



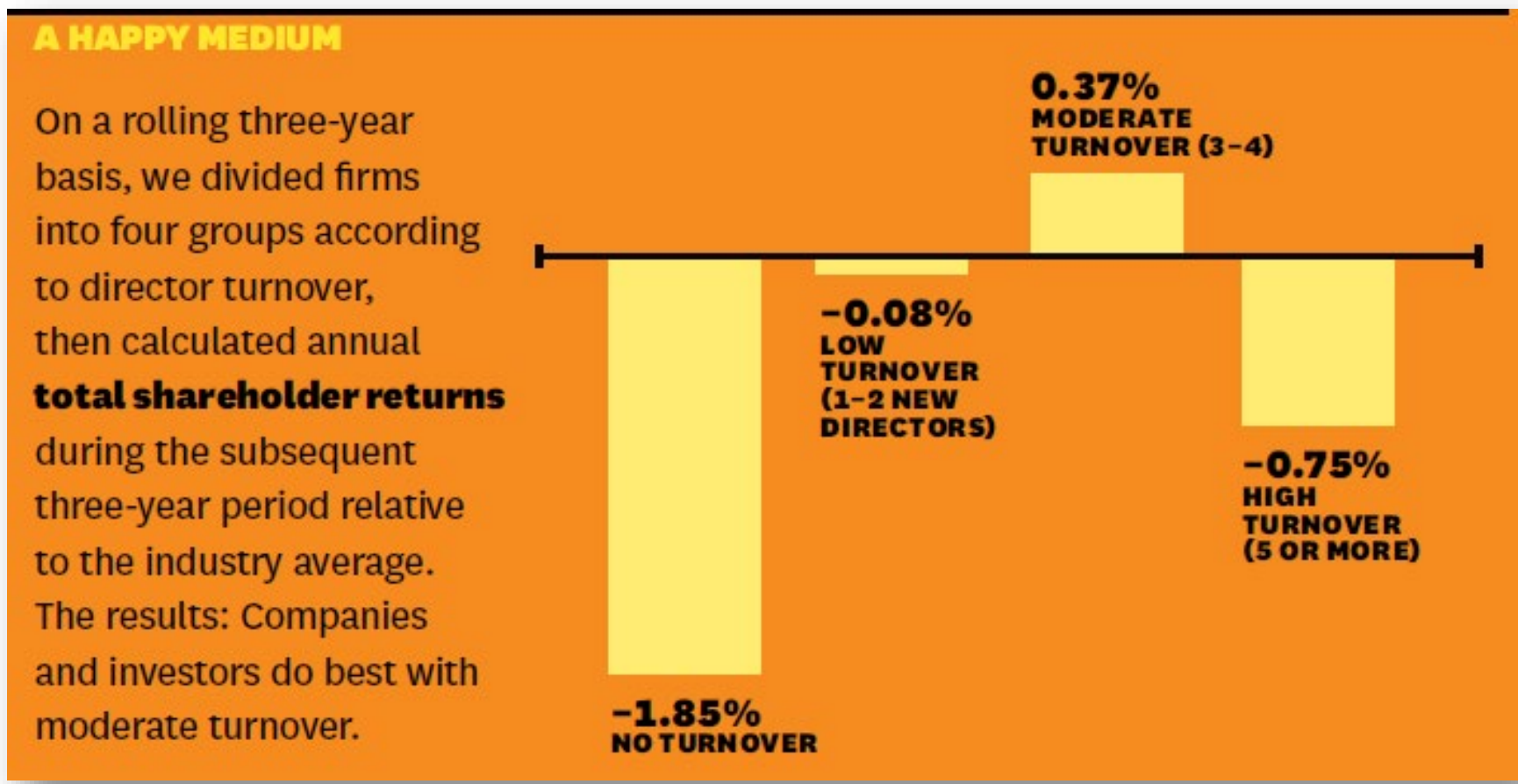
DIFS 

DEPARTMENT OF
INSURANCE AND
FINANCIAL SERVICES

Onboarding New Volunteers



Turnover is Good for Business?





Term Limits/Turnover Success

- Full commitment from Board.
- Willingness to open a Board seat.
- Deep pool of candidates.
- Authorize a range in number of seats on Board.
- Work toward 4 candidates for 3 seats.



Why Recruit for New Board Members?

- Fresh ideas; fresh solutions.
 - ✓ Outside perspective.
 - ✓ Voice of newer set of members.
 - ✓ Greater comfort with change.
 - ✓ Desire to represent members.



Why Recruit for New Board Members?

- Leadership from markets for new growth.
 - New ages and ethnicities.
 - New SEGS.
 - New communities.



Why Recruit for New Board Members?

- ✓ Confirm cooperative business model.
 - Equal power among all members; no majority shareholders.
 - Draw members from full ownership pool.
 - Directors are users/members of products and services.



Who to Recruit for the Board?

- Members that reflect changing demographics.
 - ✓ Shifts and trends in your CU's membership.
 - ✓ Shifts and trends in your FOM.
 - ✓ Is your Board representative of your membership?
 - ✓ Diversity, equity, and inclusion (DEI) focus.
 - ✓ Leaders in your FOM.
 - ✓ Already loyal members (checking, savings, loan, loan).



Who to Recruit for the Board?

- ✓ Members who bring new levels of professional expertise.
 - Finance, marketing, technology.
 - Leaders in the community.
 - Business owners and entrepreneurs.



Where to Place New Volunteers?

- Member advisory groups.
 - ✓ Focus groups.
 - ✓ Beta test groups.
 - ✓ Social networking participants and moderators.



Where to Place New Volunteers?

- ✓ Supervisory Committee.
 - Good training for financials and operations.
 - Education and training budget.
 - Attend board meetings and planning sessions.



Where to Place New Volunteers?

- ✓ Associate Board of Directors.
 - Attend and participate in board discussions.
 - Education and training budget.
 - Non-voting on board matters.
 - Note: Associate Board members want to serve on the full Board.



Where to Place New Volunteers?

- ✓ Board of Directors.
 - Equal participation from Day One.
 - Partner with CEO and executives to better understand operations.
 - Seek active contribution to conversation and workload.



How to Recruit for the Board?

- Annual call for interest and nomination.
 - ✓ Bylaws require it.
 - ✓ Response rate is very low.
 - ✓ Streamline this function.
- ✓ Direct marketing with targeted messages.
 - Work with marketing and member database.
 - Pitch marketing copy unique to member set.
 - Compensation? Professional growth? Education? Leadership?



How to Recruit for the Board?

- ✓ **CEO is your #1 recruiter**
 - CEO is face of organization.
 - CEO is member-centric.
 - CEO should always be able to find good candidates.

- ✓ **Duty for individual directors.**
 - Work with CEO and member-facing professionals.
 - Look for influential leaders in FOM.
 - Build into director expectations.
 - Draw up a short job description.



Onboarding New Volunteers

- Be active.
 - ✓ Attendance; participation; communication; relationships; engagement.
- Be involved.
 - ✓ Learn operations; education; designations; networking with volunteers.
- Be strategic.
 - ✓ Establish strategic objectives; task CEO to build plans offer ideas and insights; be a voice for members.



The Three Legal Duties

Care

Pay attention to the organization's activities and operations

Loyalty

Put the interests of the organization before personal and professional interests.

Obedience

Comply with applicable federal, state, and local laws; adhere to the organization's bylaws; and remain the guardians of the mission.



Basic Responsibilities



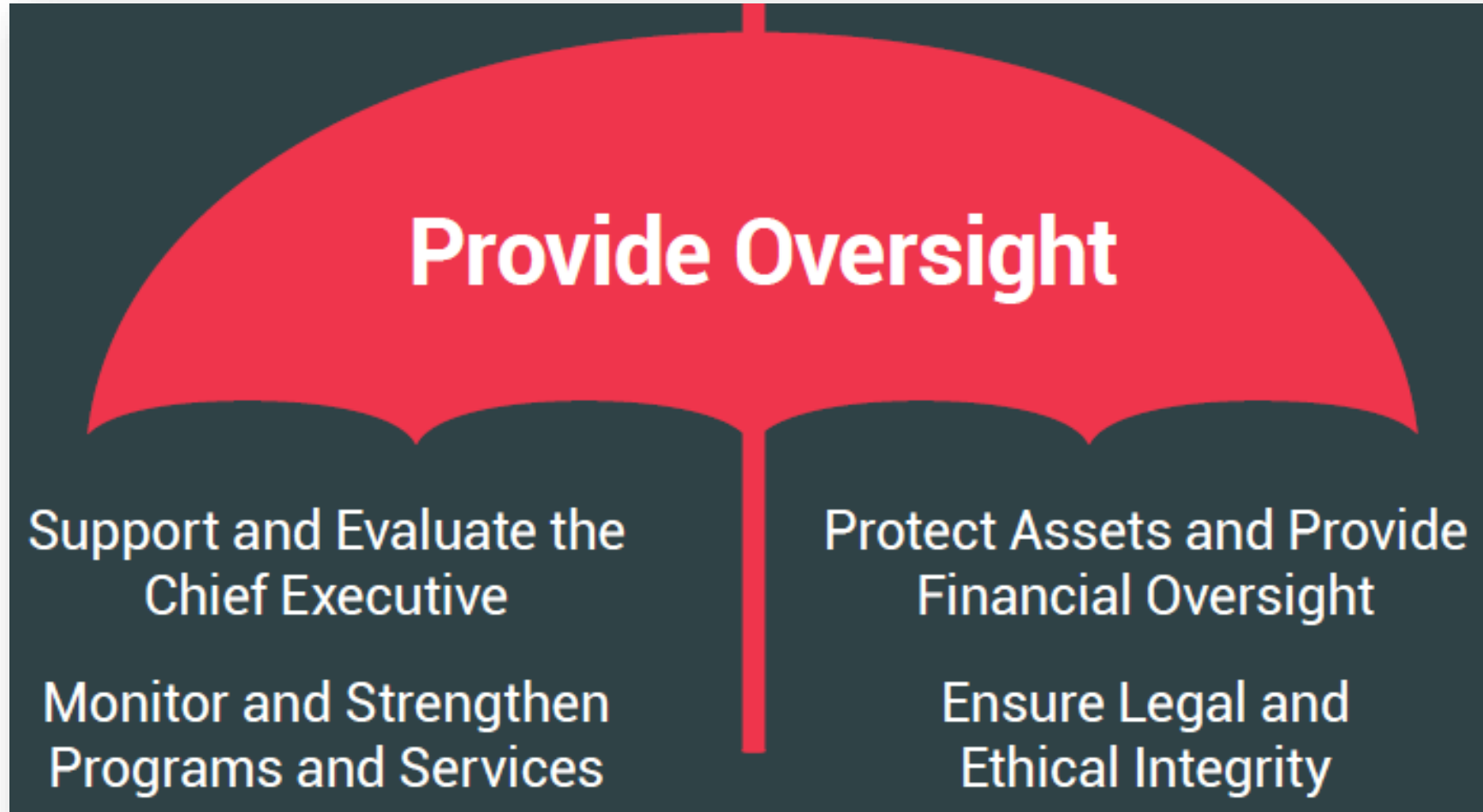


Basic Responsibilities





Basic Responsibilities





How current boards rate themselves on the ten basic responsibilities:

	Responsibility	CEO	Chair
	Mission	A-	A-
	Financial Oversight	B+	B+
	Legal/Ethical Oversight	B+	B+
	CEO Support	B	B+
	Strategy	B-	B
	CEO Evaluation	B-	B
	Monitors Performance	B-	B
	Community Relations	C+	C+
	Board Composition	C	C+
	Fundraising	C	C



Background Information

- History of the credit union; history of credit unions.
- Mission; Vision; Values.
- Strategic and Business Plan.
- Financial statements; financial ratios.
- Products and services; lines of business; CUSOs.
- Disaster recovery/business continuity.
- Opportunity to learn from C-Suite executives.



Logistics

- Committee structure.
- Board packet structure.
- Regular meeting schedules.
- Planning session schedule.
- Board requirements and expectations; Board evaluation.
- Contact list – Board, volunteers, senior employees.
- Executive Assistant (EA) duties and how EA interfaces with Board.



Industry Associations

- Michigan Credit Union League.
- Corporate credit union.
- Correspondent bank.
- Credit Union Executives Society (CUES).
- Credit Union National Association (CUNA).
- National Association of State Credit Union Supervisors (NASCUS).
- National Association of Credit Union Service Organizations (NACUSO).
- National Association of Federally-Insured Credit Unions (NAFCU).
- World Council of Credit Unions (WOCCU).



Education

- Local and national programs and certifications through industry associations.
 - ✓ Conference schedule.
 - ✓ Webinars.
 - ✓ Chapter events through MCUL.
- Publications:
 - ✓ Industry association publications.
 - ✓ CU Times
 - ✓ CU Journal
 - ✓ CU Insight
 - ✓ CU Business



Regulatory Bodies

- Michigan Department of Insurance and Financial Services.
- National Credit Union Administration (NCUA).
- Consumer Financial Protection Bureau (CFPB).
- Federal Reserve Bank.
- American Share Insurance.



Building an Effective Board and Culture

- Focus on value for members. It's their credit union.
- Provide insight, advice, and support to CEO.
- Create a climate of trust, candor, and excellence.
- Utilize a fluid portfolio of roles; share Board leadership.
- Ensure individual accountability.
- Evaluate the Board's performance.



Board Expectations of CEO

- Update, input, or decision.
- 1-5 year view of credit union.
- Strategic building blocks (2-3 years).
- Long-term strategy to maximize value.
- Competitive advantages, areas of focus.
- Operating plans; financial goals.
- Talent development for succession and execution of strategy.



CEO Expectations of Board

- Understand the business and membership; develop education plans that fit Board and each director.
- Provide direction; support changes and pace of activities.
- Provide input, perspective, and experience.
- Challenge, add value, and align strategy.
- Budget for CEO development.
- Be responsive, involved, and consultative.



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