



Credit Union Resources, Inc.TM

**OnBalance
2014 Fall Orientation**

100+ Years of Experience

Karen Houston-Johnson

- 35+ Years Credit Union Experience; 11 Years with Credit Union Resources
- Expertise includes Management, Operations, HR, Strategic Planning, Leadership Development and Professional Coaching, Teamwork and Training.

Howard Bufe

- 20+ Years Financial Service Industry Experience; 12 Years with CCUL/CU Resources
- Expertise includes Management, ALM and Financial Analysis, Strategic Planning, and Training.

Dean Borland

- 35+ Years Credit Union Experience; 6 Years with CCUL/CU Resources
- Expertise includes Management, Operations, Lending, Marketing, Strategic Planning, TQM, and Teamwork.



WHAT We Do...

Strategic Planning Facilitation

Strategic Management Consulting

Strategic Training Solutions



STRATEGIC PLANNING FACILITATION

**Traditional Planning
Balanced Scorecard**



TRADITIONAL STRATEGIC PLANNING

Similar to the Recommended Curriculum for the Nationally Accredited Southwest CUNA Management School:

- **External Environment Evaluation**
- **Internal Analysis**
- **Strategic Direction**
- **Objectives & Strategies for the Future**



Balanced Scorecard

“What Will IT Do For My Credit Union?”

The BSC is a...

- A **Success Measurement** System,
- A **Strategic Management** System,
- An Effective **Communication Tool**, and most importantly,
- A **Strategy Execution Game Plan**
 - Forces Your CU to FOCUS and Prioritize ‘Tasks’ and ‘Resources’



BSC Strategic Planning Framework



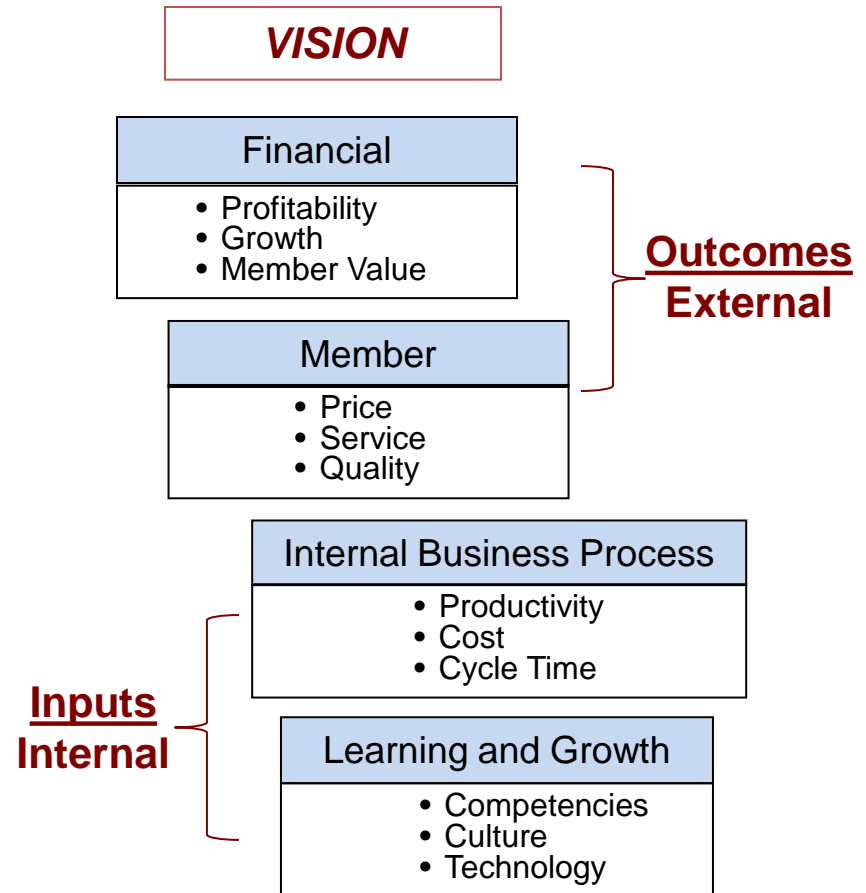
Perspectives of the BSC

(What You Might Have Called KRAs)

Perspectives form the basic architecture of the BSC, accounting for all relevant factors in an organization's execution of strategy, and thus, creating balance in the scorecard.

Perspectives allow an organization to:

- Balance long-term and short-term objectives
- Link desired outcomes and the drivers of those outcomes



BSC Strategic Themes

VISION:

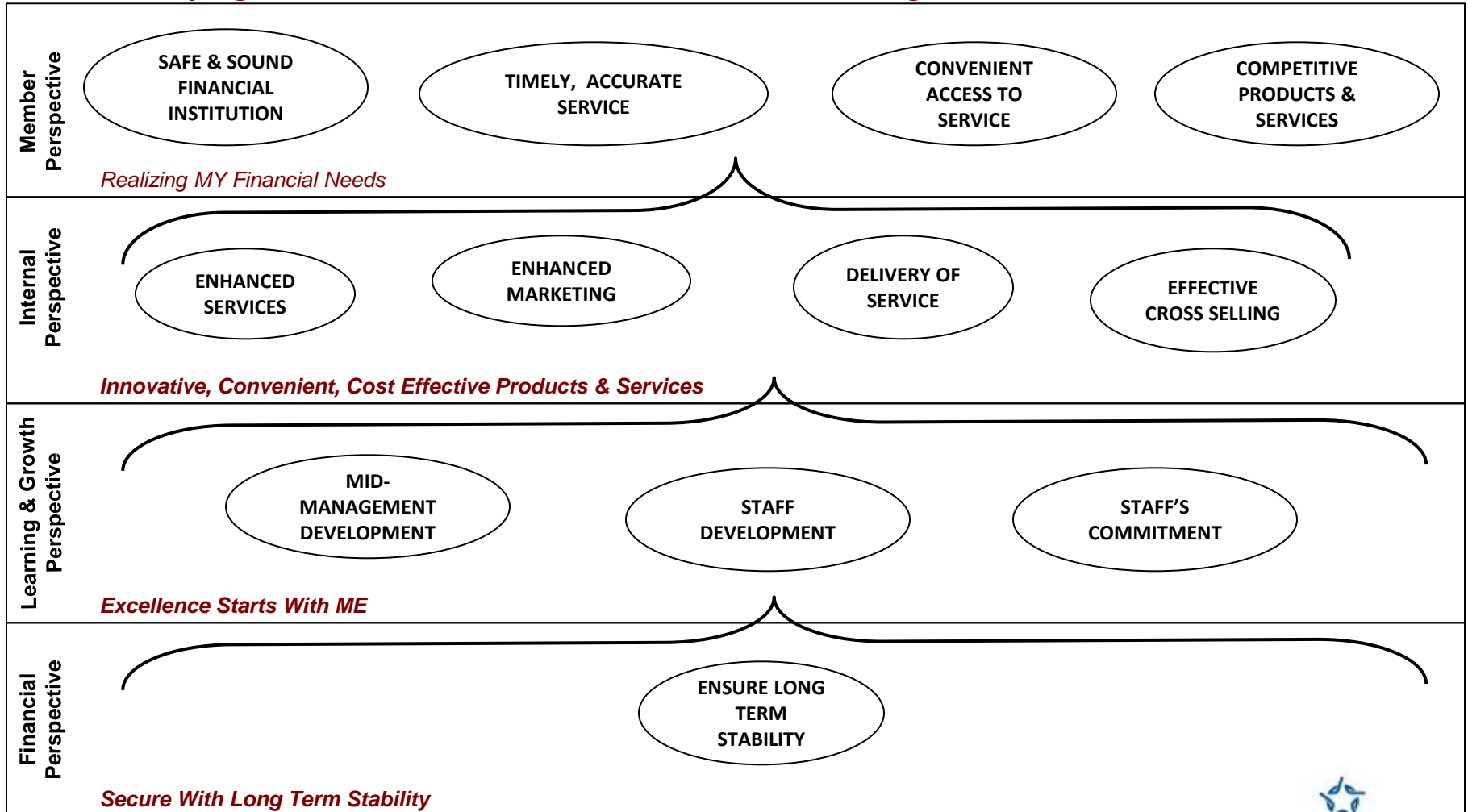
Helping Members Realize Their Financial Needs Through Service

PERSPECTIVE	THEME
Financial: <i>If we succeed, how <u>will</u> we look to <u>our members</u>?</i>	Realizing MY Financial Needs
Member: <i>To achieve our vision, how <u>must</u> we look to <u>our members</u>?</i>	<i>Innovative, Convenient, Cost Effective Products & Services</i>
Internal: <i>To satisfy our members, at which <u>processes</u> must we <u>excel</u>?</i>	<i>Excellence Starts With ME</i>
Learning/Growth: <i>To achieve our vision, how must we <u>learn & improve</u>?</i>	<i>Secure With Long Term Stability</i>



Sample Strategy Map

Vision: Helping Members Realize Their Financial Needs Through Service



Sample Member Perspective

"Fulfilling MY Financial Dreams"

Objective	Measurement	Baseline 9/30/13	12/31/14 Target	Initiatives (Owner)
Safe & Sound Financial Institution	1. Average Relationship (Loans + Deposits) Per Member	\$7,142	2% Inc. \$7,285	<ol style="list-style-type: none"> 1. Evaluate Increasing D & E Loans (Gregg, Gary) 2. Aggressively Market Credit Cards (Roy) 3. Data Mining Member's Credit Reports to Recapture Loans (Cross Sales) (Traci, Brandy) 4. Evaluate Bundling of Products/Services (Darrell, Gary) 5. Relationship Marketing (i.e., market loans to members with only deposits) (Roy, Debbie)
Timely, Accurate Service	1. # of Complaints Received or Errors Made and % End Resolved	N/A	80%	<ol style="list-style-type: none"> 1. Establish a Quality Assurance Task Force of Staff and Define Their Duties (Mgmt to Appoint Task Force) 2. Task Force to Provide Feedback of the Cause of the Complaints/Errors and How It Was Resolved (Task Force)



Sample Internal Perspective

"Innovative, Convenient, Cost Effective Products & Services"

Objective	Measurement	Baseline 9/30/13	12/31/14 Target	Initiatives (Owner)
Enhanced Services	1. # of Business Members (1)	424	20% Increase	1. Implement Business RDC When Possible (Mgmt Team) 2. Develop Fee Schedules for Business Accounts by 6/30/12 (Gregg, Gary) 3. Business Development Campaign (Roy, Gary) 4. Implement Merchant Service for Business Accounts (Gregg, Debbie) 5. Research Payroll Origination Service for Business Accounts (Gregg, Brandy, Debbie, Darrell)
	2. # of Business Checking Accounts (1)	217	20% Increase	1. Implement Business Debit Cards by 9/30/12 (Gregg, Debbie) 2. Implement Business RDC When Possible (Mgmt Team) SEE ABOVE FOR ADDITIONAL INITIATIVES
Enhanced Marketing	1. Loan/Deposit Ratio	79.96%	> Peer Average	1. See RE Loan Portfolio Initiatives 2. See Average Member Relationship Initiatives
	2. Total Net Membership	17,731	1.50% Increase	SEE ALL OTHER INITIATIVES

(1) Account Class SDBUS



Sample Learning & Growth Perspective

"Excellence Starts With ME"

Objective	Measurement	Baseline 9/30/13	12/31/14 Target	Initiatives (Owner)
Mid-Management Development	1. % of Open Positions Filled by Internal Candidates	N/A	50%	1. Determine Future Leaders and Define Development Plans for Each (Mgmt Team)
	2. # of <i>'Management'</i> Training Hours Per Mid-Level Manager	Average of 10	10	1. Provide Various Training Opportunities (Mgmt Team) <ul style="list-style-type: none"> Onsite via CU People TCUL Webinars TCUL Conferences CUU Management Modules 2. Review 2011 BSC With All Staff by 3/31/12 (Gary)
Staff Development	1. # of Training Hours Per Employee Annually	Average of 12.8	10	1. Provide Various Training Opportunities (Mgmt Team and Mid-Level Managers) <ul style="list-style-type: none"> Onsite via CU People TCUL Webinars Monthly Department Meetings CUU Modules Ongoing Training on Systems
	2. Average Tenure/Employee (Excluding HS Students, Spousal Relocations)	4.14	>4.14	1. Prioritize and Implement Initiatives from EE Survey if Feasible by 6/30/12 (Mgmt Team) 2. Review 2011 BSC With All Staff by 3/31/12 (Gregg)



Sample Financial Perspective for 2014

“Secure With Long Term Stability”

Objective	Measurement	Baseline 9/30/13	12/31/14 Target	Initiatives (Owner)
Ensure Long Term Stability	1. (a) Net Worth Ratio After Stabilization Expense	9.99%	9.50%	1. Re-evaluate All Fee Options and New Opportunities (Mgmt Team) 2. Technology Streamlining (Mgmt Team) 3. Control of Costs (Mgmt Team) SEE ALL OTHER INITIATIVES
	1. (b) Net Worth Ratio Before Stabilization Expense	10.11%	9.75%	
	2. (a) Net Interest Margin After Stabilization Expense	.03%	.25%	
	2. (b) Net Interest Margin Before Stabilization Expense	.96%	.50%	



LEADERSHIP DEVELOPMENT



Succession Planning

The Facts

Why is each of the following important?

- The number **172**
- **21% & 34%**
- **Less than 1/2**



The Answers

- **The number 172** – The Number of Corporate Vice Presidents in the World Trade Center at the Time of Collapse
- **21% and 34%** - Within Credit Unions in Our Region of the Country, 21% of the CEOs Plan to Retire by 2015 and Another 34% Will Do So by 2018
- **Less than ½** - Only About ½ of Credit Unions With a CEO Nearing Retirement HAVE a CEO Succession Plan in Place



Management **Succession Planning**

Outline of Services

Using a user-friendly web tool, we can help your CEO and Board develop a comprehensive Succession Plan to increase the credit union's 'bench strength' and develop future leaders in your organization.

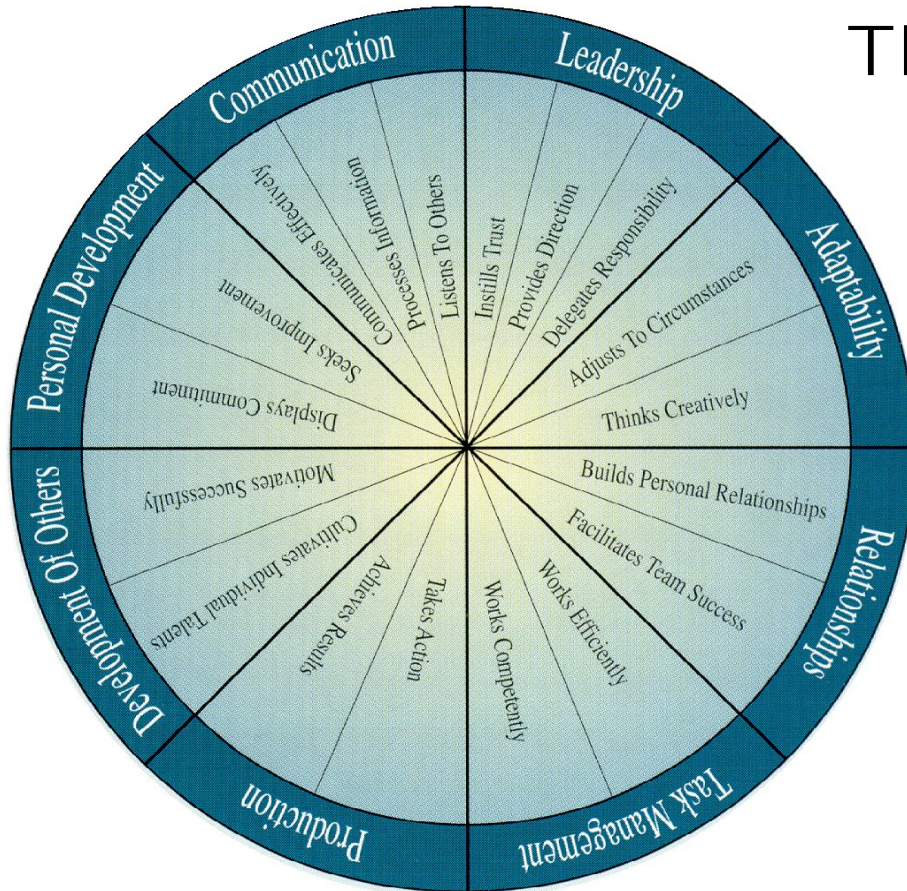
This process ensures that:

- ✓ You always have a plan in place in the event of a sudden or planned **departure of your CEO or other senior managers**,
- ✓ You **keep senior leaders motivated** to stay with your credit union by providing planned development opportunities,
- ✓ You **increase the capabilities** of your senior leaders in critical competency areas so that they are ready if and when turnover occurs,
- ✓ You will always have an updated CEO and Management Succession Plan because it is **securely saved online** and changes can be made quickly and easily at any time, and
- ✓ The **Board and CEO are working from the same plan** and therefore are on the same page in terms of CEO successors.

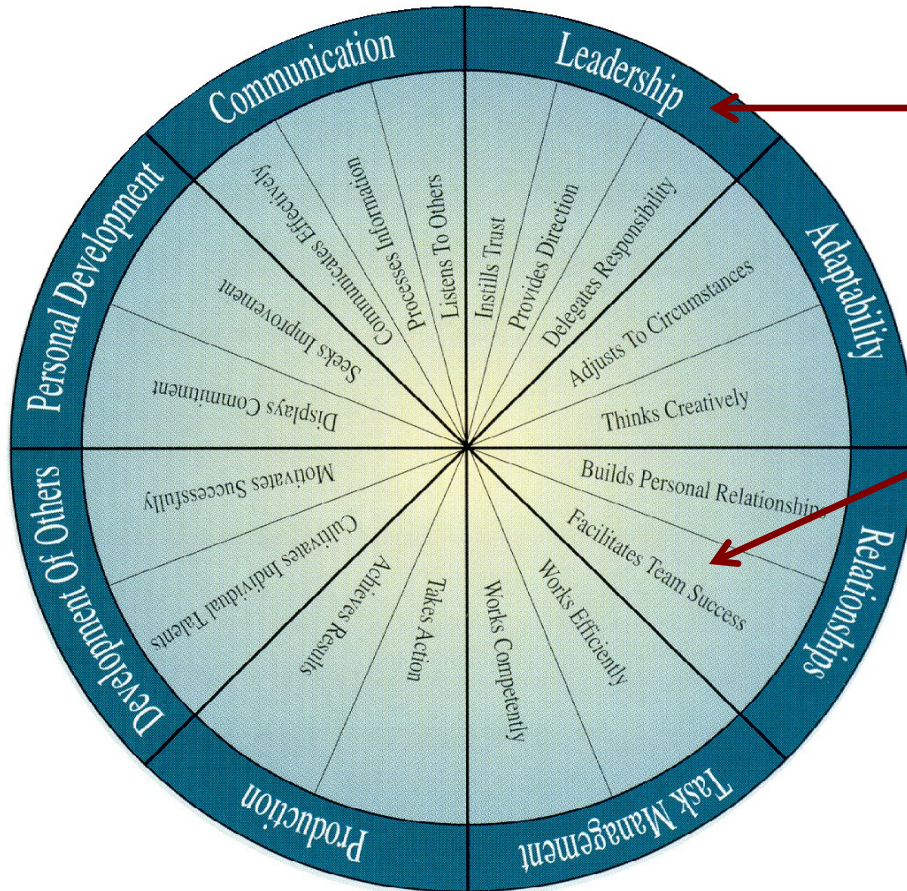


CheckPoint 360° Evaluation

The TYPICAL Evaluation
vs.
The CheckPoint 360°



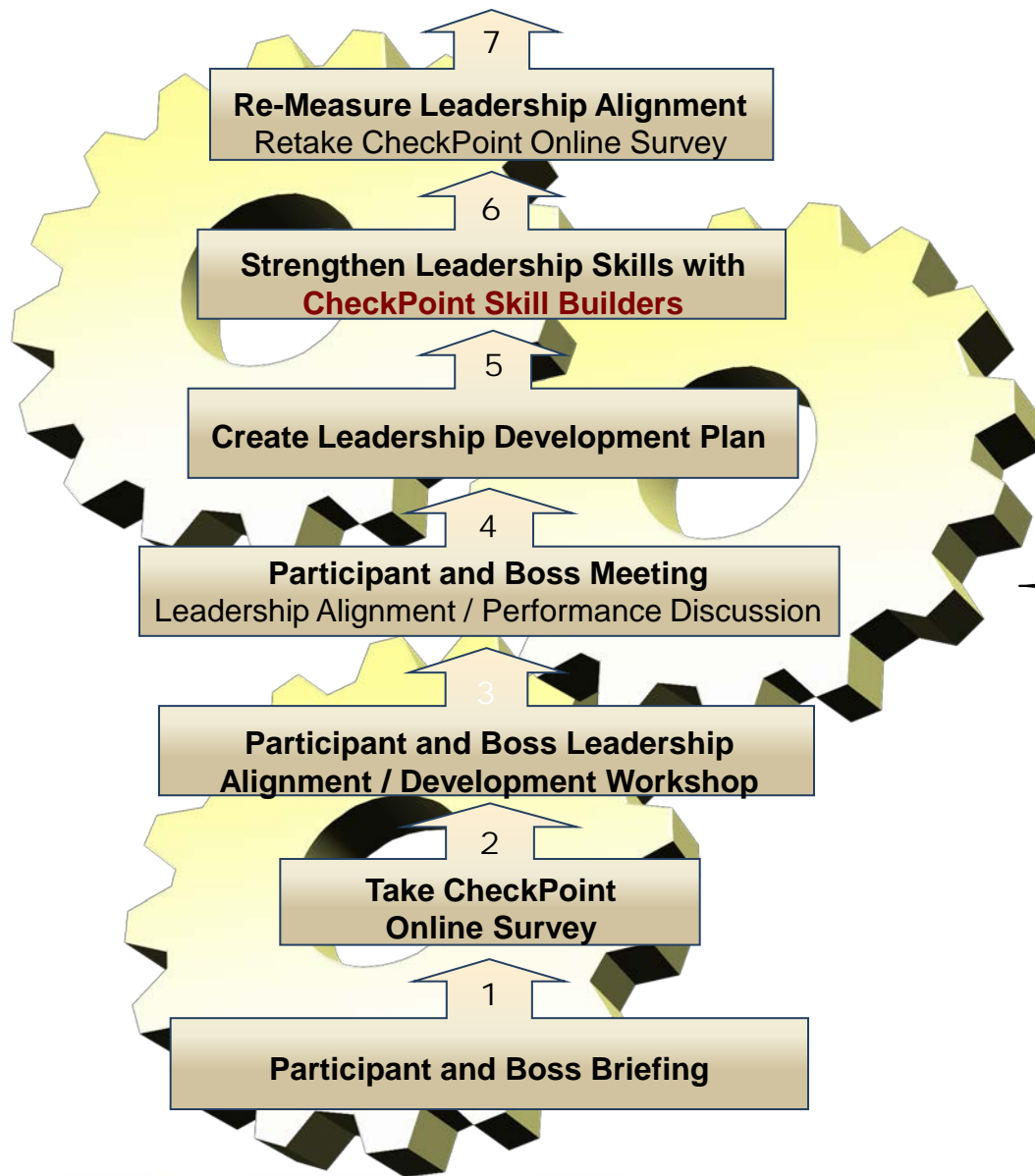
What the Checkpoint Measures



8 core areas of competency

18 essential job skills

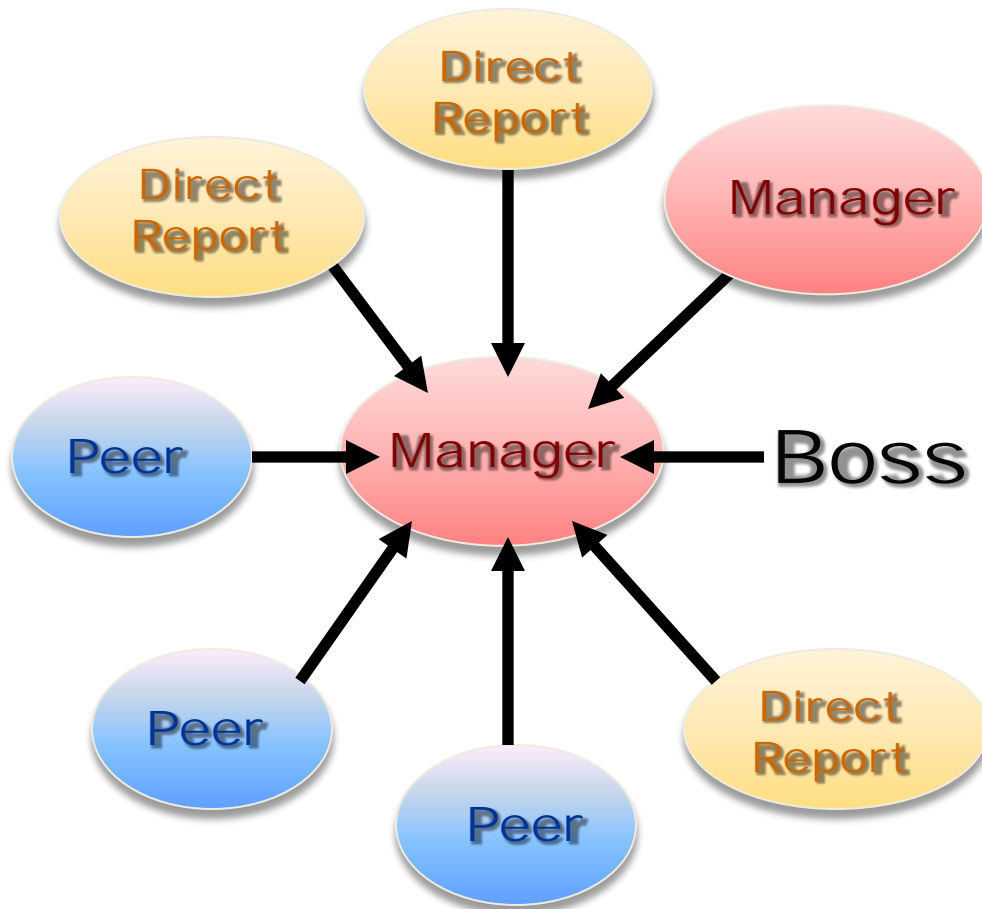
Profiles International – CheckPoint 360°



**A Proven
Process for
Aligning
Employee
Performance
with
Organizational
Objectives**



Checkpoint Feedback Process



- ✓ Motivates behavior change!
- ✓ Builds awareness!
- ✓ Points to Opportunity!
- ✓ Makes training more effective!
- ✓ Prepares them and the organization for the future!





VOLUNTEER DEVELOPMENT



Scope of **Volunteer Development Projects**

Today's Boards are faced with leading organizations whose complexity has increased incredibly in just the last ten years. Unfortunately, board governance has not always evolved along with the pace of the credit union's change.

These programs offered by OnBalance are a progressive methodology for developing Board competencies, methods, and practices.

VOLUNTEER DUTIES AND RESPONSIBILITIES

- **Position Descriptions for Directors, Officers, and Committee Members**
- **Develop Board Responsibility Policy to Include**
 - **Code of Ethics**
 - **Participation and Expectations**
 - **Management and Control**
 - **Education Requirements**



VOLUNTEER SUCCESSION PLANNING

The Benefits of Volunteer Succession Planning

1. The ability to anticipate openings well in advance in order to recruit effectively for the appropriate expertise and experience;
 2. The ability to identify and prepare future board leadership, and
 3. To preserve the tradition of excellence through the measured introduction of new board members.
- **OnBalance, utilizing a user-friendly well tool, can help your credit union create a foolproof plan for your Board's future. We will help you:**
- Define necessary Board competencies,
 - Anticipate when Directors are leaving,
 - Assess where the Board has or will have competency gaps in the future,
 - Create a development and recruitment plan for the future, and
 - Build a list of potential board members.
- **The comprehensive Succession Planning Report can be used by the Board to plan for the development of current board members and assist the nominating committee find potential board members who have the knowledge and expertise needed for future Board openings.**
- **In addition, each year as changes occur, we can assist in updating the Plan.**



VOLUNTEER EDUCATION GUIDELINES & REQUIREMENTS PLAN

- **Education is critical to being an effective Director and the members of the Board have a responsibility to the Credit Union membership to stay abreast of legal, regulatory and operational developments within the credit union industry.**
- **Development of a plan:**
 - **To ensure that every active Volunteer pursues a plan for continuing education throughout his or her career as a volunteer to remain current about topics and issues relative to the Credit Union and , and**
 - **In order to effectively serve and lead the Credit Union for the benefit of its members.**





STRATEGIC TRAINING SOLUTIONS



Strategic Training Solutions

COMPLETELY CUSTOMIZED to meet credit union's unique needs

- Designed for individual or small groups of credit union personnel
- Covers an array of subjects, both customized sessions and generic programs. For example:
 - ✓ Leadership Development and Coaching
 - ✓ Sales & Service
 - ✓ Board Orientation and Governance
 - ✓ Team Development
 - ✓ Member Service



Management and Volunteer Development

- **Board and Volunteer Orientation**
- **Board Governance**
- **Understanding & Interpreting Financials**
- **Legacy Leadership**
- **It's Okay to be the Boss**
- **Leading With Passion**
- **Stress Management: You Don't Have to Go Home Exhausted!**
- **Accountability – Taking Control**
- **Leadership courage**
- **The Human Touch Performance Appraisal**
- **Effective Delegation Skills**
- **Coaching for Maximum Performance**
- **Supervisor Skills for Success**
- **Leadership Skills of Santa Claus**
- **Stopping Sexual Harassment**
- **Managing Conflict at Work**
- **Leading Effective Teams**
- **It's a Jungle Out There! - Dealing with Difficult Behavior in the Workplace**
- **Motivation in the Workplace**
- **Handling Diversity in the Workplace**
- **Training That Works**
- **High Impact Presentations**
- **Investing Time for Maximum Returns**
- **Making Change Work for Success**



Staff Development

- **Start Right – Stay Right – “Tools for Success”**
- **Job Strategies for New Employees**
- **Monday Morning Member Service**
- **The 7 C’s of Effective Teamwork**
- **Attitude: The Choice is YOURS**
- **5 STAR Teamwork**
- **The 5 Dysfunctions of a Team**
- **Walk the Talk TOGETHER**
- **Turn Up The Heat on Member Service**
- **Member Service Excellence: It’s In The Details**
- **Credit Unions – A WORLD of Difference**
- **Effective Communication**
- **Effective Teamwork**
- **Listen Up: Hear What’s Being Said**
- **Time Management: How to Get Everything Done and Still Have a Life**
- **Keep Them Calling: Superior Service on the Phone**
- **Outstanding Customer Service**
- **Managing Change**
- **Recognizing the Need for Creativity**
- **Sold on Selling: Skills & Techniques**
- **Negotiate With Confidence**
- **Getting and Staying Organized**
- **Business Etiquette**
- **The Power of Business Ethics**



INSCAPE Learning Programs

“Each Involves a Self-Assessment Tool”

- **Personal Profile:** A Plan to Understand Yourself & Others
- **Discovering Diversity:** Exploring Differences in the Workplace
- **Coping & Stress:** Understanding Personal and Relationship Stress
- **TEAM Dimensions:** Understanding & Valuing Your Contribution to Successful Teams
- **Time Mastery:** How to Manage Your Time More Effectively
- **Personal Listening:** Understanding Personal Listening Approaches



QUESTIONS



Contact Us Today

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