

Hold meaningful financial conversations

Educate directors about financial reports and provide financial information before meetings.

Directors can make financial discussions more meaningful by keeping board meetings focused on how the credit union can improve its future performance.

Starting every discussion with the member in mind allows Robert Jones, Ed.D., to ask the right questions as a director at \$15 billion asset Suncoast Credit Union in Tampa, Fla.

“The conversation starts with the member,” Jones says. “What’s the significance of the data we’re looking at and the various economic scenarios that might impact the financial position of the credit union?”

Educating directors about financial reports and key issues, and providing financial information before each board meeting prepares directors to ask questions and get answers in advance.

Don Cheyne, board chair at \$3 billion asset Elevations Credit Union in Boulder, Colo., says that clears the way for more engaging discussions during meetings.

“Addressing as many questions as possible prior to meetings allows for more in-depth and focused presentations from management,” Cheyne says.

Additional advice comes from Jones and Julie Renderos, executive vice president/chief financial officer (CFO) at Suncoast; Cheyne; Gerry Agnes,

president/CEO at Elevations; Suzanne Weinstein, president/CEO at \$300 million asset Orlando Credit Union; and Rob Johnson, president/principal at c. myers.

They advise credit union boards to:

› **Change it up.** Use quizzes, “so what” questions, and thought-provoking articles to prompt free-wheeling discussions that improve directors’ understanding of how a changing environment could impact the credit union, says Johnson.

“What’s the **SIGNIFICANCE** of the data we’re looking at and the various **ECONOMIC SCENARIOS** that might impact the **FINANCIAL POSITION** of the credit union?”

Robert Jones, Ed.D.

› **Have a consent agenda** to compile routine business matters into a single item that can be voted on together to save time at the meeting.

› **Address strategic impact** by tying conversations about financial performance to related strategic goals, Johnson says.

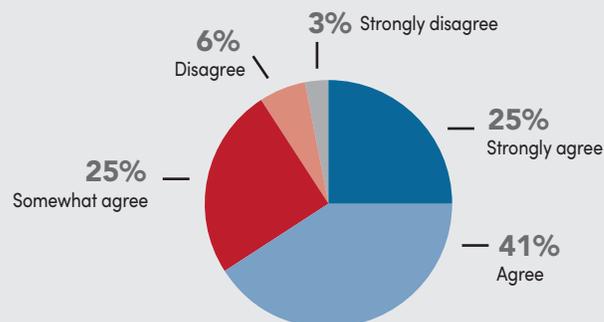
› **Deliver standard financial information consistently** using the same format and timing each

QUICK TAKE for your next board meeting

Advocate for members’ financial well-being

Credit unions place a high priority on financial well-being, which is important considering only 43% of consumers report feeling “extremely” or “very” financially healthy, according to Raddon. But the path to financial wellness must include employees acting as members’ advocates.

Employees are advocates of members’ financial welfare



Source: Raddon Relationship Survey, 2021

month so the board knows what to expect and can easily compare it to previous months.

›**Use meaningful charts and graphs** to summarize information and illustrate its impact on the credit union, says Weinstein. Consider using color to help directors quickly interpret graphs, such as displaying indicators of strong performance in green and potential problems in red.

›**Use dashboards with care.** A dashboard of financial indicators can provide an ongoing checkup of key financial items, but it's important to add context so directors understand the details. The dashboard should evolve as new issues arise and old issues are resolved.

›**Highlight important information** in the CEO or CFO narrative that accompanies financial reports. Call out

emerging trends and tie progress to goals within the narrative.

›**Look forward** to what could occur as much or more than you look at what happened in the past through financial reports, Johnson says.

›**Ask questions** that bring conversations back from a deep dive into details to a broader perspective.

›**Create an environment** of trust and openness where people feel comfortable asking hard questions, Jones says.

“Go to the nth degree to understand scenarios about what's ahead with the impact of interest rates and the different quantitative ways that has been anticipated,” he says. “That's where we're spending energy now. The more you can simplify and make that make sense, the better.”

Updated FOM rule would remove barriers

Language modernizing field-of-membership regulations would allow credit unions to reach underserved communities.

Field-of-membership (FOM) modernization is all about removing barriers and creating opportunities for consumers and businesses.

It's a top priority for the CUNA-League advocacy team because language modernizing federal credit unions' FOM regulations would allow credit unions to serve banking deserts, reach underserved and marginalized communities, and improve consumers' financial well-being.

“There are great swaths of this country that don't have easy access to financial institutions,” says Jason Stverak, CUNA's deputy chief advocacy officer for federal government affairs. “We should be bending over backward to get more Americans access to America's financial system and all the great work credit unions do.”

The credit union charter should reflect where America is today, not where it was 50 or 60 years ago, he adds.

Stverak and Emily Leite, chief advocacy officer at

the Ohio Credit Union League, discuss the importance of allowing credit unions to change and adapt as an industry to meet members' evolving needs in an episode of the CUNA News Podcast.

They explain the specifics of FOM modernization; prospects for a legislative solution; how CUNA, Leagues, and credit unions are furthering this priority; and how credit union leaders can assist.

Modernization would allow credit unions to be innovative with a flexible FOM, Leite says.

Historically, members were connected by geography. But in today's digital world, people are connected by other means, and few geographical barriers exist.

“Credit unions are for everyone, everywhere, and people need to have easier access to financial services regardless of where they work, where they live, who they're connected to, or where they go to school,” Leite says. “And that really is anywhere and anytime these days.”



Listen to Stverak and Leite at news.cuna.org/podcasts

“We should be bending over backward to get more Americans access to America's financial system and all the great work credit unions do.”

Jason Stverak

“ Definitely a worthwhile event. Even after years on the committee I always learn new things.”

Monica Hughes

Supervisory committee member,
Northland Area FCU

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A devoted board member's work is never truly done. You play an integral part in the success of your credit union and the decisions made to benefit members. CUNA has resources to support you in each step of your journey.

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Engaging younger audiences through TikTok

Deliver financial education by meeting millennials and Gen Z where they're at.

Leaders at Community Credit Union of Florida in Rockledge are always looking to educate and attract younger members. While examining how to accomplish that goal, one social media platform stood out: TikTok.

By posting to a fast-growing platform that appeals primarily to people under age 34, the \$968 million asset credit union saw an ideal way to engage millennials and Generation Z in financial education.

Community Credit Union took an intentional approach to the video- and music-based platform with its 321 Financial Liftoff series.

"With the 321 Financial Liftoff series, we hit the ground running, and it was a full-blown marketing campaign," says President/CEO Laurie Cappelli. "You've got to make a statement up front and know exactly what you're trying to accomplish and what questions you're trying to solve."

Before using TikTok, Community Credit Union marketers needed material.

It partnered with social media influencers to form a panel that spoke at area high schools about their worst financial mistakes, what they'd do over again, and the decisions they've made.

The credit union videotaped the 321 Financial Liftoff sessions, which is where TikTok came into play. Between February and mid-June, the credit union posted 65 TikTok videos that garnered more than 16,000 views.

It's important to set a cadence and

know the different social media audiences, says Chief Experience Officer Dan Kelley. "Tailor your content for the social media platform, then establish cadences so you're posting content at the same time and same frequency each week. That's how the algorithms really pick up."

Use content and influencers in a way that fits the platform. On TikTok, that means video.

Seth Spiro, chief marketing officer at \$2 billion asset Tyndall Federal Credit Union in Panama City, Fla., says the app has taught marketers to embrace humor and to be brief.

"Video is critically important for any content marketer interested in engaging and helping members with financial education and wellness," he says. "There's so much material to share. Video is a great opportunity to do small snippets and bite-size content where we can educate members."

Cappelli and Kelley advise credit unions interested in TikTok to start as soon as possible, keep videos short, be creative, forget about "going viral," and allocate enough time to gather engaging, creative, and authentic content.

"Marketers have to come up with content people want to engage with. We've got an incredible story to tell," Spiro says. "We have a lot of information to get out to members. There's a world of opportunity there."

Resources



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



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

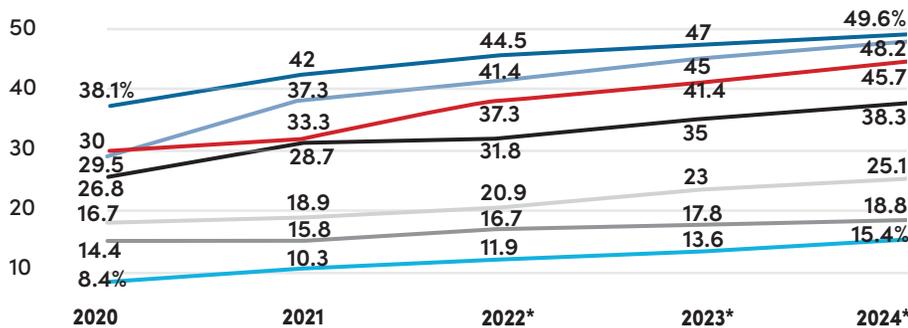


▶ **CUNA board and committee solutions:** cuna.org/board



▶ **CUNA News Podcast:**
news.cuna.org/podcasts

Gen Z social media users by platform (2020-2024)



* Projected
Source: eMarketer, 2021

Platform: TikTok Snapchat Instagram Facebook
Pinterest Twitter Reddit

Adaptive leadership prevents groupthink

Offer a safe environment to allow all board members to contribute.

Mark Stephenson relies on “adaptive leadership” to prevent the groupthink that too often derails good ideas.

“You need to be able to slip into the right approach for the situation,” says Stephenson, board chair at \$135 million asset Aurora (Colo.) Federal Credit Union.

Stephenson retired from a 36-year firefighting career as a chief officer and now teaches online courses as an affiliate professor in an undergraduate program for fire and emergency service department leaders. He says being “adaptive” may mean serving as “one among equals” in board conversations but switching to “autocratic authority” in situations that require a firm response.

Stephenson notes that avoiding conflict is a common management trait, which means managers often fail to confront people when issues arise. Likewise, board members may hesitate to offer opinions because human behavior favors going along with others over standing out. Providing a safe environment allows all board members to contribute.

“We don’t want new board members to ‘go along to get along,’” Stephenson says. “We’re fortunate to have a sophisticated board with a lot of trust so everybody feels safe to state his or her opinions.”

Board service satisfies Stephenson’s desire to be part of “something bigger than myself” while strengthening Aurora Federal as a community-based, cooperative organization.

He mourns the loss of similar small- to mid-sized cooperatives nationwide. “I’m not sure consumers are always aware there’s a price to be paid when you move toward fewer, big global parent companies.”

Members’ growing expectations for digital financial services challenges the board to prioritize new

projects and compete for talent. Aurora Federal’s board recently hired CEO Charlie Watts during a six-month process by staying focused on its need for a well-rounded executive who could handle financials as well as market development and community involvement, Stephenson says.

“You have to expect a lot from your employees, which means you have to hire the right people or provide the right learning opportunities to help people grow into the new challenge,” he says.

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Mark Stephenson

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Stephenson advises emerging volunteer and professional leaders to learn by collecting diverse perspectives from all stakeholders and focusing those conversations on information instead of personalities.

“If you’re speaking to a person and they become defensive, you’ve already lost,” he says.

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