

UPDATE

AN ELECTRONIC REPORT FROM THE CUNA HUMAN RESOURCE COUNCIL



Training and HR come together in 2003 agenda

The executive committee of the CUNA HR Council has made a commitment to provide specific programs for credit union training and development specialists. To meet that commitment, over the past year the council has initiated a special listserv for trainers. They are redesigning the council name and logo, and planning next year's annual summit and pre-conference workshops to be relevant to both trainers and human resource practitioners.

The 2003 summit will emphasize the strategic nature of human resources as this discipline continues to evolve among credit unions. What was once the responsibility for the CEO's secretary is growing and changing as more credit unions add HR professionals to their executive management teams. Some sessions at the Santa Fe summit will focus on human resources and training and development as contributors to a credit union's success and bottom line.

Other sessions will include work with negotiation skills and psychological testing, wage and hour law, succession planning, HR audits, e-training, implementing and maintaining a corporate culture, creating credit union universities, sales and service culture, and best practices. Other topics are still being planned.

Attendees will enjoy the beauty and charm of Santa Fe. The conference is located just steps away from the old Plaza and its Palace of the Governors. Food, art, the mountains and

desert, adobe buildings, pinion incense and vibrant sunsets all will contribute to a unique experience.

At this year's summit we introduced the concept of a conference *weaver*, who brought into focus all the aspects of the information we were given during the course of the summit. Cindy Stynchula, who served

as the weaver in San Francisco, will join us again in Santa Fe to bring the whole experience together for us. We heard comments such as "[she] tied things together," "the weaver helped people connect personally from the beginning," and "great wrap-up fun!"

In addition, we hope to have people from various size credit unions comment on the speakers, so that you can go home with a sense of how to make what you

learn at the summit work for you at your credit union.

Santa Fe is going to be a great coming together of training and development professionals along with human resource professionals. It will be a great opportunity to form networks, and to see what is happening in America's credit unions. April 30–May 3, 2003, Eldorado Hotel and Hilton Santa Fe, Santa Fe, New Mexico: be there! ♦

For more information, contact Susan Looney, slooney@tcu.org, or Michael Hiller, michael@sfcu.org.



Administer benefits online

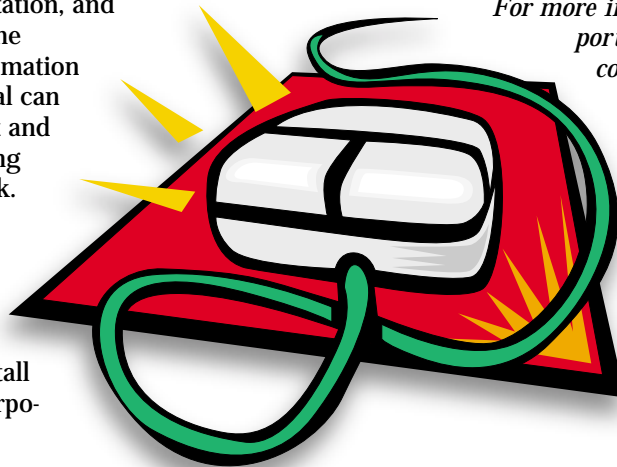
How many hours does your HR staff spend answering employee questions about medical benefits, sick-leave policies and 401(k) plans? Many of these questions can be handled electronically. By automating appropriate HR functions, credit unions can reduce expenses, increase efficiency, and make it easier for employees to access information about their benefits.

A benefits portal is a one-stop online location that connects employees directly with vital information about their benefits. Here are some ways a benefits portal can help your credit union:

- Reduce the cost of handling routine employee inquiries through personalized self-service.
- Reduce repetitious HR administrative tasks.
- Reduce human error, as well as reducing legal and regulatory exposure.
- Leverages current HR staff to more strategic roles.
- Improve employee productivity and satisfaction.

Ways a portal helps save money and time include automating new-employee orientation, and reducing HR time looking up information for staff. A portal can save on the cost and time of producing an HR handbook.

Many credit unions have partnered with third-party vendors to help install systems to incorpo-



rate online benefits administration. These systems are becoming more affordable, even for small and medium-sized credit unions.

Considerations to keep in mind in choosing a partner include:

- Information update. Make sure the administrator keeps the site fresh and current.
- Open platform. Retain the ability to connect to any IT system.
- Easy navigation. Sites should include online help, search abilities, glossaries and feedback.
- Life event focus. Benefits information should fit an employee's needs and life events.
- Deep content. Include the credit union handbook, policies, forms, and planning tools.
- Tracking. Find a system that can track and carry out future routine tasks.
- Specific to credit unions. Customize the portal for your credit union's specific needs.

A benefits portal could be a key to reducing costs, freeing up staff for higher-level tasks, and increasing employee satisfaction. ♦

For more information on benefits portals,

contact Steve Sorenson:

steve.sorenson@cunamutual.com or (800) 356-2644, ext. 8436.

The March 2001 HR Council white paper, Credit Union Intranets, by Sarah White, presents the case for the virtual human resource office.

Use aptitude testing to hire and develop telemarketers

A recent study by Michigan State University shows that aptitude-composite tests are 400 percent more accurate than interviews in selecting telephone service representatives. Interviews ranked sixth on a list of all of the predictors of success used by organizations around the country. A probationary period

ranked second, references and a number of other factors were third, fourth and fifth. Many people make hiring decisions based on interviews alone. Too often, the person conducting the interview is biased, and that bias prevents an objective decision from being made.

To comply with employment law, tests must be job-related and not discriminate against any particular race, sex or minority group. When deciding whether to test, the law asks that employers be consistent. Therefore, if you want to test telemarketing people at one location, you must also test those at other locations. If you're going to test for a job position, you must test all applicants for that job position, in that shift, at that location. You cannot decide not to test friends, relatives, males or females.

Turnover is a problem in many telemarketing organizations. People who read from a set script for long hours each day must possess personality traits that will enable them to sit still, be tolerant and able to handle repetitive work. Those people may take a little longer to be trained to do the work, but will be comfortable doing it, will not get bored with the job, will stay at it longer and can be very successful. To reduce turnover, test your most successful telemarketers—those who have stayed on the job the longest. Use their test scores to determine what traits make an individual successful in the job and stay with it.

Tests can also help to improve the performance of telemarketers. Tests can ascertain

personality traits and compare them to traits required to be successful on the job. Tests can also provide the information needed to provide staff with appropriate training suggestions, such as obtaining cassettes or books, or taking classes to develop skills to become more effective on the job. Because tests are objective and unbiased, they present a very accurate picture to employees on how to develop their full potential.

Experts suggest that while there are certain attributes that are consistent among telemarketers no matter what they're selling, these attributes also hold true for most salespeople regardless of whether sales take place over the counter, door to door or by phone. There are no generic hiring guidelines for telemarketing people. To save training time and to ensure an applicant is successful, it is best to develop guidelines to meet the needs of your credit union, and for the specific types of telemarketing positions within your organization. ♦

This article is adapted from a column by Harris Plotkin, author of Building A Winning Team, and creator of the Above and Beyond Customer Service Training Program.

Loan originators must be paid overtime



HR Council member Kent Streuling, America First Credit Union, Ogden, Utah, reports that at a recent meeting of the Utah Society for Human Resource Management (SHRM) chapter, Equal Employment Opportunity Commissioner Paul Igasaki spoke on a variety of EEOC issues of interest to human resource professionals.

Perhaps most notable were Commissioner Igasaki's comments on a major ruling under the Fair Labor Standards Act (FLSA). In that case, a Minnesota federal court ruled that loan originators employed with a lending company must be paid overtime.

The case involved a class action lawsuit by 2,900 employees of a company that structured and sold home improvement, home equity loans, and mortgages. The originators also collected information and forwarded them to loan underwriters and helped process loan decisions. ♦

Create a climate for open discussion of ethical standards

Credit union leaders who want to discuss ethical issues find that open discussion is the best way to communicate the credit union's ethical standards. Without it, the credit union staff cannot hope to articulate the organization's overall ethical position.

To achieve free and open discussion about ethical matters, senior managers must interact on an ongoing basis with as many people as possible.

Misconduct and injustice, willful or unintentional, can occur anywhere in the credit union.

The desire to do the right thing usually makes the most sense within a specific context, therefore, effective communicators think in terms of specifics rather than principles or generalities. They speak to actual issues of direct concern to the organization. They quickly establish relevance by focusing on concrete operational issues.

Credit unions can take different approaches to establishing sound principles upon which employees can base their conduct. Some, with long and largely unwritten traditions of integrity, can rely on a relatively informal approach. Others may prefer codes that spell out ethical requirements in great detail.

Employee feedback is essential: Ethical hot lines, mailboxes, and employee surveys are all

means to obtain information about the ethical climate within the credit union.

Some credit unions assign individual managers specific responsibility for directing or otherwise communicating the ethical program. The ombudsman position is one example of a special contributor. These people are positioned to uncover ethical issues as well as new perspectives in thinking about ongoing concerns. The ombudsman can play an important role in helping management to be more fully informed about ethical issues.

A general and growing approach to developing an ethical structure is to set forth principles of conduct for the entire credit union in some

form of written document. Whatever they are called, these documents suggest the root meaning of ethics—good customs and character.

The importance of a code is twofold: first, it clarifies credit union expectations of employee conduct in various situations; and second, it makes clear that the credit union intends and expects its employees to recognize the ethical dimensions of its policies and actions. ♦

This article is excerpted from The Power of Business Ethics, by Dick Radtke, available from CUNA's Center for Professional Development.



HEARD IT ON THE LISTSERV

Hot topics and interesting conversations:

Longevity pay: A council member reports that her credit union awards longevity pay to a grandfathered group of employees who earn 5 percent base salary increases at five-, ten-, and fifteen-year employment anniversaries.

Another member says his credit union gives an anniversary award through which employees receive both a monetary reward and a gift the employee selects within certain value ranges at five-year service increments. In this credit union, monetary rewards start at \$250

with five years service and increases by \$250 increments every five years. The gift is equal in value to the monetary reward.

Mortgage officer employment: Members are discussing the labor status of mortgage officers (see accompanying story on FLSA) within their credit unions. Responding to a question by Daryl Ault, Twin County Credit Union, some credit unions reported that mortgage loan officers are classified as exempt, while others say these employees are non-exempt. Ed Cassady,

Patelco Federal Credit Union, suggests that status may depend upon the level of responsibility of the mortgage loan officers. At Patelco Credit Union, they are exempt because they approve loans, thereby affecting the success of the credit union. "If our mortgage loan officers were not approving loans," says Cassady, "they would be classified as non-exempt."

Sleeping on the job: A council member asks advice on what to do about an employee who fights to stay awake during training ses-

sions, seminars and other credit union meetings. Possibly sleep deprived, the employee in question fights with bobbing head and closed eyes to stay awake. Speakers are distracted when other staffers react to this behavior. Some advice from fellow council members: provide a cup of ice cubes to chew on, arrange training hours at the time of day most likely to find the employee alert, and assign the employee to take notes on sessions and write reports on them. ♦

WELCOME NEW MEMBERS

The CUNA HR Council has added a total of 25 new members. By joining their colleagues on the HR Council roster, these experts have demonstrated their commitment to promoting professionalism among credit union human resources and training and development staff and 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 HR operation. We welcome:

Ellen Ellis

Eagle Community CU
Lake Forest, CA

Kathleen J. Fogarty

TEG FCU
Poughkeepsie, NY

Robert J. Godek

University of Michigan CU
Ann Arbor, MI

Barbara Hess

State EFCU
Albany, NY

Shelley C. Hidook

Vermont State ECU
Montpelier, VT

Teresa Hild

Northwest Corporate CU
Portland, OR

Linda S. Irving

Kane County Teachers CU
Elgin, IL

Helen Mckinley

Atlanta Postal CU
Atlanta, GA

Eileen M. Mead Belanger

Vermont State ECU
Montpelier, VT

Patricia B. Meredith

Anderson FCU
Anderson, SC

Michael J. Parsons

First Source FCU
New Hartford NY

Eileen Reid

Chaco CU
Hamilton, OH

Lyn Rippon

BestSource CU
Pontiac, MI

Marie Rocheleau

Military and Civilian FCU
Ft Wainwright, AK

JoAnn Rose

Telephone Workers CU
Fairhaven, MA

Dana Scarberry

ELGA CU
Burton, MI

Carolann Sheerin

NW FCU
Seattle, WA

Miriam Sherman

Golden Bay FCU
Moffett Field, CA

Rachel M. Snyder

Northwest Corporate CU
Portland, OR

Jessica M. Strasser

Michigan CU League
Plymouth, MI

Glenn A. Styer

Bucks County Schools FCU
Bristol, PA

Kim Thompson

Municipal CU
New York, NY

Karen K. Wietzke

Bell Com CU
Grand Rapids, MI

Robin L. Willis

Carolina Foothills FCU
Spartanburg, SC

Phyllis Y. Ziakas

Northwest FCU
Herndon, VA



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