

Prepare to carry out advocacy at home

Take advantage of the August recess and meet with legislators in district.

August provides the opportunity for credit union board members to meet with members of Congress without traveling to the nation's capital.

Known as the August recess, senators and representatives use the time to leave Washington and return to their home districts.

It's a chance for legislators to meet with constituents and learn firsthand how policies passed in Washington affect the communities they represent.

Jason Stverak, CUNA's deputy chief advocacy officer for federal government affairs, and Abigail Truhart, CUNA's senior director of advocacy, work year-round with lawmakers on Capitol Hill to advocate on the movement's behalf.

Why should board members take part in credit union advocacy?

Stverak: Board members can bring a "back home" view from the district/state that members of Congress value and find extremely helpful in their deliberations. Connecting federal policy and its impact on local credit unions is something directors can do better than other advocates. You're the face of credit unions in the district and the state. Your voice carries the most weight in every congressional office.

Truhart: Board members offer a unique advocacy

perspective to members of Congress. They not only understand the day-to-day operations of how credit unions serve members in their districts, they also focus on the credit union's strategic direction and business needs.

When legislation is being debated or when regulations are being implemented, board members can help ensure lawmakers understand the impact of legislation and potential unintended consequences.

"Your stories share the **REAL-WORLD IMPACT** of the decisions made in Washington."

Jason STVERAK

What are the benefits of meeting with representatives at home?

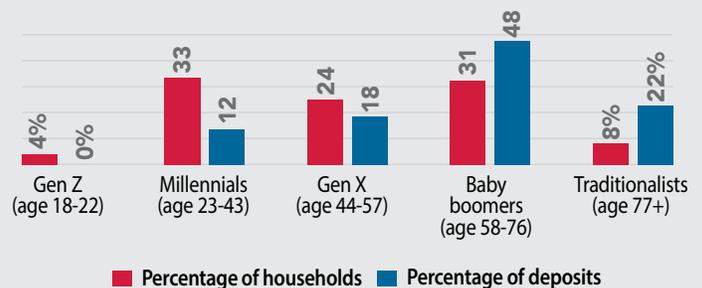
Stverak: Members of Congress largely prefer to be home with their neighbors and local community partners than in Washington, D.C. You'll find a more casual environment where the representative will be more relaxed. Also, their schedule is usually less busy, allowing them to give you more time to meet. Bringing a member of Congress to the credit union provides real-world examples of how we serve our communities and the representative's constituents. Nothing can replace that in-person interaction.

QUICK TAKE for your next board meeting

Household deposits

With the Federal Reserve raising the federal funds target rate for the third time in 2022, credit unions may be feeling the pressure to increase deposit rates. Currently, the bulk of deposits are held by accountholders who are over 57 years old, according to Raddon. This group is the least rate sensitive. However, reduced spending and stimulus payments allowed balances for younger households, which are more rate sensitive, to grow.

Breakdown of deposits



Source: Raddon Performance Analytics, 2022

Truhart: It offers a hands-on understanding of how credit unions serve their communities. It gives them a chance to see the faces behind the stories they hear in Washington, D.C. Giving lawmakers the opportunity to see our mission of “people helping people” in action is one of the most powerful tools in our advocacy toolbox.

What should be covered in these meetings?

Stverak: It’s essential to tell your story and share how your credit union’s people-helping-people philosophy is making a difference in that lawmaker’s district or state. Don’t only share anecdotal stories, but also have data ready. Your stories share the real-world impact of the decisions made in Washington. Your members’ examples push Congress to act.

Truhart: Ask how you can be helpful to their office. Members of Congress often build industry advisory groups for their states, so see how you can continue to engage with the office.

What requests can advocates make during meetings with legislators?

Stverak: Ask them to support CUNA-backed legislation in their respective chamber of Congress. Always come with an action item. Don’t let the opportunity slip by because you may only get 15 or

30 minutes with them.

Truhart: Ask them to co-sponsor relevant legislation. There could also be opportunities for them to help lead or co-sign letters to regulators. Reach out to your CUNA/League contact prior to the meeting to make sure you have a good understanding of timely issues for Congress to weigh in on.

What are some tips for speaking with a member of Congress?

Stverak: The best advice: Keep it simple. A member of Congress has dozens of policy issues on their plate at any given time and often does not have the bandwidth to get into the policy details. Follow up with the legislator’s staff after your meeting. Congressional staff play a vital role in tracking and advising members of Congress on legislation and other key issues. Always follow up via email with staff, not only to send a note of thanks but also to provide any documents that were discussed during the meeting.

Truhart: I always do a quick Google search of the latest news stories about the member of Congress. Showing you know about something unrelated to the meeting can often break the ice. When it comes to the issues, be clear and concise and have data available to support your stories so you become the trusted local voice the legislator can rely on.

Poll: Member-focused mission leads industry

Credit unions aim to maximize member service, including financial education.

Credit unions lead the financial industry in caring about their members’ financial well-being, according to the CUNA white paper, “Credit Unions Lead in Improving Financial Well-Being for All,” which features results from the CUNA 2022 National Voter Poll.

The research found that 88% of credit union members say their credit union cares about their financial well-being.

As not-for-profit, member-owned institutions, credit unions’ mission is to maximize member service. The difference in mission is apparent in CUNA’s poll, with 42% of members responding “very positively” to the idea that their financial institution cares about their financial well-being compared to 29% of other providers’ customers.

Similarly, 88% of members say their credit union “has improved my financial well-being.”

Moreover, 44% of credit union members are “very positive” that their financial institution has improved their financial well-being, compared to 29% of nonmembers.

Broken down demographically, 42% of members

and 29% of nonmembers without college degrees say their financial institution has improved their financial well-being. The same holds true for women (43% of members vs. 29% of nonmembers), people of color (44% vs. 31%), and rural residents (55% vs. 27%).

The data fits with credit unions’ mission of financial well-being for all, including educating individuals from traditionally financially vulnerable populations. According to the poll, 44% of members and 22% of nonmembers use a personal financial education and/or counseling service.

That includes people without a college degree (38% vs. 21%), women (36% vs. 19%), people of color (67% vs. 35%), and rural residents (28% vs. 16%).



Source: CUNA, 2022

88%
of members say their credit union cares about their financial well-being

“Timely, valuable interaction with peers throughout the country on a variety of important, relevant and impactful topics.”

Kem Siddons
Treasurer
VyStar Credit Union

SEP 10-11, 2022
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Connect with board leaders on today's hottest topics

CUNA

Credit Union Board

ROUNDTABLE

In a constantly evolving credit union industry, it's vital to stay informed of consumer, economic and financial trends and challenges. At CUNA Credit Union Board Roundtable, collaborate with fellow board members, CEOs and industry leaders on the external environment affecting your credit union and how to establish action plans.

- **IMPROVE**
accountability
- **STAY**
informed
- **AUTOMATE**
tasks

Growing credit unions need a complete compliance solution

Credit Union Compliance Management System™

Total compliance confidence is in reach.

Keep pace with regulatory change and increase oversight with Credit Union Compliance Management System (CU CMS). It's a web-based, centralized solution for tracking regulatory changes and requirements, organizing compliance evidence and managing compliance processes.

CU CMS, with technology from industry-leader Quantivate, addresses key compliance management needs through features developed hand-in-hand with credit unions.

Junior board infuses youth into U.S. Eagle Federal

High school, college students bring a different voice.

The credit union movement is always looking for younger members. Toward that aim, U.S. Eagle Federal Credit Union created a junior board of directors to give young people a voice at the \$1.4 billion asset credit union in Albuquerque, N.M.

The junior board teaches 16- to 22-year-olds the board process, leadership skills, credit union philosophy, and financial literacy while injecting the credit union with ideas and a new generation of potential leaders.

Many credit union board members are of retirement age, says Pamela Herndon, second vice chair on the U.S. Eagle Federal board of directors. “But where is the plan for making sure there are people ready to step into their place? One way to do that was to create a junior board of directors and give them a budget and responsibilities similar to a board of directors. That’s exactly what’s happening.”

The junior board mimics the process of the traditional board while focusing more on community outreach, financial literacy, and employee connection than finances.

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There are youth programs at a lot of credit unions, but nothing like this junior board that simulates a board of directors.

Leandra Sucet

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Typically consisting of five to 10 members, the junior board holds meetings monthly from August through May.

The young directors, who can receive stipends, school credit, and letters of recommendation for their service, are also invited to regular board meetings to entrench themselves in how credit unions



operate.

The interest between the groups goes both ways, according to Leandra Sucet, a former junior board member who is now a financial process learning specialist at U.S. Eagle Federal.

She says regular board members will consult the junior board on topics such as artificial intelligence or in-person versus virtual branches.

“They’ll allow junior board members to go to their meetings to speak their minds,” Sucet says. “I don’t know many places that let a 17-year-old talk to a bunch of 60-year-old board members about what they think.”

Next generation of directors

The credit union wants to train junior board members but knows many of them will age out or pursue other opportunities.

However, junior board members who stay involved will be ready to sit on the board of directors and make decisions.

“It’s a great opportunity,” Sucet says. “There are youth programs at a lot of credit unions, but nothing like this junior board that simulates a board of directors.

“It’s a cool program and I hope to see more of this,” she continues. “It’s changed my life.”

Visit news.cuna.org/directors to read more about the U.S. Eagle Federal Credit Union junior board of directors.

Resources



▶ **CUNA advocacy resources:**
cuna.org/advocacy



▶ **CUNA Credit Union Board Development School, Phoenix, Sept. 26-27:**
cuna.org/events



▶ **CUNA Credit Union Board Roundtable, Scottsdale, Ariz., Sept. 10-11:**
cuna.org/events



▶ **CUNA board and committee solutions:**
cuna.org/board

How to 'rethink different'

Former Apple engineer believes future service relies on digital lifestyle, trust, and relevance.

Thinking differently is more than just coming up with ideas, says Ken Kocienda, product architect at Humane. It takes many steps for ideas to be fully realized.

Kocienda, a former product engineer at Apple, explains how thinking differently led to innovation and change while developing the first iPhone in the early 2000s.

He recalled that process at the 2002 Co-op THINK Conference in Chicago, using the iPhone's development to show conference attendees the journey toward "rethinking different."

Kocienda believes credit unions can move into the future by thinking differently, intersecting humanity and technology, and creating a superior product experience by knowing their members.

The path to thinking differently starts with seven essential elements: inspiration, collaboration, craft, diligence, decisiveness, taste, and empathy, he says.

"These are not written in stone. But for creative and technical work, this is a good set of elements," he says. "They're also good tools for 360-degree analysis. When your project's done, think about how these elements combined to produce the results you want."

Moving further down Kocienda's path, the seven elements combine to form "molecules," including:

- › **Inspiration** and decisiveness form focus.
- › **Test** and empathy form intuitiveness.
- › **Inspiration** and craft form inventiveness.
- › **Craft** and diligence form momentum.
- › **Collaboration** and decisiveness form guidance.

Kocienda saw these elements and molecules come

together in an alchemy that led to the unveiling of the original iPhone in 2007, although the process started well before that.

"One day I was invited to a team where the goals were, 'Let's make a smartphone, let's build it around a touchscreen, and we'll need a whole new operating system,'" he says.

Kocienda says Apple co-founder Steve Jobs believed ideas are not the end, they're the beginning. Once an idea forms, people must focus on it until they reach their goal.

The iPhone developers focused until Apple's goal of creating a pocketable, multitouch computer came to fruition. Accomplishing that required making the iPhone's use intuitive by testing features such as the keyboard and ideal pixel size.

While the goals, elements, and tests may change, the path toward rethinking different looks familiar no matter the industry.

Kocienda has three ideas for future alchemy:
› **The future is digital.** Digital lifestyles have less friction.

› **Trust.** If people don't trust the services organizations offer, we can't help them.

› **Relevance.** If organizations make products and services relevant, people will use them.

Credit unions, for example, wrap a sense of goodness around their products and services, which is a great place to start when rethinking different, according to Kocienda.

"Make things useful and meaningful to people," he advises. "That's why credit unions exist. Put empathy at the center and make this master molecule where all the other elements are connected to it.

"Empathy can make the difference for a more digital, trustworthy, and relevant future."

"Empathy can make the difference for a more digital, trustworthy, and relevant future."

Ken Kocienda

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