



World Council of Credit Unions
Fostering Leadership & Management Competence in Credit Unions
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World Council of Credit Unions
What is WOCCU?
 Trade Association Development Agency
 Worldwide Foundation WOCCU Services Group




World Council of Credit Unions


2009 Statistics


- Credit Union Countries.....97
- Credit Unions.....49,330
- Members.....183,916,050
- Penetration.....7.6%
- Savings (USD)....1,145,851,168,440
- Loans (USD).....911,752,609,009
- Reserves (USD).....119,738,181,486
- Assets (USD).....1,353,602,749,986

What value added do you bring to the table?





Cooperative Leadership Profiles


 Raiffeisen Filene Desjardins Bergengren
The Charismatic Leader



Riding on the Coattails of Others


 Raiffeisen Filene Desjardins Bergengren
Board Interference





Crossing the Line



Raiffeisen Filene Desjardins Bergengren

Entitlements - What is in it for me?


Travel Honorariums Preferred Treatment





Raiffeisen Filene Desjardins Bergengren

CEOcracy





Following the Leader

The Auto-Pilot

Keeper of the Status Quo

The Banker



Profit Maximizer

The Godfather




Ringleader

The Good Samaritan




Social Benefactor



Raiffeisen Filene Desjardins Bergengren

Stewardship



**Finding the Balance between
the Economic & Social Mission**





“Filene had a sense of trusteeship with his money... to translate his possessions into service. Money was a tool with which to build a better standard of living for average people...”

Roy Bergengren

What is the Essence of Stewardship?

The Faithful Administration of
Community Assets held in trust that
achieve the following objectives:

1. Protection
2. Patronage
3. Prosperity



7 Vital CU Processes

Does Your BOD and Management
Team have the management and
skill sets needed to Manage these
Vital Processes?

7 Vital Credit Union Processes

Business Planning

- Is there a Strategic Plan (long term vision) and a Business Plan (short term vision) designed by SMT and approved by the BOD
- Does a complete Business Plan exist that is based on a technical methodology that links financial discipline, operating efficiency, and interest rates together, and also, contains realistic institutional goals, activities and time deadlines?
- Is a Monitoring System in place and functioning that can evaluate the implementation and progress of approved plans?
- Does there exist a reporting format which periodically reviews the advances made against the established plans?
- Is there a procedure established to review and adjust existing plans, goals, activities and budgets?

7 Vital Credit Union Processes

Savings Mobilization

- Does the physical building and its location foster member trust and facilitate savings mobilization?
- Does adequate security exist to mobilize savings safely (safe, security guards, alarm systems)?
- Do adequate policies and controls exist to properly detect and eliminate money laundering activities?
- Does a pricing methodology exist that ties the aggregate interest rate on savings in the business plan to the individual savings products?
- Does the CU have a master marketing plan that includes all of its individual product plans, market niches, market studies, and the tools to measure its success?

7 Vital Credit Union Processes

Credit Administration

Loan Approval & Disbursement

- After interviewing the staff responsible for lending activities, is there a clear congruence between the written credit policies and the daily activities identified by the lending department staff?
- After reviewing a random sampling of recently approved loans, are the written credit policies being followed in daily practice?

7 Vital Credit Union Processes

Credit Administration

Administrative Collections

- After interviewing the staff responsible for loan collections, is there a clear congruence between the written credit and collections policies and the daily activities identified by the collections staff?
- After reviewing a selective sample of efforts to collect delinquent loans, are the written collection policies being adequately followed in daily practice?

7 Vital Credit Union Processes

Credit Administration

Judicial Collections

- Does there exist written policies regarding the follow-up of delinquent loans in judicial foreclosure, and is there a person assigned to provide the necessary follow-up?
- After reviewing a selective sample of loans in judicial foreclosure, are the written policies being followed in daily practice?

7 Vital Credit Union Processes

Liquidity Management

- Do adequate investment policy guidelines exist that contain criteria to be followed in the selection of suitable institutions and investment instruments?
- Do the liquidity management policies require the establishment of back up sources of liquidity and do they provide adequate protection in the case of unanticipated withdrawals?

7 Vital Credit Union Processes

Liquidity Management

- Are there any liquidity management tools used for monitoring (cash flow projections, ALM projections, concentrations of borrowers and savers, etc.), and is there any evidence that they are being properly utilized and implemented?
- Does a cash management policy exist to keep daily cash balances at a minimum?
- Does the CU have adequate insurance and fidelity bonding to cover external and internal losses from robbery, assault, and employee fraud?

7 Vital Credit Union Processes

IT Systems

- Are there different levels of security clearance required to access the information systems database?
- Are the various information databases (including accounting) being managed to achieve transparency and trust?
- Does there exist a backup of the database information systems both internally and externally to protect against unforeseen damage or destruction?
- Do strategies exist to provide timely access to the database information in the event of systemic failures or power outages?
- Do effective communications strategies exist to maintain timely contact with Branch offices?

7 Vital Credit Union Processes

Internal Controls

- Is there an independent department or person responsible for internal control?
- Does a methodology and scope of work exist to promote checks and balances through the use of internal audits?
- Is there a checklist of proper reporting and disclosure requirements that should be made by the SMT and the Board of Directors to the Auditors, Regulators, and General Membership?
- Are the internal audit reports sent to an external entity, independent of Management?
- Does there exist evidence that proper follow up is given to the internal audit reports?

7 Vital Credit Union Processes

Executive HR Management


- Does there exist a job description and qualifications profile for each position on the SMT and does the credit union hire employees on the SMT according to the established profiles?
- Does there exist measureable criteria to evaluate the performance of the Management Team and is it done at least once a year?

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How to improve Management & Leadership talent in your Credit Union?

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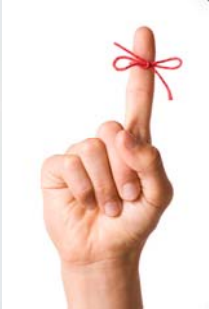
Employ People who can elevate others to a higher plane



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Technical Knowledge:

Can Recite the Theory




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Experience:

Practice what you Preach




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Communciation:
Can Teach the Theory




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Leadership:
Can Influence Change



"Influence is the central competence that all the soft skills have in common."



**Improving People's Lives Through
 Credit Unions**


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Thank you

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