



Executive Summary: “Empowering Leaders”

Session held March 29, 2018

Session Panelists:

- **Julie Irby - Training and Development Coordinator, Freedom Federal CU, \$308M asset size**
- **Deborah Sparrow – Senior VP and Chief Lending Officer, Maine State CU, \$398M asset size**
- **Chuck Purvis - President and CEO, Coastal Federal CU and his team. \$3B asset size**

Each credit union takes a different approach to developing current and future managers for leadership roles.

In “Empowering Leaders,” three credit union representatives talk about how their credit union has approached leadership development, including building an in-house training program, developing a culture that values employee ownership, a development program that combines internal and external opportunities.

Leadership from scratch

When she arrived at Freedom Federal Credit Union, Julie Irby discovered there was no formal manager training at the \$316 million asset credit union in Bel Air Maryland, but people were still being promoted to manager positions without ever being taught how to be a manager.

An assessment found that five of 12 managers at Freedom Federal had not received any training dealing with developing employees and felt that it was not a main responsibility of their jobs because their job was more day-to-day and operational. Six managers had received training at the credit union and four had participated in training outside the credit union.

Managers indicated mentors, training on leadership topics, communication, and the ability to attract and retain staff were all factors that contributed to successful managers, but those were also the areas they found difficult.

“It was evident the managers want to know more about how to develop employees,” says Irby, who is the training and development coordinator at the credit union. Irby gathered a group of managers together to brainstorm ideas on of what competencies a manager should possess, what resources should be given to new and existing managers, and how to lay out a training program.



What resulted was a program called S.A.I.L. Training, a six-module program designed to take about six months to complete. Classes were held once a month for either a full day or half day and Freedom Federal enlisted the help of the local community college to help with topics.

The six modules include a strengths finder, management 101, employee development, performance management, emotional intelligence, and leadership.

Each class also starts with a series of questions about how participants are implementing the skills and ideas they've learned into their jobs, Irby says. Mentoring is also an important part of the class, because it allows participants to get guidance from individuals who have managerial experience.

While creating the S.A.I.L. Training program, Irby says L.E.A.D. (leadership, exploration, and development) Training was also developed, which is geared towards individuals who are assistant managers and SSRs. Eventually the program will be offered to anyone with leadership qualities, Irby says.

This three-module program includes a strengths finder, employee development, and leadership.

The first rounds of these training programs began in April 2018 and will conclude in October 2018. Once complete, Irby says the credit union will conduct an employee survey to determine if the programs impacted employee engagement.

Irby says Freedom Federal also has an In-Touch Program, which is a six-week program. Participants visit each department to understand how each department fits into the credit union's mission and how the various departments work together.

"We felt it was important that if we were to create leaders within the organization, they need to understand how each department fits and works together," she says.

Empowering leaders

At Maine State Credit Union, how the culture and views toward leadership drives the effort to make employees at the \$404 million asset credit union in Augusta feel empowered, says Deborah Sparrow, senior vice president and chief lending officer. "Leadership and culture are the foundations of empowerment of our people," Sparrow says. "And by rewarding leadership traits and behaviors, we empower employees to have a voice



Rewarding leadership traits and behaviors

Maine State’s organizational culture is built around leadership and setting “Leaders can make or break the people who work for them,” Sparrow says. “So we look to try to reward those who have the willingness and ability to inspire others to grow.” To do that, Sparrow says Maine State focuses on interviewing and hiring people for open positions at the credit union—from entry level to the top leadership roles—who have the traits and behaviors of good leadership. That includes a positive energy, a calm demeanor, open mindedness, a sense of humility, and being a great communicator. Individuals with these traits are also kept in mind when it comes to promoting employees from within the organization, Sparrow says.

Empower employees to take ownership

“We set an expectation for leadership and ownership at all levels,” Sparrow says. “The CEO is our top leader, but we also expect leadership ability from folks who are coming in at an entry level.”

To build leadership and ownership, Sparrow says each mid-level manager is required to choose a senior level leader to be their mentor. This builds trust and safety throughout the relationship and drives learning.

Employees are also shown how their day-to-day work makes a difference in the credit union and its strategic plan. Also make sure to ask each employee about their career interests and ambitions.

“Be curious about people and their potential,” Sparrow says. “We all have different personality traits and capabilities, but every single one of us has the potential to do great things.”

To assist in reaching that potential, Sparrow says Maine State uses individual growth plans (IDPs) as a way to guide conversations about training and development opportunities for employees, help identify gaps, and as a tool for succession planning. It’s also a driver of employee ownership.

“Employees feel a sense of ownership and belonging if their ambitions are known and encouraged,” Sparrow says. “We really encourage people to reach beyond what they may think they have coming with their own abilities.”



Developing from within

Chuck Purvis estimates he has about five years left before he retires from his role as president/CEO at \$2.9 billion asset Coastal Federal Credit Union in Raleigh, N.C. With five of the credit union's six C-suite executives in their 40s and the training programs in place, he hopes one of those individuals would be capable of succeeding him.

C-suite executives

Coastal uses a combination of external and internal programs to develop its C-suite executives into leadership, Purvis says. This includes appointing executives to boards and committees at the credit union, credit union service organizations, and other boards within the industry. They are also expected to serve on the board of one local non-profit.

They are also encouraged to take advantage of industry executive development programs, networking, and learning programs.

There are also development opportunities within the walls of Coastal, Purvis says. The credit union has a job rotation in place, where executives are assigned to a different c-suite level position every three to five years. This gives the employee an opportunity to learn how to lead based on their leadership skills and not just rely on their technical skills in a single field.

These individuals also meet with Purvis for weekly senior management team meetings and strategic planning sessions throughout the year. They participate in an executive coaching program and take leadership roles in company-wide projects.

Vice presidents and assistant vice presidents

These individuals participate in similar development programs as c-suite executives, including a job rotation, external training, networking, and development opportunities, and participation in management planning sessions and board planning sessions. They also partake in the Decathlon Program, a 10-month leadership development program that includes a 360-degree assessment of each participant. The program includes training around leadership skills, but participants must also complete a significant project. The goal is to establish better collaboration among this level of employees as a group.



Other development

Coastal has made a significant commitment to management and leadership training, with an annual training budget of \$1.5 million per year, Purvis says.

The credit union has adopted a requisite organization model approach to hiring and assessing candidates. A third-party interviews every upper-level candidate to assess their capacity to handle the complexity of the role. This is assisting the credit union in making better decisions about promotions and outside candidates, Purvis says.

Employees at the credit union also participate in “manager once removed” meetings. For example, once a year Purvis meets with each of the employees that report to his direct reports. These meetings focus on the employee’s development, their interests, and long-term aspirations. “The employees appreciate it and it helps us better understand the developed needs and wishes.”

This and all Virtual Roundtables are a benefit of membership for the CUNA Councils. Members can review additional session archives by logging into www.cunacouncils.org and visiting the Virtual Roundtable page. To learn about Council membership, visit www.cunacouncils.org/membership