anthony Klockow**, Heritage Trust FCU,  
N. Charleston, SC  
**Sherry Callahan**, Omni American FCU,  
Fort Worth, TX

### March

**Susan Frank**, Desert Schools FCU,  
Phoenix, AZ  
**Linda Tashiro**, American Baptist CU,  
Covina, CA  
**Denda Matthews**, Educational ECU,  
Fresno, CA  
**George Poitou**, SCE FCU,  
Irwindale, CA  
**Linda Owen**, Air Academy FCU,  
Monument, CO  
**Joann Mosco**, Denver Public Schools CU,  
Denver, CO  
**Tracey Alonzo**, Broward Schools CU,  
Fort Lauderdale, FL  
**Alan Schuster**, Dutrac Community CU,  
Dubuque, IA  
**Robert Downs**, Crane FCU,  
Crane, IN  
**Carol Thurlow**, Aberdeen Proving Ground  
FCU, Aberdeen, MD  
**Carol Galizia**, Detroit Edison CU,  
Detroit, MI  
**Maurice Fortier**, St. Mary's Bank,  
Manchester, NH  
**Gina Roush**, Oregon Metro FCU,  
Eugene, OR  
**Tania Trisel**, Safeway NW CU,  
Portland, OR  
**David Obarowski**, Sun East FCU,  
Aston, PA  
**Laure Swallow**, Aberdeen FCU,  
Aberdeen, SD  
**Carolyn Jordan**, Dallas Postal CU,  
Dallas, TX  
**Debra Hodous**, Fort Lewis Community  
FCU, Fort Lewis, WA  
**Dan Webber**, Spokane Railway CU,  
Spokane, WA



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