



## **CUNA Excellence in Operations & Member Experience**

### **Building Member Trust**

#### **Member Solutions Training & Instituting a Proactive, Member Driven Culture**

In 2015, One Credit Union initiated a proactive, member driven culture plan. The Credit Union needed to find ways to increase net income and better serve its members; net income was below peer, retail staff functioned as order takers, and sales (by any definition) was a misunderstood concept; the overall climate demanded a dramatic overhaul.

To drive this new cultural initiative, the management team had to think creatively and act differently. The first change was to hire an operations/retail manager with a strong retail focus, which was a new approach for the Credit Union. By the end of 2015 the new retail manager started and quickly began looking at historical data for branch sales so that goals could be set.

In prior years, branch managers did not have goals, nor did they know how their performance was measured. Establishing goals generated anxiety for seasoned staff. While there were company-wide lending goals, the goals were not translated to specific lenders, tellers, member service representatives, or branch managers. Staff did not have individual goals nor were the company goals in any way tied to individual performance measures.

The management team knew that a major values shift such as a cultural change, while necessary for sustainability and growth, would take time and thoughtful, hard work. Each department, manager, and employee would play a critical role in making this shift a reality. The process of moving from an order taking to a solutions-focused environment started 18 months ago and is still in progress. The 6 main steps the Retail Team at One Credit Union followed to make this transformation are:

1. Sharing Data
2. Setting Goals
3. Tracking Progress
4. Instituting Contests
5. Developing the New Accounts Process
6. Ongoing Coaching and Training

#### **Sharing Data**

The management team reviewed data, prioritizing areas most important in terms of sales and service, and developed scorecards for each office. This allowed all staff to track their progress and see how they were doing on a consistent basis and gave them the opportunity to adjust behaviors as needed.

The Retail Manager and Branch Managers set up monthly one-on-one's. These are meetings where the data is discussed and parsed including information about the Credit Union's current state of profitability, the potential (the vision), and individual branch performance.

### **Setting Goals**

After meeting with the CFO & VP of Lending to discuss 2016 company-wide goals, the first annual goal setting meeting with branch managers took place. One Credit Union asked Managers to strategically think about their market in terms of demographics, opportunities, and pain points. They were then given the company goals for all loan categories, credit cards, deposit accounts, and membership.

The conversations were passionate and robust. First and most importantly, because the branch managers were included as part of the process of setting their own goals for the first time, they felt a sense of pride and ownership in doing their part to help the organization. Secondly, each category also had a numerical goal and was weighted by both importance to profitability and by how easily behaviors could be changed to achieve the goal. For example, One Credit Union does "Financial Tune Up's" which is a review of the member's credit report so that we can offer the member ways to save money through smarter lending or credit counseling. Financial Tune Ups aim to help our members achieve their financial dreams. For this first year, a qualified referral was simply a teller documenting that they had a full conversation (more than a mention) with a member about the value of a Financial Tune Up. The goal was 688, or 3 referrals per month per teller. One Credit Union's tellers achieved 155% of this with 1,041 such referrals. The results helped the credit card, loan, and deposit accounts grow. Specific growth attributed to these Financial Tune Up Referrals include: Visa portfolio up by 13.4% over 2015 and consumer lending up by 18.3% which included 17% that was related to direct auto lending.

Following the meeting, Branch Managers were tasked with assigning goals to each of their employees based on branch goals, employee position, and personal capabilities. One Credit Union encouraged Branch Managers to include their staff in these discussions so that they would feel the same sense of ownership the managers now felt.

The branches have other goals that are related to service such as a mystery shop program and improvements in telephone answer rates (some calls went unanswered) which have been pain points for the organization.

### **Tracking Progress**

One Credit Union management developed branch scorecards which fed into a company-wide scorecard to track overall progress. Operations staff pulls information (additional points of internal ownership) and makes updates monthly. The scorecards are shared with staff and discussed at bi-weekly branch meetings. The Retail Manager also discusses progress during monthly one-on-one's between the retail

manager and branch managers along with an ongoing discussion at every monthly branch manager meeting. Branch Mangers share ideas and learn from their peers' successes and failures.



# Springfield '17

## Member Experience

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Actual
MS Ph Wait	50%	50%	54%	46%	52%								50%
Loan Ph Wait	62%	87%	58%	37%	42%								57%
Dropped Calls	4%	4%	4%	5%	5%								4%
Mystery Shops					88%								88%

## Branch Sales Growth

New Members	35.00	34.00	40.00	37.00	46.00									192.00
Consumer DDA	22.00	21.00	16.00	21.00	27.00									107.00
Business DDA	2.00	1.00	2.00	4.00	-									9.00
FTU	3.00	3.00	7.00	9.00	11.00									33.00
Credit Cards	5.00	15.00	8.00	3.00	5.00									36.00
Bal Transfers	12,989.07	53,350.22	5,857.00	6,975.85	5,461.38									84,633.52
Home Equity	65,850.00	16,302.70	40,900.00	19,296.00	217,602.00									359,950.70
Consumer	463,710.67	465,850.71	773,079.45	710,541.06	707,754.19									3,120,936.08
Mortgages	-	424,600.00	176,000.00											600,600.00
Commercial	-	160,000.00	-	210,143.57	13,440.00									383,583.57
GAP	7.00	10.00	11.00	19.00	11.00									58.00
MBP	2.00	1.00	3.00	4.00	1.00									11.00
CR Disability	163,384.00	135,030.00	228,953.00	316,291.00	304,216.00									1,147,874.00
CR Life	98,339.00	121,257.00	254,793.00	467,842.00	272,471.00									1,214,702.00

## Balanced Performance

	New Members	Consumer DDA	Bus DDA	FTU Referrals	Credit Cards	Bal Trans	Home Equity	Consumer	Mortgages	Commercial	GAP	MBP	CR Disability
% To Goal	64.00%	30.57%	50.00%	5.29%	36.00%	94.04%	36.00%	36.72%	20.71%	69.74%	56.12%	41.40%	39.98%
Total	192.00	107.00	9.00	33.00	36.00	84,633.52	359,950.70	3,120,936.08	600,600.00	383,583.57	58.00	11.00	1,147,874.00
Goal	300.00	350.00	18.00	624.00	100.00	90,000.00	1,000,000.00	8,500,000.00	2,900,000.00	550,000.00	103.36	26.57	2,871,464.58

	CR Life	MS Ph Wait	Loan Wait	Dropped Calls	Mystery Shops
% To Goal	41.31%	59.29%	67.29%	110.00%	103.53%
Total	1,214,702.00	50.40%	57.20%	4.40%	88%
Goal	2,940,794.38	85%	85%	4%	85%

Overall Performance
52%

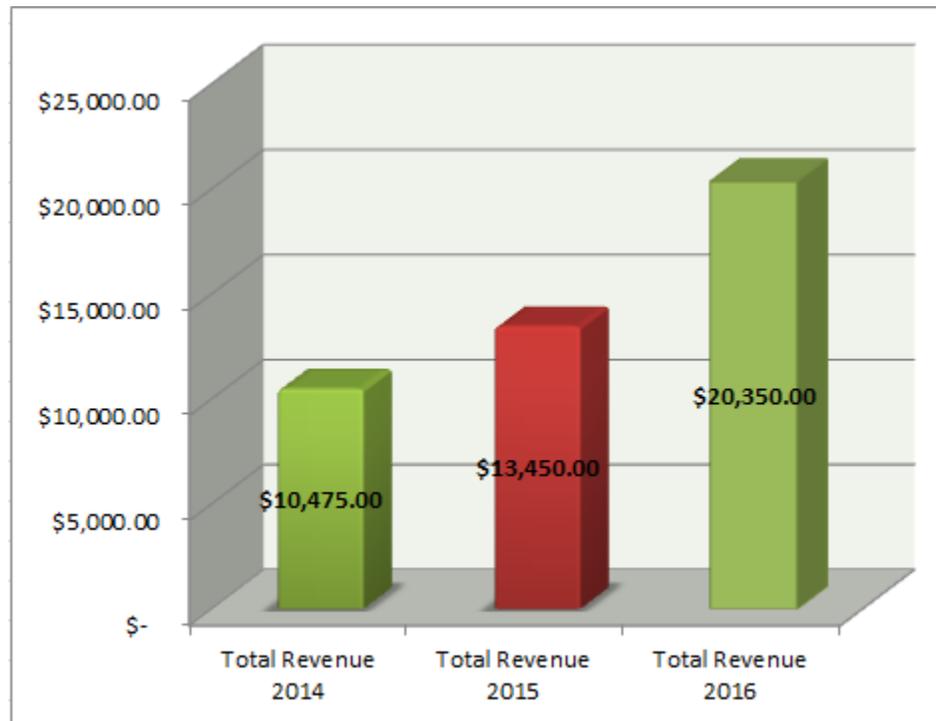
## Instituting Contests

The most exciting component for One Credit Union's staff and management team was the institution of contests. Staff learned that their goals, as listed on their scorecard, were the expectation and the contests were just a fun avenue to help them achieve those targets. Over the following 18 months, the Credit Union had 6 different contests each geared to help the branches in areas of opportunity. The management team is very proud that in each of these contests the branches exceed most of their goals.

Two separate contests speak volumes about the success of One Credit Union's programs: the 2016 Skip-a-Pay Drive and the One Big Mess Mud Truck Race.

### *Skip-a-Pay*

The Credit Union's former CEO stated during the summer of 2016 that when the Skip-a-Pay program was launched, he had "hoped for about \$5,000 in additional non-interest income for December." Based on staffing and 2015 results, (\$13,450 in income and 538 skipped loans), the Credit Union set a goal of \$15,000 in additional income from the program (600 skips & a 12% lift) in 2016. This contest was both individual and team driven and the top individual performers received a small monetary incentive; by staff achieving the company goal all offices received a pizza party. The results? One Credit Union branches helped members with 814 skips, adding a record breaking \$20,350 in additional income, which was a 51% increase from 2015 and a 94% increase over 2014. Daily success tracking with charts and emails encouraged staff to do their absolute best. Staff was competitive and enjoyed the challenge.



### *One Big Mess Mud Truck Race*

Credit card balances typically get paid down during the first quarter from tax returns. So the One Credit Union management team decided to put together a contest to increase balances from members by transferring balances from higher interest cards onto the One Credit Union card. One Credit Union is located in rural Vermont and New Hampshire and many staff members are into “mudding” and/or racing, so they put together the “One Big Mess” Mud Truck Race. This contest ran for 6 weeks and focused on new Visa cards and balance transfers and the goals were based on annual expectations plus a 6% lift. The goal was 64 new cards and \$46,000 in balance transfers. At the end of the contest, staff had funded 59 cards (92% of goal), and transferred \$196.5K in balances – 427% to goal! Most impressive was that this was 52% of what was expected for the *entire year!* The ‘lowest’ performing branch came in at 131% of goal with the top performer at 365%. One Credit Union staff thoroughly enjoyed this experience and as you can see from the below picture, the speedometers were off the charts. Each time staff made a referral that resulted in a funded Visa they received a \$5.00 Dunkin Donuts gift card. All branches achieving the balance transfer goal received a pizza party and jeans day. More importantly they felt really great about their accomplishments and learned how easily they could contribute to the overall goals and success of the Credit Union, all while working in the best interests of the members by lowering their interest rates!



## Developing a New Accounts Process

Prior to the Member Solutions initiative, staff lacked training in Active Listening which is needed to offer appropriate solutions for the member's specific needs. One Credit Union confirmed these observations through a mystery shop program introduced in November of 2016.

The staff's focus was consistently on the member and doing the right thing, however the people in key account opening positions lacked the tools and training needed for success.

With a member-centric focus, the retail manager, marketing manager, and frontline staff teamed up to develop a 5-step process for opening new accounts. Once developed, this was presented to and embraced by the entire management team. The 5 steps for new accounts are now as follows:

### *Welcome*

Staff not only shake hands and introduce themselves, but also set expectations for the meeting. First and foremost, the potential member is thanked for choosing One Credit Union. Staff then asks the member if they have a time constraint and gets permission to take notes (see note tool below). Finally, they explain how a credit union differs from a bank, which is especially important when marketing to younger generations.



Member Name: \_\_\_\_\_ Date: \_\_\_\_\_

What are your likes and dislikes about your current or last financial institution?

What brought you to One Credit Union?

**Banking Preferences**

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**Convenient Access & Debit**

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**Savings Goals**

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**Visa, Borrowing, FTU**

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### *Discovery*

Coaching sessions teach Staff to cover 4 topics with 1-2 open ended questions in each area. There is no script so that staff has a natural and relaxed conversation. Below are a few examples:

Current Banking State – “Can you tell me how you typically access your accounts?” “What was working well at your prior financial institution?” “What brought you into One Credit Union?” “Please describe the tools you use for managing your account.”

Convenient Access – “Tell me how you typically pay for purchases?” “What credit cards do you currently use?” “How do you pay your bills?”

Savings Goals – “What savings goals do you have for you and your family – short and long term?”

Lending Needs – “What loans do you currently have at other financial institutions?” “What lending needs do you anticipate for you and your family over the next year?”

Asking open ended questions like these gives the prospective member the opportunity to talk about their needs and staff the opportunity to listen and take notes, before making recommendations.

### *Solutions*

“Mr. Smith, based on what you told me, I’m confident that we have some great solutions that will help you meet your goals/save you money...”

Using a new Member Solutions Guide, which was specifically designed for this process, staff can use this visual aide as they make recommendations. Recommended solutions must be based on needs expressed and uncovered during discovery. If the staff member does not uncover a specific need, they cannot offer a product as this, by definition, would be the type of “sales” that One Credit Union does not want. Bad experiences with sales that are unrelated to needs is why some people think “sales” is not for a member-centric organization. One Credit Union instructs its staff to only offer solutions to expressed or uncovered needs. If a need is not there, they do not push products. Staff knows that although there are goals, they are indeed goals – not quotas.

As staff discusses how products and their features will benefit the member, they utilize the Member Solutions Guide (see excerpt below). This allows the member to hear the verbal communication and also absorb the information visually. The tabs, on the right side, allow our teammates to easily flip through the various pages, all of which discuss a product theme. There are tabs for: Savings & Checking, Convenient Access, Auto & Signature Loans, Credit Card, Home Loans, and Business Services.

The Member Solutions Guide is designed in a fashion that as a teammate moves on to the “fulfill” stage, the member can look through it. There are fun facts, tips and tricks, and “did you know” icons that reinforce the additional financial education resources available on our new website – components that are helpful and interesting to the member. Further, this engages the member while staff proceeds through the next step.



## Savings & Checking

- High Yield Savings and CDs
- Checking Account Suite with online/mobile access
- Tax Advantaged Savings Plans

### When it comes to saving, think BIG, and remember it's okay to start small.

There are many reasons to save money. Having clear goals makes the "spend or save" decision MUCH easier. Call your own shots, financially speaking, and achieve your goals with these products:

**High Yield Savings** – dividends grow as your balances grow! Add "nicknames" to your accounts to identify your savings goals.

**Certificates of Deposit** – earn even higher dividends with time deposits. The longer your term, the higher the rate! Ask about a CD Ladder to improve yield.

#### **Tax Advantaged Savings**

- **Individual Retirement Accounts** – For retirement, try Traditional and/or Roth accounts.
- **Coverdell ESA** – For education savings, for K-12 or college!
- **SEP IRA** – Simplified Employee Pension accounts for business owners/freelance workers.
- **Health Savings Account** – High Deductible Health Plan participants save for future qualified medical expenses.

**Checking Account** – Free, with all the fixings! Unlimited check writing, EMV debit card, Online Banking and Bill Pay from any device (phone, tablet, PC), mobile deposits and more!

### **One Credit Union is here to help you achieve your financial goals.**

Use these free services to best manage your accounts.

**Direct Deposit** – Have your paycheck or government benefits automatically deposited in your account(s). It's fast and SECURE. Specify how much to direct to your savings, checking or even automatically make loan payments. It's that easy!

**Automated Savings Plans** – "Pay Yourself First" with automated transfers to your high yield savings account. Set it and forget it, and watch the balances grow.

**Overdraft Coverage Options** – Save yourself embarrassment and significantly reduce your exposure to hefty fees that come with declined transactions.

**Stash the Cash** – Round up each OCU debit card purchase and deposit the funds in your Stash account, which has a preferred dividend rate!

#### **did you know?**

**tip** When you sign for debit card transactions, the transaction does not count towards your monthly limit. So whenever possible, sign your debit card transactions rather than use your PIN.

#### **advanced tips & tricks**

**tip** Set up Automatic Savings Plans to save for emergencies, vacation, property taxes, holiday gifts or other savings goals. These regular deposits add up to take the sting out when big expenses come along. Add nicknames to your accounts to remember your goals.

#### **you may also like**

Set up e-Statements and online/mobile banking access. This secure access makes it easy to manage all your account needs, from your smartphone, tablet or PC.



### **Be Smart. Learn more at [onecu.org/education](http://onecu.org/education)**

Click on **Online Classes** to take a refresher on managing your checking account. Or browse the Savings or Money Management categories for articles, blogs, podcasts and videos to learn more. And talk to us! We're here to help you achieve your goals, Boss.

### *Fulfill*

This is the easiest step and is where the staff member opens the account on the core system. Account opening is a separate step because, during Discovery and Solutions, the entire focus is on the member – not a computer screen. This separation helps reduce clerical mistakes and shows the member that when they are speaking, they are the most important thing to the Credit Union staff.

### *Experience*

The last step is where staff introduces the new member to their teammates and helps the member make their first deposit. One Credit Union also helps the member enroll in online banking and download their mobile app on their own device. Members are encouraged to enroll in e-statements and staff are there to assist. Before the member leaves, just as they were greeted, staff gives them a handshake.

When this process is followed and staff is genuine, the member leaves with no doubt that their MSR cares about them. Members will leave trusting the Credit Union, and will refer more business because they will understand that One Credit Union listens to its members and offers them solid solutions that meet their needs, in their best financial interest.

### **Ongoing Coaching and Training**

The final piece of this process is ongoing coaching and training. This is probably the single most important step to solidifying a change to culture because it is the only way skills will be refined and new, good habits will form. The training started at One Credit Union's first-ever all-employees meeting in May of 2017. The entire process of interacting with a potential new member was discussed and the retail manager did a mock new account opening with a branch manager to demonstrate the process. Over the course of the last couple of months, branch managers have role played with each other and the retail manager to practice the process.

Managers are now working to train the staff in their branches and are doing routine role playing. They are also sitting in on new account openings on occasion so that they can discuss with their staff what went well and where improvements are needed. Additionally, during routine branch visits, the retail manager is observing new account openings or role playing with staff. Staff receives regular coaching and processes are improving accordingly.

Additionally, One Credit Union is developing a series of web-based training for all staff that covers the entire process. This will be required training every year and will be revised as needed.

### **Conclusion**

The work within the Retail Team does not stand alone. The support work from each of our senior managers and support staff cannot be overstated. Our Marketing Manager started with a branding refresh that reflected member centric values, our vision and our mission statement. The HR Manager worked with the entire team on revamping job descriptions and hiring employees that were a good

cultural fit. Finally, leading by example, our CEO and CFO have demonstrated that we are an organization destined to grow by living our mission: “To provide valued financial products with service that exceeds expectations at every stage of our members’ lives.” This is at the heart of what is done every day at One Credit Union.

Through member-centric training, continuous coaching, and a willingness to adjust the process as needed, One Credit Union’s solutions-based culture is embedding itself into each team member. Solutions based offerings are becoming the normal, natural way to do business, helping to launch the organization to the next level. “Sales”, when done as described above, are really “Solutions”, and helps us deliver unparalleled service as staff steps through the simple process of uncovering needs and matching those needs with superior solutions every day for members.

Respectfully Submitted,

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