

UPDATE



AN ELECTRONIC REPORT FROM THE CUNA HR/TRAINING & DEVELOPMENT COUNCIL

What does it mean to be a member?



Michael Hiller
HR/TD Council Chair

We work for cooperatives with volunteer boards, supervisory committees, and employees who work in a "movement" rather than an "industry." Credit unions distinguish themselves from other financial institutions by calling attention to our cooperative approach and member orientation. How wonderful that the CUNA HR/TD Council is constructed upon the same principles: cooperation, members helping members, and a not-for-profit approach to providing networking and educational opportunities.

The Council's executive committee has been working hard to provide enhanced benefits to members. One group is working with sponsors to continue to provide high quality conferences and roundtables that meet your needs. Another group is trying to reinvent the "publications" of the council so that in addition to white papers and newsletters, we can offer webinars and other virtual educational events. The conference committee is making arrangements for our 2004 Summit in Miami. We hope to answer your questions and challenge you in providing membership benefits to members and employees. Finally, our membership group is greeting and inviting your colleagues to become members of the Council.

Our listserv is an excellent forum in which ideas and problems are addressed. Discussions about organizational development, training vendors, executive training, employee

files, and other topics were recently discussed. I hope that we can also have some good discussions about containing employee benefits costs and emerging FLSA regulations. Through the listserv, we can tap the resources of Council members. Issues are immediately identified, and we can all take part in discussion to resolve them.

I will be attending the HR School in San Diego and meeting individuals starting on the HR path. I will invite them to join the Council because it is here that their concerns, hopes, and dreams can be shared with their peers. Lin Standke, director of the HR School, and I are talking about producing shared Webinars and other educational events. I hope we can do similar projects with events scheduled for trainers.

A final thought: just as you serve members, now be a member. If there is an area where you have expertise or knowledge that you can share with our Council, please do so. If you're interested in sponsorships, contact Todd Surline. If you're interested in virtual publications, see either Sarah Yoder or Kent Streuling. If you're interested in membership services, see Rosemary Logan. This council is something that we're doing and inventing together. Enjoy! ♦

Michael Hiller, vice president
administration/lending
Stanford Federal Credit Union

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Plan now for 2004 CUNA HR/TD Council Summit



It's not too soon to begin planning for the 2004 CUNA HR/TD Council Summit, to be held April 18-24 at the Fontainebleau Hotel in Miami Beach. As you prepare budgets for next year, be sure to include this preeminent event in your planning process. You'll meet with fellow HR/TD professionals to learn about and discuss issues such as organizational culture; staffing, recruiting and retention; affirmative action and EEOC issues; and skill development. And watch the HR/TD Council web site for details during the upcoming months. ♦

Working with difficult people

Work is difficult enough without having to deal with a grumpy boss, a chatty coworker, or an obnoxious neighbor, Christine Karcher reports in CUNA's *The Point for Credit Union Research and Advice*. Unfortunately, all of us have had the unpleasant experience of having to work with someone with whom we don't get along. Difficult working relationships can lead to stress and tension, and reduce productivity.

Unmet expectations and trying to change other people are two of the greatest contributors to interpersonal disharmony. We need to learn to accept people as they are. Karcher offers the following principles to help gain greater control over our own actions and establish a foundation for building workplace harmony:

Accept others as they are. We can't change another person. Trying to do so only leads to frustration and exhaustion. Your greatest sphere of influence is yourself. One of the most powerful ways to effect change in others is to change yourself. When you give up the fight to control others you have the energy and freedom to determine your own response to work issues and challenges. Change will

radiate to others as a result of self improvement.

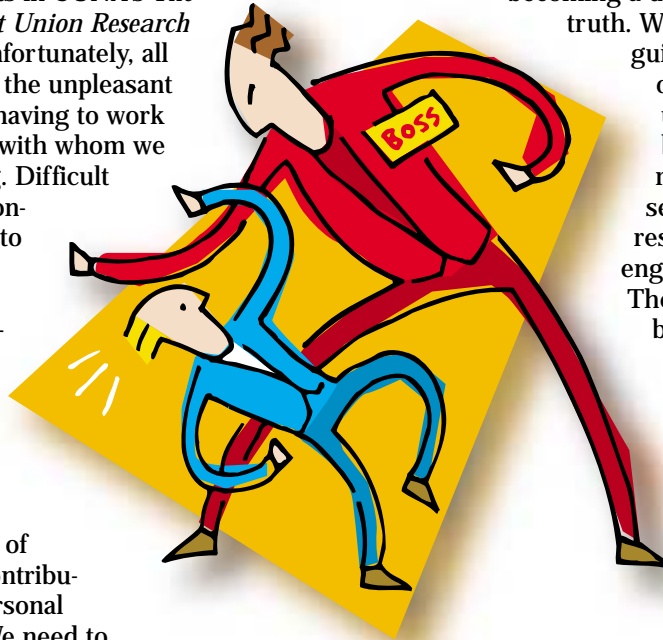
Set boundaries. Acceptance doesn't mean becoming a doormat or avoiding the truth. We sometimes feel selfish, guilty, or afraid of what the other person will think of us if we set boundaries, but boundaries help our relationships if they're set with an attitude of respect. Refuse to argue or engage in power struggles. The more often you set boundaries, the fewer disharmonies you will encounter.

Keep a kind heart and an open mind. If you feel yourself revving up for an argument, remove yourself from the situation and take a 20-

minute time-out to get centered and calm your nerves. Maintain an attitude of respect, and resolve issues rationally.

Look within. Our ability to accept others is closely tied to our own self-esteem. When we accept ourselves, we can more easily accept others as they are. Acceptance is difficult when we feel hurt, rejected, or unloved.

When we practice these four approaches, we are likely to see a remarkable change in the way others willingly respond to us. As a result, everyone can then begin to work together to achieve greater harmony and productivity. ♦



The Point for Credit Union Research and Advice

FLSA, incentives, best practices, training, interviewing, handbooks, diversity, and confidentiality are just some of the Human Resources and Training topics covered in *The Point for Credit Union Research and Advice*. If you haven't done so already, go to The Point's

page on the CUNA web site (advice.cuna.org) and sign up for a 30 day free trial. Once you're signed in, hit the "archive" button and choose "Human Resources and Workplace" to access a wealth of articles. ♦



Job Seekers Become Creative In Employment Appeals

With unemployment at a nine-year high, many workers now characterize their job search as desperate.

Christopher S. Stewart, writing in the *New York Times*, reports that about 25 percent of the nine million Americans counted as unemployed have been out of work for more than 27 weeks. In some of the hardest-hit industries, like technology, finance, and manufacturing, many white-collar workers have been out of work two years or more.

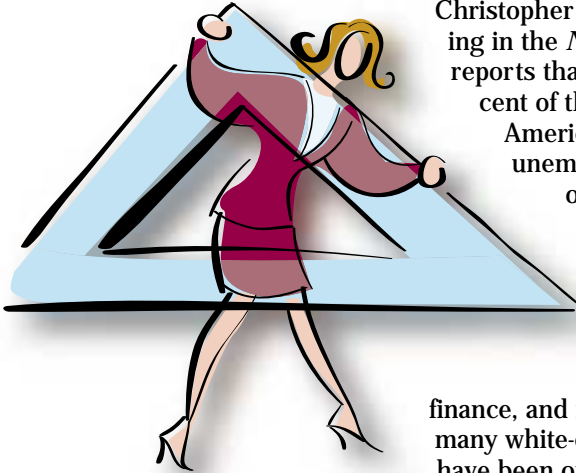
“These times are rife with the temptation to do extreme things,” said Andrew Sherwood, chairman of the human resources firm Goodrich & Sherwood Associates. “More and more, necessity is a driver. Job seekers have moved from the cocky ‘buy me if you like’ approach of the ‘90s to doing and saying whatever it takes to get a job.”

Stephan Schiffman did not even have a position open when a Washington man recently

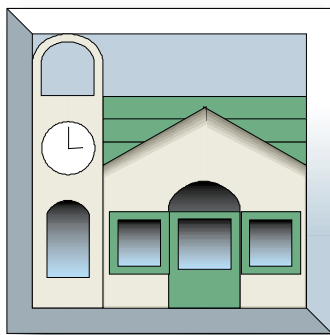
showed up without warning at his Manhattan sales training company, the DEI Management Group. Though the man was denied entry, he refused to leave the downstairs lobby, where he waited for the next two hours, even after security was called. In the end, Schiffman saw the man to appease him.

“He claimed he wanted to talk about a book that I’d written, but he ended up begging for a job,” Schiffman recalled. Another man, after being turned down for a position at DEI’s Huntington Beach, Calif., office, came to work anyway. “He hired himself,” Schiffman said. “Some of the managers were away after the interview and the people just assumed that he’d gotten the job.” Like everyone else working there, he came and went from 9 to 5, spending a total of a week or so blending into the ordinary rhythms of office life before he was finally discovered and asked to leave.

Experts warn against approaches that are too unorthodox. “When thinking in extremes, you immediately narrow the window of opportunity,” said Damian Birkel, founder of Professionals in Transition Support Group Inc. Still, every so often, an extreme gambit works. Some employers sympathize with desperate people. They may be hungrier and more motivated than others. ♦



Telecommuting offers distinct employer, employee advantages



The same connections that enable credit unions to offer anytime, anywhere services to members also make it possible to offer

workplace flexibility to employees.

Telecommuting enables employees to perform work from home-based offices on a part-time or full-time basis by substituting electronic connections for face-to-face interaction.

Telecommuting saves space in crowded offices, improves retention of high-performing employees, and makes it easier to recruit quality workers. Organizations that aggressively pursue telecommuting say it also improves productivity and creates a new way of working that affects all employees, both those in the traditional work environment and those who prefer to work from home.

Employers who allow telecommuting can reap a significant benefit in terms of retaining high-performing employees who consider working at home a job plus. After years of solid gains by employees in salary and wage levels, average starting salaries have stabilized, with relatively flat salary growth projections in most job categories. This means that employers must find other ways to keep the stars they have on their team, and recruit new top per-

formers. Telecommuting is one weapon in the employer's arsenal to accomplish that goal.

Telecommuting is a growing trend nationwide, and one that makes sense for many positions. Studies show that benefits of the practice include an increase in productivity and a decrease in highway travel and fuel consumption.

For a telemarketing program to work, however, policies covering the practice must be clearly stated and enforced. For example, managers can measure what an employee produces by examining the product or results of the employee's efforts. It is also helpful to use project schedules, key milestones, regular status reports, and team reviews. Supervisors may call employees who are working at home.

Telework schedules should be sufficiently flexible to permit periodic work schedule adjustments. Initial schedules may require trial and error adjustments to determine the optimal schedule that meets the needs of the employee and the organization.

Certain guidelines must be established to minimize any adverse impact on other staff members before employees begin to work at alternative worksites. The overall interests of the office must take precedence over working at alternative sites. A supervisor may require

an employee to work at the main worksite on a day scheduled for an alternative worksite if the needs of the office so require. Telework should not put a burden on staff remaining in the office.

Credit unions that support telecommuting rely on a combination of communication, technology, policies, and information security to enable employees to work from home. Developing an effective telecommuting program typically involves a team approach that draws heavily on the expertise provided by the Human Resources and Information Services Departments, while demanding new approaches from supervisors and employees alike.

Clark County Credit Union in Las Vegas, NV, takes an active role in encouraging suitable employees to pursue telecommuting. More than one-fourth of Clark County's 95 employees currently telecommute on either a part-time or full-time basis. A case study of the Clark County experience reveals how telecommuting has helped the credit union avoid a \$4 million building expansion by shifting employee's offices to their homes.

Although credit unions continue to implement telecommuting cautiously, the experiences of Clark County and other credit unions clearly show that credit union employees can work effectively from home. Credit unions engaged in telecommuting say that technology continues to expand the quality and affordability of connections; the number of employees who can telecommute; and the opportunities to achieve workplace objectives from a home-based setting.

The Office of Personnel Management (OPM) and the General Services Administration (GSA) operate a joint web site on telework (www.telework.gov) that provides guidelines for employers interested in pursuing a telecommuting program. ♦

Summarized from a CTC white paper, *Telecommuting*, by Darla Dernovsek



HEARD IT ON THE LISTSERV

The CUNA HR/TD Council listserv is an excellent resource through which to obtain advice and counsel on pending issues and to network with fellow members. Following is a digest of some of the subjects recently discussed by members. Check it out for yourself for a more complete review of

comments and suggestions.

Credit report checks: A council member asks respondents if their credit unions check credit reports on new employees before extending a job offer or after an employee comes on board. And, what is the policy if the credit union discovers bad credit after the

employee is on board?

All respondents report checking credit reports before an employee is hired. Typically, however, only the final candidate undergoes a credit check. And one credit union reports offering positions contingent upon an acceptable credit report.

Days off policy: A council member asks if others have a requirement of five consecutive days off for staff, and how rigidly the requirement is monitored.

The majority of members responding do have a five-day requirement for time off. In one case, when an employee has earned 15 or more paid time off days, they are required to take at least five consecutive days off. At another credit union, the policy is a requirement by the audit firm. But another credit union has seen problems when staff does not have enough time and must take leave without pay to get the five days in.

Overtime pay: A council member asks whether credit unions pay overtime to employees who are scheduled to work less than eight hours per day, 40 hours per week, if they work

more than their scheduled hours in a day, but not more than eight hours.

All respondents reported paying no overtime in this kind of situation. One member says overtime is based on hours in excess of 8 hours/day or 40 hours/week. Another respondent suggests checking state laws that may come into play in this situation.

Comp time for exempt staff: At one credit union, managers use comp time when they work more than their normal number of hours. The council member asks how other credit unions handle this situation.

In general credit unions do not have an official policy regarding comp time for exempt employees. Managers have the flexibility in their schedule to take time off when needed. The organization does not monitor time schedules when the basic components of the job are being addressed and the flexibility in the position is not being abused. One respondent cautions that if comp time is awarded hour-for-hour, the credit union may be compromising their exempt status. ♦

Powerful Motivators: Positive Reinforcement and Praise

Positive reinforcement and praise are two of the most powerful employee motivators. They're also free. Unfortunately they're frequently not used or not used productively. The following discussion provides a few suggestions as to how to use recognition more effectively.

Guidelines for Effective Recognition

- Give it often.
 - ✓ When an individual has done something "above and beyond."
 - ✓ When an employee has significantly improved performance.
 - ✓ When an employee has met organizational expectations over a long period of time. (These people often get overlooked.)
 - ✓ As a strategy to improve performance or make changes in behavior.
- Provide recognition as soon as possible, to link praise with the performance. It's much more powerful that way.
- Focus reinforcement on specific individuals or teams. General statements such as, "Good job everybody," are not very helpful.
- Make your reinforcement as specific, descriptive, and precise as possible. People

need to know why they are being reinforced and what they did to earn your attention. If they know why you are praising them they are more likely to do it again.

Examples:

- ✓ Too general: "Great work, Bob."
- ✓ Better: "You've increased production by 15% while maintaining your error-free record for over 3 weeks. Great job!"

- Make sure the employee knows why his performance is important to you and the company.

Examples:

- ✓ "Jose, the sales stats that you compiled for us were clear, usable, and complete. They allowed marketing to quickly develop our plans for next year and immediately target the markets in the southwest region. Your work was critical to our successful expansion."

- Customize your recognition. People value very different things. Avoid thinking "I know what motivates me so I know what motivates my employees."



Examples:

- ✓ Some employees prefer to be recognized privately, while others prefer it in front of people.
 - ✓ Some like to receive a simple memo thanking them, while others may like an award certificate.
- Make your recognition personal. It shows you cared enough to take the extra time to do it.
 - Make your reinforcement appropriate and proportionate. Don't exaggerate or you will lose credibility. Be sincere and substantive.
 - Think small. Acknowledge small achievements. Do not wait until an employee has completed a project or performed perfectly to provide recognition.
 - Try to avoid qualified praise (e.g., "This looks good but...")
 - Make sure you are reinforcing what you think you are reinforcing. Remember, you get what you reward.
 - Align the goals of the organization with the

goals of the employee. Identify the organization's, department's, and position's goals so that you know what you want from employees. Then reinforce employee performance that promotes those goals. Clearly convey how employee performance relates to organizational results.

- Consider implementing formal recognition programs company-wide, enabling employees to easily provide praise or send messages of appreciation (e.g., providing company "thank you" notes or appreciation note cards.) Train your employees and managers in how to provide effective recognition.

Recognition seems like common sense. However it is not commonly given. So practice recognizing employees and their achievements on a daily basis. It may take a bit of effort to remind yourself of it at the beginning. ♦

Article compliments of HRN Management Group (www.hrnonline.com).

Staffing to serve new Americans

The more than 33 million new Americans participating in U.S. society are shaping our country and its institutions in new and dramatic ways. The impact of immigrants on the U.S. economy promises tremendous opportunities for organizations that are able to recognize and respond to their needs. The implications are explored in a new report sponsored by the Filene Research Institute, *Serving New Americans: A Strategic Opportunity for Credit Unions*.

One key conclusion of the report is that credit union staff needs to be able to communicate effectively with immigrant populations to serve them effectively. This requires staff to have a working knowledge of specific financial terms and concepts to members in a way they can understand, according to Harriett May, colloquium participant and CEO of Government Employees Credit Union of El Paso. "We also need to be able to integrate financial education with product knowledge in order to serve this population properly," says May.

Kim Bannan, vice president of credit union development with the California league, agrees. "I thought I was bilingual until a field trip in Mexico a few years ago. When we began talking business terms, I realized that

while I was bilingual conversationally, I was not bilingual in the language of business. I had to learn a whole new language to speak in financial terms and be able to understand them."

And in Lawrenceville, Georgia, Gwinnett FCU serves a large contingent of Bosnian immigrants displaced by war in the Balkans. At first, friends and family served as interpreters, but it soon became apparent that the credit union needed an individual on staff who could serve them in their own language. "We soon added two people who spoke the language," says Gwinnett CEO Marshall Boutwell, "including one woman who has a degree in finance from Sarajevo. She is now a branch manager."

For more information on the Filene report *Serving New Americans: A Strategic Opportunity for Credit Unions*, go to the Filene web site at (www.filene.org). ♦

filene
RESEARCH INSTITUTE

Projected salary increases for CU managers dip below 4%

Credit union employee income growth has slowed, mirroring other industries nationwide. The average pay increases credit union employees received in 2002, however, are slightly higher than the averages among all U.S. employers, according to *E-Scan's 2003 Complete CU Staff Salary Survey*. The average salary increase for credit union management employees was 4.3% in 2002, down from an average increase of 4.8% in 2001 and 4.9% in 2000. The average salary increase for credit union non-management employees in 2002 was 4%, down from 4.4% in 2001 and 2000.

The survey also reports that while bank chief financial officers and chief operating officers have higher average base salaries than their credit union counterparts, pay scales for credit union and bank employees are comparable for many other positions.

The survey shows that at \$70,197, the "overall" average base salary of credit union CEOs is up 4.4% in the past year. This average ranges from \$29,794 among cred-

it unions with between \$1 million and \$2 million in assets to \$278,918 among credit unions with more than \$1 billion in assets.

E-Scan's 2003 Complete CU Staff Salary Survey gives compensation data for 81 credit union full-time and eight part-time positions, and includes credit union job descriptions, salary adjustment worksheets, and bank salary comparisons to help credit union professionals develop a successful compensation program.

Also soon to be released are *E-Scan's 2003 Small CU Staff Salary Survey* and *E-Scan's 2003 Geographic Customized Salary Survey* (available with the purchase of *E-Scan's 2003 Complete CU Staff Salary Survey*). The *Small CU Staff Salary Survey* focuses on data from credit unions with less than \$20 million in assets, and includes information for the most common full-time and part-time positions in small credit unions. ♦

See more about the salary surveys at (<http://advice.cuna.org/reports/index.html>).



Hiller, HR/TD Council in the news

In its August 27 issue, *Credit Union Times* featured an interview with HR/TD Chair Michael Hiller, who explained some of the key initiatives being undertaken by the Council. Hiller pointed to the Council's 450 members as indicative of the value of membership, and the success the Council has enjoyed among credit union human resources and training and development professionals.

The story also explored the growing push toward executive team status for the HR and TD functions. "Part of our job," said Hiller, "is

to convince people why we should be a part of the executive team and build an understanding." Hiller sees a future where the Council reaches out and forms more partnerships within the human resources and training and development community.

The *CU Times* article was the second in a series of six that takes a closer look at CUNA Councils and their work. ♦

More *CU Times* at (www.cutimes.com).

NEW MEMBERS

The CUNA HR/TD Council welcomes these 29 new members. By joining their colleagues on the Council roster, they have demonstrated their commitment to promoting professionalism among credit union human resources and training and development staff and to developing superior skills. In addition, they join others in networking for the free exchange of ideas and improving the overall effectiveness of their credit union's human resources and training and development operations. Welcome to:

F. Lee Alderman, Jr.

Training Manager
Redwood CU
Santa Rosa, CA

Michelle K. Bailey

HR Director
Cy Fair FCU
Houston, TX

Paramjeet K. Bains

Corporate Training
Coordinator
Baton Rouge Teachers FCU
Baton, Rouge, LA

Christina Marie Carter

HR Contact
Maine State Employees CU
Augusta, ME

Kevin Cluppert

VP-HR
Fort Jackson FCU
Columbia, SC

Teresa L. Cummings

VP-Operations
River Valley CU
Ada, MI

Kim A. Divine

HR Supervisor
Weyerhaeuser Employees CU
Longview, WA

Sharon Giampapa

HR Director
UNCLE CU
Livermore, CA

Denise A. Hagen

VP-HR/Training
Washington State ECU
Olympia, WA

Joan K. Hall

HR Manager
King County CU
Seattle, WA

Kelly Kauzlarich

HR Manager
Deere Community
Federated CU
Ottumwa, IA

Shawn R. Kessinger

CFO
Ohio Credit Union System
Dublin, OH

Lori G. Korn

VP-HR
City County CU
Fort Lauderdale, FL

Rita S. McCaslin

EVP
Leaders CU
Jackson, TN

Jamie McCord Capehart

SPHR
HR Director
Midfirst CU
Franklin, OH

Maureen Noviello

VP-HR
St. Marys CU
Marlborough, MA

Patricia O'Brien

Training/Administration
Director
RTN FCU
Waltham, MA

Lisa Olson

HR Generalist
Bell Com CU
Grand Rapids, MI

Christine M. Pignona

HR/Training Manager
Vermont ECU
Burlington, VT

Marta Ponder

AVP People
U of C FCU
Boulder, CO

Scott Prochnow

Training/Development
Director
Baxter CU
Vernon Hills, IL

Shannon Reed

Executive Assistant
Bridgeton Onized FCU
Vineland, NJ

Allen Rodgers

VP-HR
Woodlands CU
Berlin, NH

Donna G. Sanders

HR Director
Eastman CU
Kingsport, TN

Cheryl A. Stennett

HR Specialist
CoOp Services CU
Livonia, MI

Linda R. Swaniger

Eagle Community CU
Lake Forest, CA

Edna M. Vezza

Staff Development
Administrator
Pennsylvania State ECU
Harrisburg, PA

Arla Wilson

HR Manager
WCTA FCU
Sodus, NY

Anita K. Yeager

President/CEO
Willow Island FCU
Saint Marys, WV



UPDATE

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