

# Credit Unions Enthusiastically Embracing Diversity, Equity, and Inclusion: Results from the CUNA Annual Membership Survey



Credit Union National Association (CUNA), which is committed to diversity, equity, and inclusion (DEI), surveyed member credit unions in 2019 and 2021 to learn the extent to which credit unions are intentionally working to improve their DEI efforts. This issues brief examines the trends in credit unions' DEI journey over this two-year period.

### **In brief**

CUNA found that in 2021, 60% of credit unions are focused on DEI, up from 37% in 2019. Eighty percent of credit union members now belong to a credit union focused on DEI (i.e., they're planning DEI efforts or are actively working to promote DEI and create more robust practices). This rapid growth in credit unions' focus on DEI is encouraging.

It also signals that credit unions understand that being intentional about DEI is:

- [Central to the credit union mission](#)
- [Vital to our advocacy efforts](#)
- [Effective in improving organizational performance](#)
- [Critical to our movement's survival](#)
- [The right thing to do](#)

While this report finds that credit unions have made significant strides when it comes to organizational commitment to DEI, there is still room to improve, especially when it comes to the maturity of their efforts.

### 'You can't improve what you don't measure'

CUNA surveyed credit unions in 2019 and 2021 to gauge their status on their DEI journey. CUNA's Annual Membership Survey asked credit union CEOs to describe their organization's approach to DEI. The responses fell into the following three broad categories:

- "it's not on our radar screen,"
- "we're in the DEI planning phase," or
- "we're in the DEI implementation phase, and it's integrated into our strategy and goals."<sup>1</sup>

### CUNA DEI survey results: Credit unions show significant growth on their DEI journey since 2019

According to the annual membership survey, as of late 2021, most credit unions (60%) are focusing on DEI.<sup>2</sup> One in three of these credit unions have DEI integrated into their strategies or have plans in place, if not already deployed. The remaining are exploring what DEI means to their organization and members, where to start, and how to support their efforts.

This represents **significant growth in credit unions' DEI journey since 2019**, when most credit unions (63%) reported not having any DEI-specific efforts in place and not having plans to initiate any in the following year.

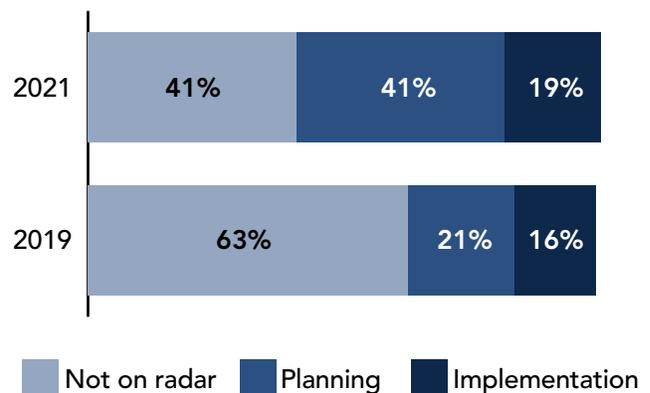


We have made DEI part of our DNA. It is part of our strategic plan, our strategic advantage, and we have determined it to be a moral imperative.”

**CEO of an \$800 million asset credit union,**  
CUNA Annual Membership Survey, 2021

### Credit Union DEI Focus

2021 vs. 2019



Source: CUNA

<sup>1</sup> See Appendix for survey questions and response rates.

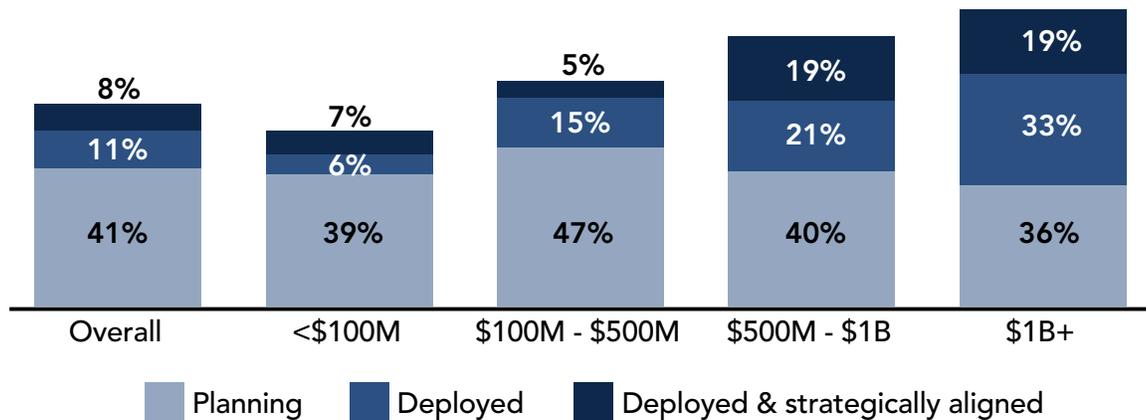
<sup>2</sup> NCUA's Voluntary Credit Union Diversity Self-Assessment Survey asks credit unions to indicate whether their leadership and organization are committed to diversity and inclusion. In the 2021 survey, 60.1% of credit unions answered in the affirmative. <https://www.ncua.gov/files/publications/2020-omwi-congressional-report.pdf> (accessed on 01/29/2022).

Credit union focus on DEI increases with the asset size of the financial institution. In 2021, half of credit unions with less than \$100 million in assets (51%) reported working on DEI, compared to 70% with assets between \$100 million and \$1 billion, and 88% of those with \$1 billion and more.

Although the smallest credit unions are less likely than their larger peers to focus on DEI, they have made impressive progress since 2019. Credit unions with less than \$100 million in assets are nearly twice as likely—51% vs. 28%—to focus on DEI in 2021 compared to 2019. Credit unions with \$100 million to \$1 billion in assets have also made sizable gains with 70% focusing on DEI in 2021 compared to 47% in 2019. The largest credit unions have stayed steady at roughly 90% over the same time span.

The size of the credit union significantly influences the maturity of DEI efforts as well. About 20% of the largest credit unions—those with \$500 million or more in assets—have strategically aligned their DEI endeavors with organizational goals, compared to just 5%-7% of their smaller counterparts.

**Maturity of DEI Efforts at Credit Unions**  
by Asset Size, 2021



Source: CUNA

**Why this matters?** Recent research from the Filene Research Institute suggests aligning of DEI efforts with organizational strategy, goals, and measurement matters for stronger credit union performance.

“Credit unions with DEI strategy, goals, or tracking practice bundles reported higher return on assets and net income than credit unions without these practice bundles in place.”

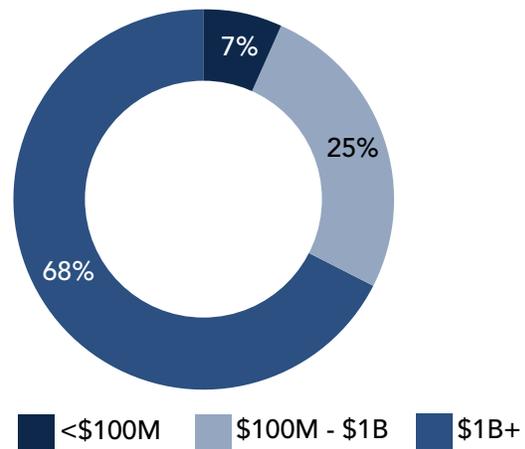
Quinetta Roberson, Ph.D., and McKenzie Preston, “DEI Practice Bundles & Credit Union Performance: Results from Filene’s DEI Practices & Policies Survey, 2021.” Filene Research Institute.

### Industry makeup and DEI reach

More than half of all credit unions in the United States have less than \$50 million in assets and average fewer than five full-time employees. Just 7% of credit union members belong to a credit union with less than \$100 million in assets. In comparison, 5% of credit unions have \$1 billion or more in assets and account for the majority of the industry’s members and assets (68% and 73%, respectively).

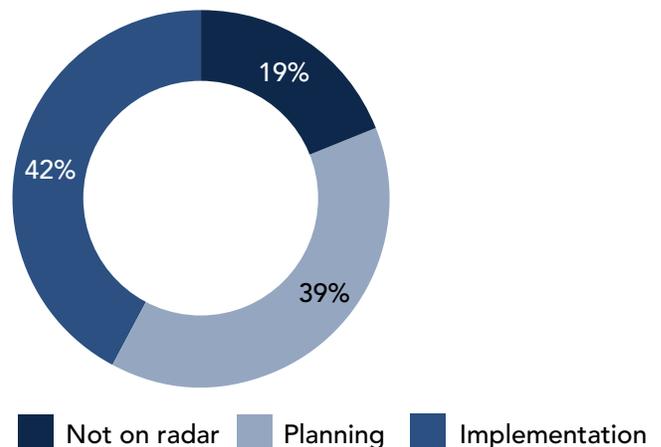
Given the makeup of the industry, it’s important to look at DEI not only at the organizational level but from member reach as well. From this perspective, over 80% of all credit union members belong to a credit union focused on DEI. Of these, just over half belong to a credit union that has deployed DEI efforts, if not aligned them, with their strategic plans.

### Member Distribution by Credit Union Asset Size, 2021



Source: CUNA

### Credit Union DEI Efforts by Percent of Total Members Represented, 2021



Source: CUNA

### **Great news and more work ahead for credit unions**

The DEI findings from the 2021 Annual Membership Survey are highly encouraging. There has been measurable and meaningful movement among credit unions regarding organizational commitment to DEI. The vast majority of credit union members now belong to a credit union working to advance DEI. With most credit unions on a DEI journey, they have plenty of allies and system partners to provide support.

At the same time, the survey also suggests there is room for continued growth and maturation in the movement's DEI journey. There's also an urgency that stems from the heightened financial vulnerability of the underserved and historically marginalized groups because of the coronavirus pandemic, recent economic dislocations, rapid demographic shifts, and clear interest from policymakers and regulators.

Diversity, equity, and inclusion is not a fad. It's a long-term, forever effort that is vital to fulfilling our mission, achieving financial well-being for all, and ensuring a thriving, relevant, and growing movement now and into the future.

See the Appendix for tools and resources to strengthen your credit union's DEI efforts.

# Appendix

## CUNA Annual Membership Survey

- In 2019 and 2021, 8% of member credit union CEOs responded to the DEI question on CUNA's Annual Membership Survey.
- Results of the surveys were weighted to represent the distribution of member credit unions by asset size.
- Over 85% of America's credit unions are members of CUNA.
- The same DEI question was used in the 2019 and 2021 versions of the survey although response options were more nuanced in the 2021 version as shown below.

## 2019 DEI question and Response Options

My credit union...

...doesn't currently have any DEI-specific efforts and has no plans to initiate any in the next 12 months.

...is making plans to initiate DEI-specific efforts but we have not yet integrated them into our strategic goals and/or policies.

...has deployed several DEI initiatives and have a plan for aligning these with organizational goals.

...has strategically planned and aligned DEI efforts with organizational goals and needs.

## 2021 DEI Question and Response Options

Which of the following best describes your credit union's approach to Diversity, Equity, and Inclusion (DEI)?

...doesn't currently have any DEI-specific efforts and has no plans to initiate any in the next 12 months.

...is beginning to explore DEI in terms of what it means and the benefits for our credit union and members.

...is interested in establishing DEI efforts but unsure of where to start and if we have resources to do so.

...is making plans to initiate DEI-specific efforts but we have not yet integrated them into our strategic goals and/or policies.

...has deployed several DEI initiatives and have a plan for aligning these with organizational goals.

...has strategically planned and aligned DEI efforts with organizational goals.

# DEI Tool and Resource List for Credit Unions

- [“Road Map to Activating Diversity, Equity, and Inclusion.”](#) Filene Research Institute Center for Diversity, Equity, and Inclusion, 2021.
- Quinetta Roberson, Ph.D., and McKenzie Preston, [“What’s the Bottom Line? Diversity, Equity, and Inclusion \(DEI\) Practices and Credit Union Performance,”](#) Filene Research Institute Report, 2021.
- [“Credit Unions Advancing Diversity, Equity, and Inclusion,”](#) Northwest Credit Unions’ DEI Task Force Recommendations.
- [Juntos Avanzamos designation](#) Inclusiv’s Juntos Avanzamos designation [application](#) is a tool credit unions can use to develop a financial inclusion and equity strategy.
- NCUA’s [Annual Voluntary Credit Union Diversity Self-Assessment](#). This survey can also be used as a best practice tool to help credit unions develop and deepen their DEI efforts.
- [“An Evaluation of Coopera’s Hispanic Outreach Program and the Juntos Avanzamos Designation,”](#) Credit Union National Association (CUNA) issues brief, February 2021.
- Salem, Samira, [“The Case for Diversity, Equity, and Inclusion,”](#) *Credit Union Magazine*, August 2020.
- [Credit Union Diversity, Equity, and Inclusion Collective](#) (CU DEI Collective) and [its network of partners](#)
- [African-American Credit Union Coalition](#)
- [National Association of Latino Credit Unions & Professionals](#)