

## Four Traits of an Effective Advocate

*Here's what leads to effective advocacy, says CUNA's Trey Hawkins.*

As a board member, you're invested in credit unions. After all, you volunteer your time to serve on the board, keep up on regulations, and craft policies and procedures that will ensure your credit union continues to grow and meet members' financial needs.

But there's more to being a volunteer than working behind the scenes at the credit union. Advocacy should also matter to you, says Trey Hawkins, CUNA's deputy chief advocacy officer for political action.

What happens in Washington, D.C., and in state capitals across the nation directly affects your credit union's ability to operate, he says.

"This stuff matters," says Hawkins, who addressed CUNA Management School in Madison, Wis. "It affects how you can serve your membership."

Credit union leaders have always recognized the

importance of advocacy efforts. But this was made especially clear this spring with the passage of H.R. 2155 and 20 years ago when credit unions banded together pass H.R. 1151, the Credit Union Membership Access Act.

"Credit unions saw they had to get organized. This is when we woke up and said, 'We need to maintain this position and build on it,'" recalls Buddy Gill, a chief architect of the effort to pass the legislation who's now an engagement consultant with CUNA. "When we roared and were unified, we couldn't be beat.

**'WHEN WE ROARED  
AND WERE UNIFIED,  
WE COULDN'T BE BEAT.'**

BUDDY GILL

It's a really important lesson."

Hawkins says effective advocates are:

**1. Knowledgeable.** Know what you're talking about. Understand your credit union's mission, challenges, and needs, and be able to articulate them to others, including lawmakers, regulators, and the media.

Know who you're targeting in your advocacy efforts. Your message and how you deliver it will differ depending on if you're participating in a Hike the Hill event, speaking with lawmakers at your branch, or explaining the impact a new regulation has on your credit union when a television reporter approaches you.

Learn everything you can about public policy issues affecting your credit union. Seek out information and ask questions when you don't understand an issue.

**2. Involved.** Represent your credit union in the community so others can learn about it and consider becoming members.

Volunteer for local causes, charities, and communities. Not only will you be helping others, you'll be representing the credit union and spreading its message and the credit union philosophy of "people helping people."

Build relationships with community leaders, politicians, reporters, and other key influencers.

**3. Willing.** When your CEO or league puts out a call for advocates to spread the credit union message, respond. Participate in advocacy events.

Interact with lawmakers in Capitol Hill meetings, district office gatherings, town halls, fundraisers, and credit union tours. These events provide the opportu-

### Subscribe Today

Two easy ways to order your subscription to *Credit Union Directors Newsletter*:

- Call 800-348-3646
- Visit [cuna.org/directors](http://cuna.org/directors)

### QUICK TAKE FOR YOUR NEXT BOARD MEETING

#### CU SALARIES CONTINUE TO CLIMB

The vast majority of credit unions with assets of \$1 million or more plan to provide salary increases in 2019 for management and nonmanagement employees.



**90%**  
of credit unions  
plan salary increases



**3%** Average anticipated management base pay increase

**2.7%** Average anticipated nonmanagement base pay increase

Source: CUNA's 2018-2019 Staff Salary Report ([cuna.org/compensation](http://cuna.org/compensation))



CUNA volunteer resources:  
[cuna.org/volunteer](http://cuna.org/volunteer)

nities to advocate for your credit union and to build relationships with lawmakers and their staff. These relationships will be beneficial in the future.

**4. Passionate.** No one knows or cares more about

your credit union, its mission, and members than you do. Own your passion and bring it to your advocacy.

"If those most invested in the success of credit unions don't advocate, who will?" asks Hawkins.

## Get Social in Grassroots Advocacy Efforts

The way credit unions connect with members is changing. Advocates should change how they share their messages with policymakers.

"Social media is playing a more critical role today," says Adam Engelman, CUNA's director of federal grassroots and programs.

The next time you deliver a message to your representatives, instead of writing a letter, you might want to save yourself a stamp and use @ or # instead. Why is social media more effective today than a letter or email?

"Social media is public," says Engelman, who spoke at CUNA Management School. "Everybody can see it, and lawmakers know that."

But social media is just one of many ways CUNA

engages in grassroots advocacy, Engelman says.

Credit unions interested in participating in advocacy should consider CUNA initiatives such as the Member Activation Program, Hike the Hill, and Project Zip Code.

Credit unions have tremendous grassroots advocacy potential by involving employees, directors, leaders, and members, says Engelman.

The National Rifle Association, with 4.5 million members, and AARP, with 37 million members, are considered to be two of the most influential lobbying organizations in Washington, Engelman says. But credit unions have more than 100 million members.

"Just think about the grassroots powerhouse that we could become," he says.



CUNA News Podcast:  
[news.cuna.org/podcasts](http://news.cuna.org/podcasts)

## Consider Members When Constructing Policies

### *The makeup and characteristics of your members affect your policy decisions.*

Reviewing and approving policies are a critical part of your job as a credit union director. But determining what information to include in those policies—especially those related to lending—can be tricky, says Jared Ihrig, CUNA's chief compliance officer.

Regulations may call for policies to address certain elements and information. But there are other tools and resources credit unions should review when developing policies.

One such resource is NCUA's online examiner's guide, which provides valuable information regarding policy expectations relating to member business loans and commercial loans.

It can be difficult to know what level of detail to include in a policy, what information to highlight in a procedures document, and what items to either exclude or include in either document, Ihrig says during a recent interview with the CUNA News Podcast. "It's a subjective decision on the part of the credit union."

While examiners have opinions on how much information and detail to include in policies and procedures, Ihrig says the makeup, characteristics, and complexity of your credit union should determine that decision.

Take into account what products and services your credit union offers, who your members are, and the risks associated with these products and services and those members, Ihrig advises.

"That should dictate what level of detail you put in your policies and procedures," he says.

**'MEMBERS SHOULD  
DICTATE WHAT  
LEVEL OF DETAIL  
YOU PUT IN YOUR  
POLICY AND  
PROCEDURES.'**

JARED IHRIG



Whether the policy is simple or complex depends largely on the type of product or service it pertains to.

Some business and commercial loans, for example, often require more complex policies with additional information, such as loan type, trade area, portfolio concentration limits, single borrower limits, lending staff's qualifications and experience, the approval process, underwriting standards, and the credit union's risk management processes.

# Three-Tiered Giving Strategy Heightens Impact

## *Make a greater impact with your charitable donations.*

Board members for local charities and community groups know where to start for fundraising: credit unions.

Local donations should always be at the heart of credit union charitable giving programs. But donating on a first-come, first-served basis might not be the most effective policy.

A strategic plan using three tiers—local, state/regional, and national—can give your charitable contributions more impact.

### **1. Local: Let employees help set priorities.**

Communities typically can count on credit union employees to support their local volunteer activities, such as staffing fundraising events or cleaning up after natural disasters. To help align employees' volunteer interests with your credit union's giving priorities, involve them early in the planning process.

Invite employees to identify key goals for your credit union's charitable donations and volunteer efforts. Emphasize that the goals should align with those in your field of membership.

Don't just ask which charities employees favor, as you may get a long list of organizations. Instead, ask staff for recommendations on broader categories your credit union should support, and choose the top two or three.

Next, identify the most effective organizations to partner with in addressing these needs.

Recruit employees to work with these organizations on high-impact activities your credit union can help organize, fund, and run. Establish measurable goals and follow through by documenting and sharing results.

This approach can make it easier for credit unions to explain why they can't accommodate certain donation requests.

While it's important to reserve some funds for spontaneous requests, focus the bulk of your giving and volunteer energy on achieving results for causes employees support personally.

### **2. State and regional: Extend your influence.**

By supporting your state or regional credit union league or association, you're investing in the quality of credit unions in your area.

Most leagues run educational programs that allow credit unions to operate more smoothly and compete with larger institutions. Training topics typically include operations, lending, compliance, marketing, and security.

Credit unions may be able to apply to state/regional associations for grants to purchase technology and equipment. These grants and training scholarships are especially important for smaller credit unions.

Some associations also run charitable foundations to pool credit union donations. Through these foundations,

individual credit unions have more collective leverage in supporting disaster relief, financial literacy programs, and other community outreach.

### **3. National: Promote the credit union brand.**

Much like contributing at the state/regional level, budgeting funds each year for a national charitable organization helps our industry pool resources to make a greater impact.

The National Credit Union Foundation, for example, channels disaster relief donations through its CUAid online portal. It focuses on credit unions and their employees who need assistance after a disaster.

When credit unions return to operation quickly, they can contribute more to the recovery process in their communities.

**'LOCAL DONATIONS SHOULD BE AT THE HEART OF CHARITABLE GIVING PROGRAMS.'**

ANDY ROQUET



The Foundation also sponsors educational programs credit unions can use to promote financial health for members, students, and their communities.

Disaster relief and financial health education programs are visible, tangible evidence that bolster the overall credit union brand.

Credit unions still fight consumer misperceptions—many consumers still don't believe they can join a credit union, or they assume most credit unions don't offer a full array of financial services.

A three-tiered strategy can aid and educate your local community, your state, and individuals across the nation.

**ANDY ROQUET** is a senior executive benefits specialist for CUNA Mutual Group. Contact him at [andy.roquet@cunamutual.com](mailto:andy.roquet@cunamutual.com).

## A CDA Can Increase Giving

Consider establishing a charitable donation account (CDA) as a vehicle to generate income for contributions.

By using professionally managed investment portfolios and corporate-owned life insurance, a CDA may earn more than traditional credit union investments, says Andy Roquet, a senior executive benefits specialist for CUNA Mutual Group. While some credit unions commit CDA proceeds to a specific organization or civic project, others use proceeds as part of a general fund for donations.



- CUNA Mutual Group: [cunamutual.com](http://cunamutual.com)
- National Credit Union Foundation: [ncuf.coop](http://ncuf.coop)



CUNA National Credit Union Roundtable for Board Leadership, Oct. 19-21, Vancouver, Canada: [cuna.org/boardroundtable](http://cuna.org/boardroundtable)

## Leadership Starts From Within

*Great leaders never stop learning about themselves.*

The journey to becoming an authentic and effective leader starts by learning about yourself, says Jamie Marsh, director of BBA Career Services at the University of Wisconsin School of Business.

"You must know yourself and what you're made of to be an effective leader," says Marsh, who addressed CUNA Management School in Madison, Wis.



She says leaders need to look within to determine their "why," goals, values, and emotional intelligence. With that self-knowledge, people can become authentic leaders.

Marsh suggests answering these questions to gain self-knowledge:

- **Why** are you here?
- **How** do you deliver value?
- **How** do you make an impact on the industry? Society?
- **How** can you improve?
- **What** is your ultimate career goal?
- **What** does success look like?

Answering these questions will allow you to grow in your career, form relationships with others, and determine your values—the standards or principles that guide your actions, beliefs, and decisions.

"Values should reflect who we are, but also who we want to be," Marsh says.

Don't stop after addressing these questions. Successful leaders never stop learning about themselves and, as a result, they continually become better leaders.

"It's all about winning," says Mollie Bell, CUNA's chief engagement officer. "That means winning for you, your credit union, and your members. You make a real impact

in members' lives every day."

Bell offers several insights about leadership:

**1. Consider the leaders in your life,** personal and professional. What do you admire about them, and how have they affected you? "Everyone is a leader," Bell says, "whether by title or influence."

**2. Be authentic.** Know yourself and your defining moments because everyone has different values.

"We can't be all things to everyone," Bell says. "We need to be true to ourselves and accept ourselves for who we are."

**3. Embrace self-discovery.** Leaders never stop learning about themselves. "Own who you are, earn your keep, and pay it forward," Bell advises.

**4. Be confident.** Engage others in an honest and forthright way.

**5. Be empathetic.** Step out of yourself, be vulnerable, and consider how others think and feel.

"We can't do this effectively if we don't know ourselves," Bell says.

**6. Have heart.** How we treat others matters to us as leaders and people. "We have to learn this skill to be good humans," Bell says. "There's a place for heart in our world."

**7. Practice journaling.** This is a valuable tool for self-discovery.

**8. Create a personal board of directors**—people you trust who can serve as your coach and mentor, and help you grow.

**9. Examine your unique personal values.** "When you come to a fork in the road, your values will help you make better decisions," Bell says. "Sometimes they'll put you on a different path."

**10. Don't play the victim.** Great leaders own who they are and how they react to situations.

**11. Embrace your "personal brand,"** or what people say about you when you leave the room. Your brand reflects who you are.

"If you present yourself differently at work than you do at home, explore why," Bell says.

**12. Ditch your junk.** "We all carry around luggage full of junk," she says. "Let it go and learn to love yourself."

Why does this matter? "It makes you a better leader," Bell says. "And our movement needs strong leaders."



Send us your comments: [directors@cuna.coop](mailto:directors@cuna.coop)

## CREDIT UNION Directors NEWSLETTER

**CREDIT UNION DIRECTORS NEWSLETTER** (ISSN 1058-1561) is published monthly for \$142 per year by the Credit Union National Association, 5710 Mineral Point Road, Madison, WI 53705-4454. (Multiple-copy discounts available.) Also available as a downloadable PDF for an annual subscription rate of \$695. Periodical postage paid at Madison, Wis.

**POSTMASTER:** Send address changes to CREDIT UNION DIRECTORS NEWSLETTER, P.O. Box 461, Annapolis Junction, MD 20701-0461.

Advertising is accepted only from reputable firms, but inclusion of advertising does not imply endorsement by the newsletter or CUNA Inc.

**Publisher:** Ann Hayes Peterson, vice president and editor-in-chief, [apeterson@cuna.coop](mailto:apeterson@cuna.coop)

**Editorial staff:** Bill Merrick, deputy editor, [bmerrick@cuna.coop](mailto:bmerrick@cuna.coop); Jennifer Woltdt, senior editor, [jwoldt@cuna.coop](mailto:jwoldt@cuna.coop)

**Design and production staff:** Ben Tenorio, digital media design specialist, [btensorio@cuna.coop](mailto:btensorio@cuna.coop)

**Editorial:** 608-231-4211 **Subscriptions:** 800-348-3646, fax 301-206-9789, or [cuna.org/directors](http://cuna.org/directors)

© 2018 Credit Union National Association Inc. All rights reserved. Produced in cooperation with your league.

