

Introducing Randy Mims

Sales & Incentives - Webinar 7



Sales Cultures in Credit Unions

Can it be done?



- Sell/Sale (Are they dirty 4 letter words)?
- High pressure?
- Used car salesman?
- How does this “fit” in a credit union?



Let's Look at Retail:

- Where do you shop and why?
- Do you like to feel “special”?
- How does this compare to McDonald's?



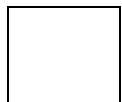
Now Let's Look at the Banks:

- Sales expectations
- Quotas
- Cross sell

Look at the credit reports! Do you *ONLY* see the credit union listed? NO! Why? Because YOUR members are doing business with the banks and non-traditional lenders. Why?



...Because they are **ASKING!**



“What Gets Measured Gets Done”

Do you TRULY believe this statement?

Why or why not?

If you answered “Yes”, then why are you still performing the traditional annual performance review?



What Do you Truly Expect of your Employees?

- Do your employees know?
- How do you (can you) hold them accountable?!?

The answer is: you cannot.



Traditional System

Two employees:

One a superstar, the other mediocre.

At review time, how do you (can you) distinguish and recognize true performance?



What is the Message We are Sending to our Employees?



Current Types of Employees?

- Traditional “30 years”
- Gen “X” or “Y”
- ???

What motivates each of these groups?

Do you really know?



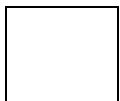
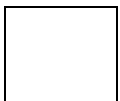
Do you have what it takes?

It starts with a commitment to change.
You must evaluate all member contact
employees and determine their willingness
and ability to adapt.



Employee Evaluation

EMPLOYEE NAME: _____										
	1	2	3	4	5	6	7	8	9	10
1. Like to Make Money										
2. Use Credit Union Products										
3. Positive Attitude										
4. Love a Challenge										
5. Like Competition										
6. Goal Oriented										
7. Like Feedback/Recognition										
8. Get Things Done										
9. Sense of Urgency										
10. Good Listener										



Who is Supervising your Employees?

- Typically employees that have been “promoted from within”

What training did you provide them to be good supervisors?

True Supervisors Need to be Coaches and Mentors!

What does this mean:

- To the employee?
- To the Credit Union?



Why are we so resistant to change?

**Why do our employees fight
so hard?**



**“Your Attitude Determines your
Altitude.”**



What Type of Person is Effective in a True Sales Culture?

Do you employ any of these?

Here's a real example of a "high performance" credit union with a sales culture and a true pay for performance plan in place...



This credit union had Lending Solutions Consulting implement and train their staff on Risk-Based Lending in June 2004...

LOAN BALANCES

	2004	2005
1st QTR	\$33,350,481	\$48,586,206
2nd QTR	<u>\$34,239,799</u>	\$53,175,624
3rd QTR	\$37,911,941	
4th QTR	\$41,996,279	



ASSETS

	2004	2005
1st QTR	\$65,501,160	\$77,649,944
2nd QTR	<u>\$66,589,753</u>	\$82,671,578
3rd QTR	\$69,199,144	
4th QTR	\$74,732,422	

Then in **January 2005** they fully implemented a tailored pay for performance plan...



PROFITS FROM GAPS SOLD

	2004	2005
1st QTR	\$9,720	<u>\$38,903</u>
2nd QTR	\$9,720	<u>\$42,210</u>
3rd QTR	\$9,720	
4th QTR	\$9,720	
TOTAL	\$38,880	<u>\$81,113</u>

PROFITS FROM WARRANTIES SOLD

	2004	2005
1st QTR	\$6,081	<u>\$15,487</u>
2nd QTR	\$6,081	<u>\$14,700</u>
3rd QTR	\$6,081	
4th QTR	\$6,081	
TOTAL	\$24,324	<u>\$30,187</u>



CREDIT LIFE & DISABILITY INCOME

	2004	2005
1st QTR	\$14,291.00	<u>\$22,461.00</u>
2nd QTR	\$14,388.00	<u>\$23,371.36</u>
3rd QTR	\$15,427.00	
4th QTR	\$17,732.00	
TOTAL	\$61,238.00	<u>\$45,832.36</u>

ACTUAL NET GAIN

BUDGETED NET GAIN

	2004	* 2005	2005
1st QTR	\$74,008	<u>\$120,151</u>	\$67,365
2nd QTR	\$71,096	<u>\$206,544</u>	\$113,582
3rd QTR	\$88,548		\$161,436
4th QTR	\$86,507		\$160,653
TOTAL	\$320,159	<u>\$326,695</u>	\$503,036

* NET GAIN AFTER EXECUTIVE TEAM SHARE



BONUSES

	2004	2005
1st QTR	\$25,056	\$74,131
2nd QTR	\$29,756	\$87,743
3rd QTR	\$33,167	
4th QTR	\$30,506	
TOTAL	\$118,485	\$161,874



“So, Randy...how do I get such results?!”

First and foremost.....

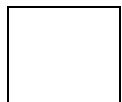


- Hire the right person for the position!
 - This sounds simple but is much more difficult...
- Then set tangible, realistic expectations
 - This means putting down on paper what you **EXPECT** each individual employee to do to “meet expectations” and earn their salary.
- Then...



HOLD THEM ACCOUNTABLE ON A MONTHLY BASIS!!!!

No longer will you (need to) perform annual performance evaluations. You will technically be doing this monthly.



Your Supervisors Need to be Trained in Coaching Skills.

- How to help employees improve their skills
- How to teach people to overcome objections
- How to lead by example



We need to become better at helping employees help themselves...

WOW that's a novel idea! Isn't that what we always said we did for our members?

“But our board will never buy that!”...



James Press, Executive Vice President and Chief Operating Officer for Toyota Motor Sales, U.S. remarks about Toyota's business philosophy revealed timeless principles and common sense often lacking in the boardroom.

But what was really worth hearing was the vision/dream Toyota has. Press said Toyota wants to make cars that...

- make the air cleaner whenever they are driven
- don't injure people when an accident occurs
- make drivers healthier as they drive because of biofeedback

And to realize this dream, Toyota invests heavily in short-term research and development that is likely to yield its real return only in the long haul. Here is a company that clearly has foresight into what would be desirable—not just for them as a company, but also for society as a whole—and a commitment to investing in it right now.

Wow! Sounds like a philosophy that will keep them very profitable for a very long time.



Can WE as an Industry Adopt Such a Philosophy!?

So let's review...

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To help your credit union get jump started...

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