

# UPDATE

AN ELECTRONIC REPORT FROM THE CUNA HUMAN RESOURCE COUNCIL

## Update Newsletter Goes Electronic!

If you're reading this from a sheet of paper, you're already behind the curve.

Starting in January, 1999, the CUNA Council newsletters will go electronic! The first issue for 1999 can be found by going to [www.cuna.org](http://www.cuna.org), click on COUNCILS, then the CUNA HR Council. The second and subsequent issues will be found within the secured side of the HR Council's web page and accessible only to HRC members with a password (directions will be found there).

According to the results uncovered in a recent survey conducted for the councils by Syndics Research, as well as through a lot of conversation with council members, you prefer receiving council news electronically. Its HRC's goal in 1999 to provide all newsletters and white papers on the "members only" section on the web and phase out paper-based distribution as members permit.

Thanks to the Web's virtually limitless possibilities, you'll receive your council news in



color for the first time. Thanks to the availability of digital photography, we'll also be able to feature photos and illustrations to make you newsletter livelier and more appealing. And you'll receive more news than ever before, too. We realize that not all members have regular Web access. We will continue to fax newsletters to all council members during the first two quarters of 1999 the same way we always have done.

The information will be just as good but the graphics will have to be paired back to accommodate the fax's black-and-white medium. By September, we'll begin to fax only to those members who still need or want paper copies. (You'll receive a communique allowing you to indicate your preference.) By the time we enter the new century, we hope all members will have Web access and are able to enjoy the full impact of the newsletters.

Electronic information distribution - members asked for it, the CUNA HR Council is delivering! Just another benefit of membership! ♦

## Taking the Guesswork Out of Hiring in the 90s

*Harris M. Plotkin, President,  
The Plotkin Group, Carlsbad, Calif.*

Taking the time and making the effort to hire the right person for a job takes time and money. However, not doing so can often cost a credit union much more money in employee theft and turnover costs, in negligent hiring, sexual harassment, and wrongful termination lawsuits. Many organizations are not aware of what techniques are legal and available to use in the hiring process to avoid costly hiring mistakes.

If the right person is not selected to start

with, no amount of training is ever going to make that person right for the job. Many credit unions make hiring decisions based solely on an interview, and that hiring decision is usually made in the first 3.4 minutes of the interview. The interview, while a necessary and informative aspect of the hiring process, should not be the sole basis for candidate selection. The key to improving your hiring process is to pay careful attention to the steps to take before the interview. Pre-interview screening will not only save you time and money, it can be the difference between just hiring a candidate and hiring the right candidate.

Key factors to help identify whether candidates will be successful at a job include:

**1999  
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Summit**

◆  
April 14 - 17  
Hyatt Islandia Hotel  
San Diego, CA

- 1) the ability or aptitude for the work;
- 2) attitude and motivation to utilize talents to do the work;
- 3) experience for the job;
- 4) education and training for the job; and most importantly;
- 5) compatibility with the organization.

Results of a study conducted by Michigan State University's School of Business revealed that tests were rated four times more accurate than interviews. In designing your hiring process, look at the various techniques that are available, and select those which will measure the qualities you want the applicant to have. Tests are available that measure honesty, attitude, aptitude, intelligence and job skills. They are legal and they have been for many years with some exceptions. In Rhode Island, honesty tests can't be used as the sole reason for rejecting an applicant. There must be other considerations. In Massachusetts, honesty tests cannot be used at all. In all other states, they can.

When selecting tests to administer, make sure they are accurate, job relevant, valid and have withstood the test of time in the courts and to challenges of discrimination. Make sure the employment testing organization you are working with has a good reputation, understands employment laws, and shares that information with their clients.

Tests, background checks, and reference checks must be set in their proper contexts. Along with the interview, all are tools to give you information. While none of those tools alone will provide you with all the information you need, collectively they can provide pieces of the candidate selection puzzle that will contribute to a more accurate and informed hiring decision.

Harris Plotkin recently published book *BUILDING A WINNING TEAM*, and is creator of the ABOVE and BEYOND customer service training program. For more information: (800) 877-5685. ♦

## HR School

CUNA's Center For Professional Development will present its HR Management School:

Introduction & Advanced Update, October 17-22, 1999 at the Nashville Doubletree Hotel (room rates \$119 single/double). Topics for the introduction will include employment law, interviewing skills, counseling & discipline,

employment testing and much more! The advanced sessions will cover finance for HR professionals, safety issues, ethics training, conducting investigations and lots of other critical topics.

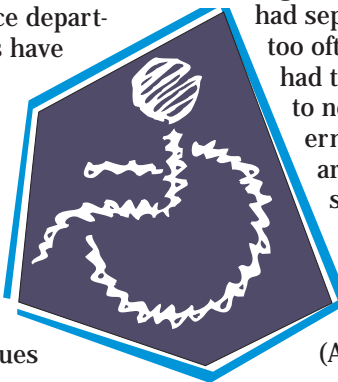
For more information on this program, please call CPD's fax-on-demand service at (800) 520-7899 and request document # 8100. Or, call Gwen at (800) 356-9655, Ext. 4864. ♦

The following articles are re-printed by permission from *Credit Union Magazine's News Now*.

## Make Sure Your Teller Lanes Conform to ADA Requirements

What does Wendy's have to do with credit unions? Plenty when it comes to teller service lines. An out-of-court settlement between the fast-food chain and the U.S. Justice department will change how businesses have customers line up for service. Wendy's has agreed to widen or remove the zigzag lanes at its counters. And Attorney General Janet Reno says the agreement should serve as a model for financial institutions and other businesses where customers line up for service.

At issue are the barriers or queues



for customers standing in line at Wendy's and other businesses. Too often they are so close together that wheelchairs cannot pass. Or, they create corners that are too tight for wheelchairs to turn.

If businesses think they can just create a separate traffic lane for wheelchair customers, think again. Many of the 1,700 Wendy's stores had separate lanes for wheelchairs. But too often, customers in wheelchairs still had to cut in line or wait for someone to notice them to get service. The government argued that providing a separate treatment only reinforced stereotypes that people with disabilities needed special treatment.

The government is stepping up its enforcement of the Americans with Disabilities Act (ADA) (ASSOCIATED PRESS). ♦



## Y2K Communications - For All CU Departments

Year 2000 (Y2K) liquidity concerns are growing amid media reports that the Federal Reserve is printing an extra \$50 billion worth of bank notes in preparation for above-normal cash withdrawals late next year stemming from Y2K concerns.

That's why credit unions need to be proactive in communicating their Y2K preparedness to their membership, notes Y2K newsletter editor Robert Burns. Burns, author of *CUNA's MANAGING Y2K* electronic newsletter, has been sharing this message with subscribers and audiences because speculation about credit union preparedness will increase as the year 2000 draws near.

For example, some media reports are suggesting credit unions may not have adequate cash to meet Y2K-related withdrawals at the end of next year. That's plainly incorrect, says CUNA Chief Economist Bill Hampel.

"Our pessimistic estimate is that up to 15 million credit union households each might take out \$500 in cash," Hampel explains. "But even if 25 million member households took out \$800 each, the resulting demand for \$20 billion in cash is far less than the \$75 billion credit unions now have available in liquid funds."

Burns points out that credit unions with a coordinated communications strategy that addresses Y2K preparedness will go a long way toward eliminating confusion that could

stem from incorrect media reports.

### HR issues related to Y2K:

- Acknowledge that members can have legitimate concerns about their own financial institution. After all, that's where their money is. It's not gloom and doom to ask responsible questions or expect reasonable assurances.
- Develop a Y2K script for all staff members to follow. As public awareness heightens, tellers, loan officers, receptionists, just about every staff member will be the target for tough Y2K questions. It would be unfair to expect every staffer to be knowledgeable about your credit union's millennium status. Select at least two people to act as official Y2K spokespersons.
- Enforce a strict media policy. As the Y2K computer issue becomes more and more newsworthy, journalists will be looking for the "local angle." The grim truth is that some reporters will condense a 30-minute interview into 30 seconds of what you didn't mean to say. Have a well-informed media team in place before the reporters call. If you don't know, don't guess. Refer any uncomfortable question to your league.

For information about subscribing to *MANAGING Y2K*, contact CUNA customer service at 800-356-8010. ♦

### Don't Be Fooled

Some HR Council members have called to question a solicitation they have received for a human resource conference in San Diego, August 19-22, wondering if this is an HR Council event.

It's not, but rather one conducted by CU Conferences, a non-CU System entity. Please make sure you register for the only credit union HR conference conducted by and for your peers, the CUNA HR Council Summit, April 14 - 17, Hyatt Islandia Hotel Mission Bay, San Diego, CA. Complete information will be available shortly via the web, fax-on-demand and mail.



### Part-Time Employees Likely to Earn less in Wages, Benefits

Part-time workers earn lower hourly wages and are much less likely to have health insurance, pension coverage, and paid vacations than are full-time employees, according to a report by the AFL-CIO.

That report doesn't necessarily fit the credit union profile, however. The AFL-CIO says use of part-time employees has expanded in the 1990s as firms struggle to cut costs.

Some of the details in the report: Part-timers earned an average \$9.74 per hour in 1995, compared with \$13.75 for full-timers...just one of five part-timers had employer-provided health insurance in 1997, compared with more than two out of three full-timers...one of five women part-timers and one of 10 men part-timers had employer-provided pensions in 1997, compared with more than 57% of full-timers...and in firms with 100 or more employ-

ees, 50% of part-timers got paid vacations, compared with 96% of full-timers (*THE KANSAS CITY STAR* August 20).

The average credit union employs three part-time employees, according to *CREDIT UNION EXECUTIVE JOURNAL's 1998 Complete Staff Benefits Survey Report*. Credit unions with less than \$2 million in assets employ one part-time employee, while credit unions with more than \$200 million in assets employ an average of 28 part-time employees.

About half the credit unions responding to the *EXECUTIVE's* survey said they pay part-time employees the same hourly rate as full-time employees. But 55% of credit unions that hire part-time employees do not provide benefits to them.

The *EXECUTIVE's Benefits Survey Report* is available through CUNA customer service at 800-356-8010, ext. 4157. Ask for Stock No. 21132; price is \$120. ♦

## Minorities Executive Intern Program

CUNA & Affiliates, CU Executives Society (CUES), and the African American CU Executives Association (AACUEA) announced plans Wednesday at the CUES Directors Conference in Orlando to establish an Executive Intern Program for Minorities between the credit union movement and historically black colleges and universities (HBCUs).

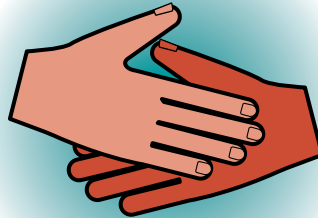
The program's pilot will work first with Hampton University, in Virginia, with the initial goals of developing a program that trains and positions more minorities to pursue careers in credit unions. Hampton University (formerly Hampton Institute) Business School Dean James B. Parham addressed the CUES convention about the program and the needs of students who would take advantage of such a pilot.

Representing the three credit union groups before attendees at the CUES conference were CUNA

Executive Vice President Pete Crear, CUES CEO Fred Johnson, and AACUEA Board member Claire Ender.

"With credit unions growing significantly, these three groups decided to join forces with Hampton University to provide significant opportunities for African-American university students. These students will provide an untapped reservoir of skills that will be beneficial to credit unions. Similarly, credit unions will provide these young, talented management trainees an excellent training ground to practice their graduate-level skills learned at predominantly African-American colleges like Hampton," Crear noted.

The concept for the program took root after discussions between CUNA and CUES. The two groups then approached board members of AACUEA, who quickly endorsed the plan. Several roundtable credit unions (credit unions with more than \$100 million in assets) have expressed interest, and planners now will draw up an action plan that would launch the pilot in 1999. ♦



# UPDATE

CUNA HR Council Update is a web-based newsletter published bi-monthly. Send news and HR Council information to: Todd Surline, VP/HR, MSU FCU, Lansing, MI, phone: (517)333-2201, fax: (517) 333-2227, e-mail: [surline@pilot.msu.edu](mailto:surline@pilot.msu.edu); or Rick Miller, SVP - Corporate Development, phone: (336) 659-1955, Ext. 2003, fax: (336) 659-3540, e-mail: [miller@attficc.org](mailto:miller@attficc.org). For Council membership and administrative information, contact Dan Hoover, manager - council administration, phone (800) 356-9655, Ext. 4141, fax (608) 231-4061, e-mail: [dhoover@cuna.com](mailto:dhoover@cuna.com).

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