



PERSONNEL POSSIBILITIES

BY DIANE FAULKNER, ACC, SPHR

Picture a credit union facility. You'd expect to walk past an ATM on the way to the teller line. On one side, member service reps in half-enclosed cubicles help members in person or on the phone. And hidden in the back someplace are the loan officers. Because this scene is familiar to most members, they won't have difficulty discerning the area to which they need to go to transact their particular business.

Drop a member in the center of a credit union express center with a lone service rep, however, and you'll be staring at a soul more lost than Hansel and Gretl in the woods. Drop a traditional teller into that situation and you'll have two clueless people wondering what to do.

With the shifting economy, the changes in member wants, the improvement and availability of financial service technology, and the opportunity to serve in unusual areas (like the local grocery), the CU movement is exploring a heretofore unthinkable option for service delivery: people-free, or almost people-free. Staffing this multi-delivery-system credit union presents new challenges, and also new opportunities.

NEW FUNCTIONS

Express service branches came to life from a combination of delivery systems such as direct deposit, ATMs, call centers and Internet-banking. "Staffed" with more electronics than people, this new way of doing business gives a tighter twist to staffing strategies. It allows credit unions to move the focus away from traditional order-taking by adding a higher dimension of true sales to the mix.

"We've taken our technology—ATMs,

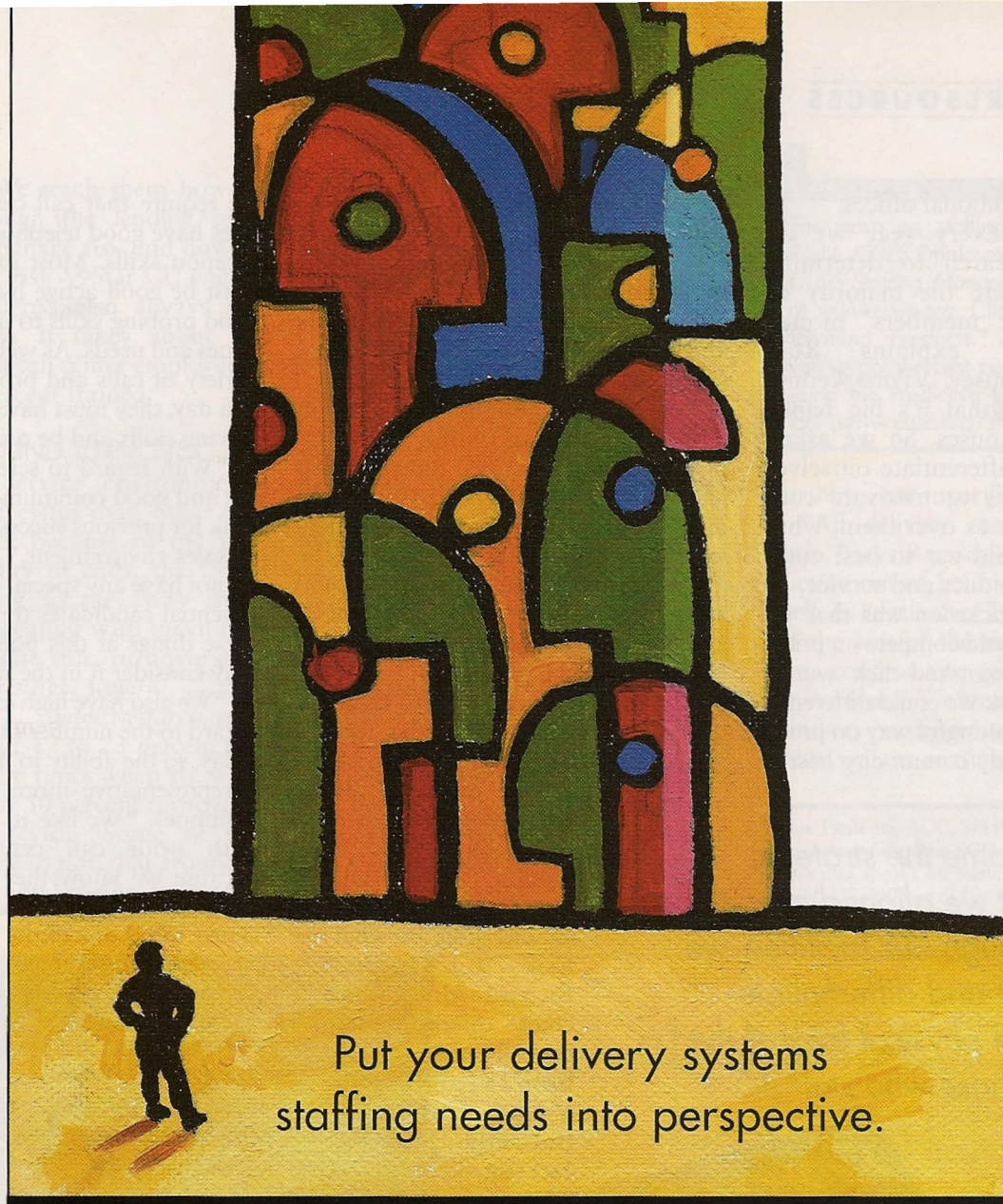
phone banking, Web banking, kiosks, everything we have—and come up with 'Van Tel Express,'" explains Tom Dutta, VP/sales and marketing at \$266 million/18,000-member Van Tel/Safeway Credit Union, with 62 employees in Burnaby, British Columbia. "We've bundled all (channels) together and put them into a marketing strategy." Since the branch opened, Van Tel CU (www.vantel.safeway.com) has seen gains in phone and Web banking penetration, increasing numbers of new accounts each month and decreasing transaction costs.

MOBILE MEMBERS DRIVING MOVE

As SEG penetration grows and companies expand and move, oftentimes shifting membership across cities or states, members cling to the benefits of credit union membership by requesting call centers or electronic services.

\$1.1 billion/87,000-member Provident Credit Union (www.providentcu.org) with 246 employees in Redwood Shores, Calif., is an excellent example of such an effect. "We've had a call center for over 10 years—serving both general member inquiries and taking loan applications," says CUES member Heidi Parks, the CU's VP/marketing.

"Given our membership is spread over the entire San Francisco Bay Area and beyond to include as far south as Los Angeles, as far north as Eureka and as far west as Sacramento, a call center gives us the ability to serve members where we have lesser concentrations of branches. It also allows us to keep members as they move out of our primary trade area, not to mention the greater efficiencies of operating a



Put your delivery systems
staffing needs into perspective.

call center vs. opening additional branches. Over the years, we have had different operating models, and we are constantly refining how best to integrate the loan side and the member service side within the call center.”

The strong relationship a CU builds with its membership also drives the request for outpost service areas. VP/Human Resources Elaine Terry, also a CUES member, says \$4.2 billion/311,000-member Boeing Employees’ Credit Union’s membership has expanded from using the call center to visiting grocery store branches that are both tellerless and cashless.

“It’s amazing how many members and prospective members show up to our

(Express) Service Centers to do Web banking. We educate people on the delivery channels available and have a computer set up there to show (members) how to do their transactions or apply for loans. We work very closely with the store management, and we’ve attracted a lot of new members,” she says. In fact, one-third of the Seattle-based CU’s growth comes from the Express Service Centers, she adds.

Going a step further is Monterey Credit Union, (\$151 million, 22,000 members and 90 employees) in Monterey, Calif., which features tellerless branches. The Solutions for Monterey CU “store” is an entirely different operation from the CU’s



traditional offices.

"Every year we do research to determine where the majority of our members' money is," explains Ross Ramsey, VP/marketing.

"And we found that it's big banks and brokerage houses. So we asked how we could differentiate ourselves from these banks to motivate consumers to choose us over them, what strategies we could use to best compete on price, product and service.

"Our basic conclusion was that we didn't think we could compete on price, especially in a point-and-click world, and we didn't think we could differentiate in any real meaningful way on products that are mostly commodity based,

"Service became the strategic direction that we aligned everything around. Through our facilities, we can influence and differentiate ourselves: the physical look of the facility and those who staff it."

Ross Ramsey

so that left service. Service became the strategic direction that we aligned everything around. Through our facilities, we can influence and differentiate ourselves: the physical look of the facility and those who staff it."

STAFFING FOR SUCCESS

The concept of Solutions led to a decision to design a radically different service center, one that looked and felt like a store. ATMs would handle teller transactions. Computers and kiosks would handle loan applications. Staff would work retail hours and be on hand to recruit new members and educate current ones on available delivery channels.

Recruiting for a tellerless office moves the focus from candidates with strong order-taking aptitudes and general computer skills, to those with gen-

eral service capabilities accompanied by strongly demonstrated sales aptitudes and confident computer skills. Independence, the ability to work with little or no connection to co-workers and the flexibility to handle retail scheduling is also paramount.

For Solutions, Ramsey says, "... in terms of actual recruiting, we composed ads and described functions just like anything else. We posted internally, but because of the retail hours, there were no takers, which turned out to be a blessing in disguise, because we could attract people who worked at Macy's and wanted retail hours. There were no expectations to unravel."

The call center culture also creates a unique recruiting profile that focuses on sight-unseen communication skills.

Logic, problem-solving and resourcefulness need to be coupled with clear diction. "With tellers, face-to-face (communication) skills are what we look for," explains Richard Alfievic, EVP/chief operations officer/call center at \$2.4 billion/281,000-member VyStar Credit Union (formerly Jax Navy), Jacksonville, Fla., with 731 employees. "We do

test on the keyboard, but with a click and drag system, [60 correct words per minute] isn't that important. We do math testing, logic and reasoning, (and) money counts, and look for experience and personal integrity among other values.

"With the call center," Alfievic, a CUES member, continues, "we test in much the same way, but we phone screen for (speech clarity) and diction as well as screen for the math, logic, reasoning and deductive skills as with the tellers."

At Provident CU, Parks notes that "just as we do when we recruit for a branch staff person, we look for call center candidates with good attitudes, good basic skills and aptitudes and, ideally, some prior customer service experience. However, in the case of the call center, because of the nature of the job,

we require that call center representatives have good telephone and communication skills. Most importantly, they must be good active listeners and have good probing skills to uncover member issues and needs. As well, because of the variety of calls and problems they face in a day, they must have good problem-solving skills and be quick thinkers.

"With regard to screening for probing and good communication skills, we look for previous success in a call center or sales environment," Park says. "We do not have any special exercises we put potential candidates through to test for these things at this point, although we may consider it in the future.

"We also have high expectations with regard to the number of calls handled in a day, so the ability to multi-task makes a representative more successful," she continues. "We like to bring people in with prior call center experience, because we know they understand the demands of the environment. The call center job is one of the toughest jobs in the credit union. To be successful takes a very special person who likes a fast-paced, quick-changing environment."

TWEAKING TRAINING

Because of the variety of their job duties, call center employees may also need additional training compared to tellers.

"The first thing we do for tellers," notes Alfievic, "is put them through a six and one-half day training period. We introduce them to credit unions in comparison to other financial institutions, the differences between profits and not-for-profits, and (between) VyStar CU and other credit unions. We also introduce them into other departments like business services and mortgages so they get a flavor for what each department does. This helps them cross-sell. Then either the COO or CEO will meet with every new employee."

Alfievic continues, "For the call center, it's the same way, except we add much different modules and it's an eight-day process. We bring them back five weeks later for a second refresher class that will include more in-depth questions on the transfer side and also some advanced cross-selling training. Five weeks later, they're back for a

lending class. We teach them how to maneuver through the lending platform, how to manage risk and how to determine what risk VyStar CU wants. Throughout, there's also always on-the-job training. It takes about six months before a call center employee is one hundred percent trained."

TURNING AROUND TURNOVER

These newer service environments can be more stressful than other CU positions, either because of the volume and rapidity of calls, the isolation of working so far away from everyone, and dealing with inevitable rejections. Despite this, turnover statistics are surprisingly low.

At VyStar CU (www.vystarcu.org), turnover is about 17 to 23 percent per year. "There were times when we were up there at 30 to 50 percent turnover," comments Alfievic. "Some of the things we've done to turn that around is paid out tuition and benefits (to our call

center staff who are all part-timers). Call center employees are also paid at a higher level, have more flex-hours and, as a result, are able to have a lot more personal time."


Monterey CU (www.montereycu.com) implemented an incentive program based on selling and building relationships. "Now all those who initially wouldn't post internally for those positions want to work out there," Ramsey says. "The true sales culture came about and sucked in the entire organization."

For 906-employee Boeing ECU (www.becu.org), Terry notes that turnover is at 10 percent for the call center. "The people we have managing that area do a tremendous job creating an environment of flexibility and keeping employees interested. In an area that could be so structured, they keep it fun. People really like working in that area. They become more independent and tend to move up faster within the organization, because they develop the

R esources

For more on staffing, check out *Hire Right: CUES Employment Skills Test* and *CUES Staffing Manual for Credit Unions* at www.cues.org. Click on "Shop" then "Staffing Products." Also, make sure you've got the best person for the job by using the Predictive Index Management tool (www.cues.org/services.htm).

attributes for supervisory positions."

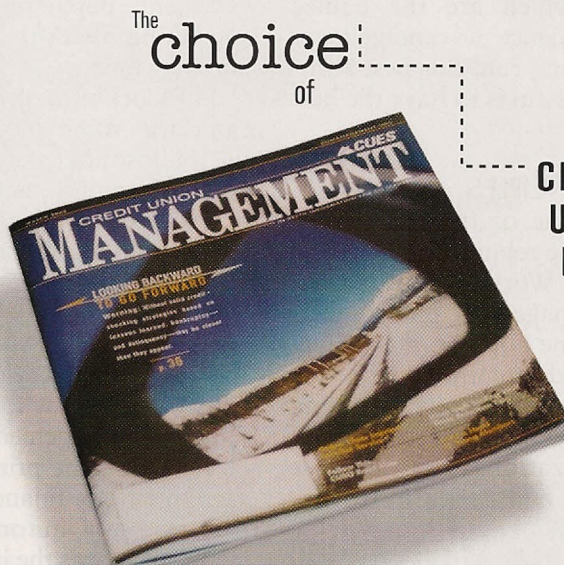
"All delivery channels have their place," says Ramsey, "but the loan production out of Solutions alone paid for itself. In a little over 12 months, we paid off the cost of the new building. Solutions continues to generate a high volume of loans. We haven't got the current numbers on penetration yet, but we do know we just continue to grow." 

Diane Faulkner, ACC, SPHR, formerly VP/human resources at Coastline FCU, Jacksonville, Fla., now writes and speaks on business issues. Contact her at 904.997.0004 or dkf_mail@bellsouth.net.

www.cumanagement.org

The Credit Union Executives Society's award-winning magazine is designed to offer you valuable, comprehensive management -and director-focused solutions for a competitive edge. No other industry publication offers more information-packed articles, relevant topics, or across-the-board expertise.

Credit Union Management will help you overcome critical challenges with the latest insights on technology planning, security, delivery systems, branding, succession planning, and more! Choose the leading resource that explores different perspectives and strategies applicable to your needs as a credit union leader—order your subscription today. If you're currently a subscriber, pass this issue along to colleagues at your credit union and encourage them to choose *Management* as their preferred publication too. Call CUES® at 800.252.2664 or 608.271.2664, ext. 3400, or visit www.cumanagement.org.



CREDIT
UNION
LEADERS

In six consecutive surveys, readers have named *Credit Union Management*™ their No. 1 source of information in leading their credit unions—and so will you!

Readex® Inc.

