

CU Focus



CREDIT UNIONS CELEBRATE FIFTH CX AWARD ON ICU DAY

MX Toolkit | The Importance of Culture in Credit Unions

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Editorial

For the fifth consecutive year now, Irish credit unions have won the national Customer Experience Ireland (CXi) Award. Not only have credit unions achieved this unprecedented five-in-a-row, but they are also the only (purely) financial services organisation to make it into the top ten.

Irish credit unions are trusted by their members because they have formed an emotional bond with them over time. Credit unions make it easy for their members to do business. They deliver on their promise. They fix things when they go wrong. This is why Irish credit unions continually collect the CX Award.

Credit unions should celebrate this achievement. It should not however make us complacent, but encourage us to continue to exceed our members' expectations.

To that end, the ILCU, in conjunction with a number of credit unions, developed the Member Experience (MX) Toolkit. The toolkit aims to show credit unions how to embed MX in everything they do. You can read full details on pages 6 and 7. Suffice it to say here that MX is everyone's responsibility. From the Chair of the Board and CEO, to the Directors and frontline staff. This is what will keep credit unions unique and in the forefront of members' minds.

As we look forward to 2020, there remain many challenges. Not least of which are the increased levies being imposed on the movement which the ILCU is vigorously campaigning against. Loans to asset ratios remain low, and return on investments are at critical levels. However, the bonds of trust between members and their credit union have never been stronger. Credit unions will remain as the cornerstone of communities throughout the island of Ireland because of their commitment to their local communities, their ethos and their outstanding member experience.

There is much to look forward to as the credit union movement enters 2020, the 60th Anniversary year of the ILCU.

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Main Cover Image:

ICTU Secretary General, Patricia King, with the ESRI's Professor Pete Lunn and ILCU President Gerry Thompson at the ICU Day Breakfast Briefing

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RECORD BREAKING CX AWARD FOR CREDIT UNIONS

Credit unions have once again been awarded the best customer experience in Ireland, leaving the banks trailing in their wake. For a global, record-breaking, fifth consecutive year, credit unions have been named the overall winners of the Customer Experience (CXi) Awards. This is a world first for the CX Awards.

Credit Unions Buck the CX Trend

Of the 160 brands examined for the awards, only 15 brands managed to improve their CX score. This makes the achievement by credit unions all the more impressive. Credit unions are also only one out of a handful to remain in the top 10 since last year.

Overall, there was a noticeable drop in the CX scores amongst other companies. The report identified the fact that many companies struggled to gain traction with their CX initiatives over the past year, while others were just not focused enough on customers. The report also found that brands were failing to differentiate themselves from competitors through CX.

Another key issue with brands appeared to be the lack of the 'human touch' - which was the focus of last year's CX report. The report found that the "marrying of technology with the human touchis still a balance that must be got right. Human beings thrive on making connections with each other. Whilst digital plays a key role in delivering an easy, stress-free experience, it is the human interactions that create the memorable experiences we remember and share."

None of the above were issues for credit unions however. Credit unions excel in their personal connection with their members. They genuinely care about their members and put their members at the heart of everything they do. Likewise, the credit union ethos and values ensure they are differentiated from competitors (the banks, moneylenders) – and this is why they claim the top spot again this year.

Commenting on the achievement by credit unions, Michael Killeen, Chairman of the CX Company, said: "We have to



congratulate Irish credit unions for their consistently high performance and for completing the 'Drive for Five'. It really is a fantastic achievement to remain the Irish leader in CX over a five-year period - and a world's first. Many Irish companies, particularly those in the financial sector, could learn a lot from credit unions, especially their member or customer-centric approach."

How the CX Survey Works

CX is the emotional connection a person feels when engaging with a brand/organisation. The annual survey examines this emotional connection in detail by asking a representative cross-section of Irish consumers to rate their experiences of 160 brands across 10 different sectors. The performance of the different brands is measured against the

'Six Emotional Drivers'. These are;

- I Trust You - you build trust in everything you do with me
- You Know Me – you treat me like an individual and understand my needs
- You Make it Easy – you make it easy for me to do business with you
- You Get Me – you genuinely understand what it's like to be in my shoes
- You Deliver on your Promise – you manage, meet and exceed my expectations
- You Fix Things – when things go wrong, you fix them brilliantly

The CX company has identified these bonds as the ones that create deeper relationships between the customer and the company. This ultimately leads to an outcome of advocacy and growth.

Over 42,000 experiences were evaluated

for the 2019 survey using these key drivers. Other aspects of CX that were examined included loyalty, value for money and the importance of staff happiness for CX. Interestingly, credit unions also scored very highly for value for money, as well as loyalty.

How the Banks Fared

Credit unions were also the only financial services organisation to make it into the top 10, and even the top 100. In contrast, the banks performed worse than in previous years, with AIB falling 51 places to number 130. Last year, AIB was the highest ranking bank in 79th place.

This year, the highest ranked bank was EBS at 107, up eight places since last year. Ulster Bank joined AIB at number 130, up four points since last year. Permanent TSB was at 140, down 45 places. KBC also fell 30 places to 149.

According to the CX report, the lowest scoring emotional driver for the financial sector was 'You Deliver on Your Promise'. The report stated: "With the entire sector, aside from the credit union, outside the top 100, the financial sector as a whole needs to get back to basic and start making realistic promises that they can actually deliver on."

Credit unions should be aware however there will be an increased focus on CX from the banks next year.

The Top Ten CX League Table 2019:

Credit unions were followed by Laya Healthcare in second place and Phonewatch in third place. It was interesting that the two highest places under credit unions were both insurance companies, despite the negative media coverage they have been getting. An Post fell from seventh place last year to tenth place this year.

The full list of the top ten brands in Ireland is shown below.

Ireland's CX Top Ten

- Credit Unions
- Laya Healthcare
- Phonewatch
- Oxendales
- Specsavers
- Arnotts
- Peter Mark
- Boots
- Lush
- An Post

Commenting on credit unions claiming the number one position for the fifth consecutive year, the report said: "Utter member commitment is in their DNA and remains their number one priority. This year saw them introduce an innovative, world class CX toolkit to aid every employee to continue to deliver a consistent and remarkable experience. Simple products, improving processes and smiling employees makes them hard to beat!"

You can read more about the CX toolkit for credit unions, named the Member Experience or MX Toolkit, on pages 6 & 7.

Benefits for Credit Unions

The benefits of being the highest ranked CX organisation in Ireland are numerous. One of the most important benefits is that organisations performing well in CX have customers (members) that are seven times more likely to purchase (borrow). They are also eight times more likely to try another product or service. Members will be more likely to continue to do business with the credit union and also more likely to recommend the credit

union to other potential members. Another factor to take into consideration is that happy employees lead to greater staff longevity and therefore more knowledgeable CX experience delivery.

Congratulating credit unions on the remarkable achievement, ILCU Head of Communications, Paul Bailey, said: "Credit unions across the country have done themselves proud yet again with this record-breaking achievement. This prestigious award is testimony to the efforts, dedication and commitment of everyone involved in the credit union, from staff to volunteers, to putting people first. Credit unions in every community ensure they always put their members at the heart of everything they do. Credit unions genuinely care, and when you care about someone, that's what they remember. This is ultimately why credit unions were for the fifth consecutive year named as national CX Champions."



Delivering an Excellent Member Experience

For many years, organisations were evaluated against the level of customer service they provided. This typically focused on the human interaction between staff and customers. However, in the omni-channel environment in which every organisation operates, it is now generally accepted that this measure is too limited in scope. Customer service is functional, mostly reactive and is now seen as one part of the puzzle. Organisations have now shifted to tracking the entire journey which a customer may undertake, looking at every touchpoint and possible interaction.

Customer experience (CX), or Member Experience (MX) in a credit union context, is the sum of all interactions a person has with an organisation. It describes how people feel about all of the interactions they have and is measured against their expectations – i.e. what they expect from all areas of your business.

The Framework

So what are the key pillars of great customer or member experience? The CX Framework, developed by The CX Academy, identifies six emotional drivers that enable companies to build emotional bonds with customers. These bonds create deeper relationships between the customer and the company to deliver CX Excellence. This ultimately leads to an outcome of

customer/member advocacy and business growth.

Irish credit unions have been recognised by their members for providing a world class Customer Experience (CX). This has been reflected in Irish credit unions being awarded first place in the annual CXi Ireland Customer Experience Report for five consecutive years. Irish credit unions are the only organisation, worldwide, to achieve this accolade.

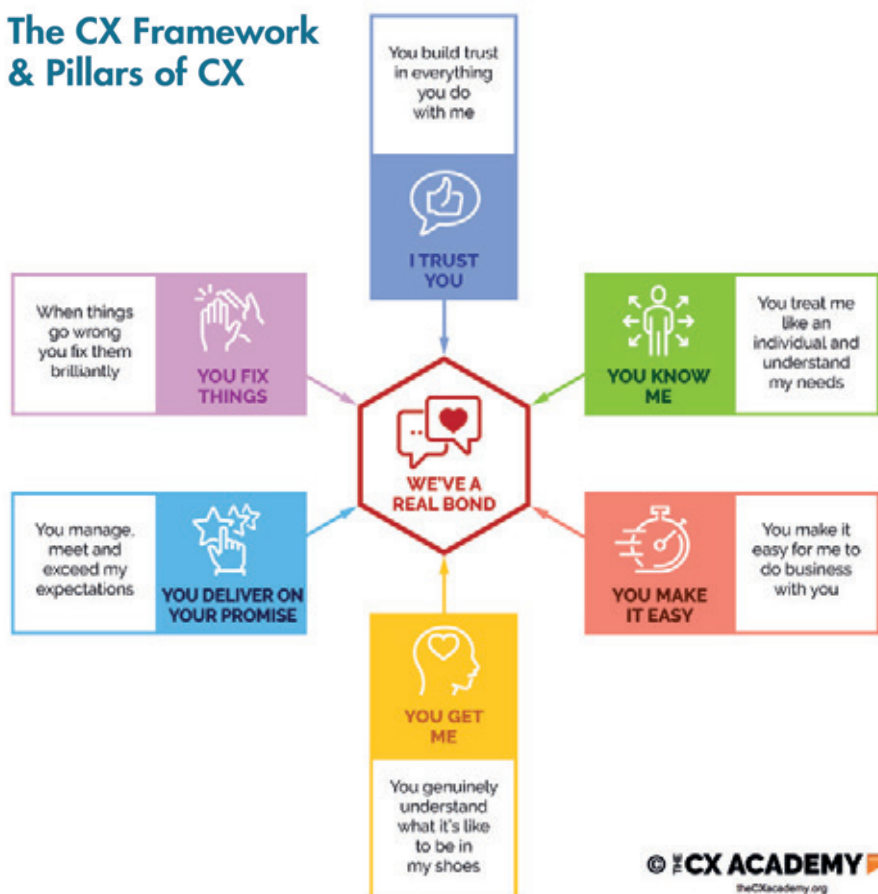
While credit unions may excel, they should certainly not rest on their laurels. The experience which people want and expect from credit unions is changing, and it is imperative that credit unions continue to change to meet the needs of their members. People want a consistent, personal, seamless experience, using a channel of their choice and at a time of their choosing. In addition to the changing landscape, credit unions' competitors are realising the importance of CX, and investing significantly in enhancing their offering, whilst aligning their business goals around it.

MX Working Group

In order to adopt and develop a more formalised approach to the delivering of excellent member experience, the ILCU Communications Department brought together a group of credit union marketers with a keen interest in this area. The group - Roisin Gilroy, St. Canice's Credit Union, Padraig Power, HSSCU, Eva McCloskey, Letterkenny Credit Union, Liam O'Doherty, Gurrabraher Credit Union and Julie Thornton, Life Credit Union – worked together with members of the ILCU Communications Department, along with Michael Killeen and Siobhan Mallen from The CX Company.

The group developed clear insights into the MX challenges and opportunities faced by credit unions and identified the key areas which credit unions can address to enhance their MX activities.

The CX Framework & Pillars of CX





The toolkit provides insights and techniques which credit unions can use to develop a deep understanding of their membership base, including the various data sources and research options which can be used to develop a deeper understanding of member needs and behaviour.

3. Channel and Process Audit

Great MX is intentional, purposeful and consistent. It is not just about the transaction, but also optimises every touchpoint and takes into account all member interactions, both online and offline.

Credit unions are provided with a toolkit to help them to carry out both a channel (in-office, online, phone, post and email) and a process (membership application and loan application) audit. This will assist credit unions to identify a range of potential barriers to the delivery of an excellent member experience.

4. Framework for Success

Once the groundwork of research and analysis is done, it is time to take the issues and opportunities identified and turn this into a deliverable set of actions. Constructing a framework for success doesn't just mean picking key insights and goals and compiling them into a realistic, robust plan. It also means ensuring that all credit union personnel, from Board level to frontline staff, are aware of the strategy and fully bought-into their role in helping to bring about success.

While everyone within the credit union will have some role in delivering the overall MX strategy, it is also beneficial to appoint MX champions within the credit union to drive the overall approach. Many might default to picking a senior member of staff, but this does not have to be the case. The person most passionate and committed to helping to deliver an excellent member experience in your credit union may not be someone tasked with engaging with members every day.

Embedding a process of ongoing measurement and refinement of the overall MX strategy is also identified as a key element of success.

The MX toolkit can help credit unions to develop a more standardised, consistent approach to the delivery of great member experience. Credit union personnel can access the new resource by visiting the affiliate area of creditunion.ie.



Meet MEG

In order to act as a guide when interacting with credit union members, the MX Working Group introduced MEG. MEG, an acronym for Meet, Engage and Go the extra mile, can be viewed as the personification of a typical member. All decisions and actions taken by credit union personnel should be done with MEG in mind, by constantly putting themselves in MEG's shoes.

The group quickly established that credit unions would greatly benefit from the development of an MX toolkit which could help to:

- a) Highlight the critical importance of MX
- b) Provide guidance on the key tenets of excellent MX
- c) Assist credit unions in developing an MX strategy aligned to their own requirements
- d) Highlight methods to ensure that all stakeholders were committed to the strategy

The group met on five occasions during 2019 to share their experiences and to develop the toolkit. The toolkit, which was launched at the 2019 Marcomms Conference in Tullamore, covers four key areas:

1. What is MX and why is it important?

The first section of the toolkit outlines what we mean when we talk about MX and how it differs from member service. The toolkit then examines the six key pillars of MX and highlights the short, medium and long term impact of developing an effective and considered MX strategy.

2. Understanding Members

'Start with the member' might sound obvious, but some companies often approach CX and digital transformation from an inward-facing, cost-cutting or productivity perspective, which rarely results in a superior experience for their customers.

DECREASE IN CIRF LEVY ANNOUNCED

As CU Focus readers will know, the Irish League of Credit Unions has been consistently lobbying the Minister for Finance, and his Department, in relation to the Credit Institutions Resolution Fund levy (CIRF Levy).

The ILCU has campaigned for the levy to be set to zero. It is the ILCU's position that affiliated credit unions would be better positioned to withstand the increases in the Central Bank Industry Funding levy (CBIF Levy) should the CIRF levy be set to zero.

Following the consultation period on the CIRF levy (between June and August 2019), and persistent lobbying from ILCU representatives, the Minister for Finance has announced a **44% decrease** in the CIRF levy for 2020 compared with 2019.

The Minister's statement said that: "It has been decided that the target size of the Resolution Fund should be set at €65 million and that this target should be met by 2025. It was also agreed that the Resolution Fund should be reviewed in 2025 and that the annual levy should be approximately €5 million per annum from 2020 to 2025 to increase the size of the Resolution Fund from €35 million to €65 million, broadly in line with the increased average asset size of credit unions. The adjusted levy rate would be dependent on the

movement of the asset size of the sector over the five years and whether any costs of resolution have been incurred by the Resolution Fund.

The levy rate for 2020 will be set out in a Statutory Instrument in October 2019 and will be based on the assets as at end of June 2019. Based on sector assets of circa €18.23 billion, as at end June 2019, the levy rate to raise €5 million would be 0.0274%

per cent. The impact of the revised rate will see a 44% reduction in the Resolution Fund levy for 2020 compared to 2019".

While this is not the 100% decrease the ILCU had campaigned for, it acknowledges that this does represent some reprieve for credit unions, who are currently paying €7.5 million per annum for the CIRF levy. It is limited progress.

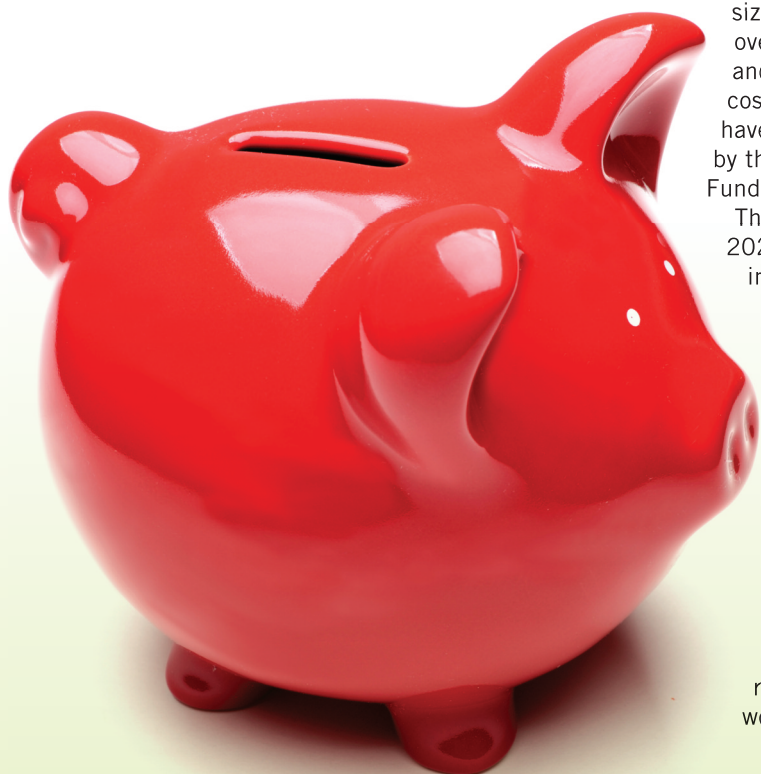
However, this is still well over and above what a volunteer-led, not-for-profit organisation should have to pay. Coupled with the CBIF levy increase (which is due to increase from €1.5 million to €7.8 million by the end of 2022), credit unions are having to contend with a wholly unacceptable tax on social capital.

The combined effect of the increase in the CBIF levy, and this reduction in the CIRF levy, will see credit unions paying approximately €3 million extra in levies per annum in the coming years. The situation is made all the more unacceptable by the current climate of critically low return on investments.

In contrast to a sharp increase on levies for credit unions, the Government recently announced plans to support local community radio, reducing the levies placed on independent broadcasters. Unlike many media organisations, credit unions are wholly not for profit.

The Charity Regulator is fully funded by Government, so that society at large supports the regulatory cost of the enormous social capital it oversees. Why then is the Government so willing to undervalue the role of credit unions with these levies?

While some progress has been achieved due to lobbying efforts, this development yet again clearly illustrates the incoherent approach by Government to levies on the credit union movement. It is detrimental to a movement which is of such economic importance to ordinary people, now more than ever in the uncertainty and upheaval of the Brexit era.



FINANCIAL EDUCATION A KEY FOCUS ON INTERNATIONAL CREDIT UNION DAY

Financial education was the main focus of a breakfast seminar to mark International Credit Union Day (ICU Day®) on 17th October. Credit union representatives, politicians, social and volunteer organisations and Central Bank of Ireland (CBI) representatives were among the attendees. Keynote speakers were Head of the ESRI's Behavioural Research Unit, Professor Pete Lunn, and ICTU General Secretary, Patricia King.

Opening the event at the Dublin Dental University Hospital, Irish League of Credit Unions (ILCU) President Gerry Thompson said: "Credit unions are fundamentally different to other financial services providers. Credit unions are not-for-profit, community based and volunteer led. Our movement is part of the social fabric of the country, a model of community banking open to all with deep roots and widespread affinity."

The theme for the 71st ICU Day® was 'Local Service. Global Reach.' The theme was reflective of how each individual credit union serves a local community. Collectively, the local connection has a global effect – there are now 260 million credit union members in 117 countries worldwide.

ICU Day® has been celebrated annually since 1948, and is traditionally marked on the third Thursday in October. The awareness day aims to bring attention to ethical and inclusive financial services.

Behavioural Economics

As the keynote speaker on the morning, Professor Lunn presented some very thought-provoking findings from behavioural economics in relation to savings, credit and mortgage products.

Professor Lunn explained that numerous experiments he and his unit at ESRI have carried out have all revealed similar findings: "People simply do not intuitively understand the relationships that drive the simplest (financial) product you could describe."

Savings

He went on to share the details of an experiment to determine people's understanding of a simple savings product. They were asked to estimate how much money they would have in the medium and long term if they put away a lump sum of €1,000 at 5% interest a year. People gave accurate enough estimations of how much they would have up to five years. After 10 years, they were not so accurate on how much they would have accumulated. After 20 years, they were underestimating how much they would have.

They were also asked to estimate how much they would have by the time they got to 20 years - if they put away €1,000 ever year as a regular saving. They underestimated by 50%. "They had absolutely no idea of the right answer" Professor Lunn explained, adding that it makes



almost no difference whether those answering the questions had a university degree or not.

Credit

When it comes to credit cards and loans, people also appear to have very little understanding of the product. Experiments showed that people will underestimate how long it will take them to pay off a loan at a given interest rate. They will also underestimate how much it costs. As people are so uncertain, they are very easily influenced. For example, Professor Lunn spoke about an experiment where people were asked to choose between two different loan products. They subtly emphasised one loan over the other "much like a card trick" and the people opted for the loan that had been emphasised. Again, the experiments have shown time and again that cost of credit is poorly understood and people easily manipulated.

Mortgages

Professor Lunn also addressed the inertia or unwillingness of consumers to switch mortgage products. Those who understand the hassle involved in switching are much more likely to actually do it. Those who don't understand the hassle involved become adverse to switching because the fact they don't understand causes them to lose confidence. Lack of knowledge over mortgages is also huge among people – including those who actually have a mortgage. An experiment carried out with mortgage holders revealed that 1 in 3 did not realise if you take a mortgage for a shorter term, overall you end up handing over less money for the mortgage.

Professor Lunn concluded by saying that these revelations place greater responsibility on financial providers, and regulators, to ensure that the public understand financial products – even the most simple products. He also said that there is an opportunity for financial services providers to market themselves as being more 'decision friendly'. That is, helping their consumers to understand these products and assist them in overcoming their lack of knowledge.

Credit unions could use this information to become the leading voice on financial education in the country. People are clearly in need of



simple, jargon-free explanations of complex, and even straightforward, financial products. Credit unions can become the leading providers of this information.

Solidarity and the Collective Good

Ms King, who focused on the future for credit unions, including the challenge of regulation and relevance amongst younger people, said: "The credit union movement is characterised by a distinctive set of principles which have at their core a strong commitment to attaining the economic and social goals of the membership and the wider local communities."

Ms King said that the credit union movement is challenged with harnessing its efforts to develop ways to attract new and younger members. She said that at the core of that strategy should be the ethos that the collective good always outweighs limitless accumulation. Ms King said that it is a more difficult task than it appears to try and convince younger people of the value of solidarity and the collective good. However those values must continue to be upheld, no matter how hard the challenge is, she said.

Ms King also warned that "extreme regulation" would result in the undermining of the credit union movement. She said it appeared that the CBI had fairly strong views on long term lending for credit unions. She said it has been very difficult and challenging for credit unions to get to a point where they are enabled to progress with long term lending. Ms King said she found it difficult to take on board the opinions of the CBI on this topic, especially in the context of 'the misdeeds' in relation to the regulatory regime in the past. Ms King said there is experience to suggest that in the aftermath of a regulatory collapse, extreme regulatory measures can be introduced. These extreme measures will only serve to undermine the very essence of the model of the credit union, she concluded.

Ms King also said that, as the ILCU guides affiliated credit unions through a period of significant transformation, it will be difficult, but essential to ensure that the principles of solidarity, cooperation and the interests of members is not compromised in the mission to achieve higher efficiency levels.

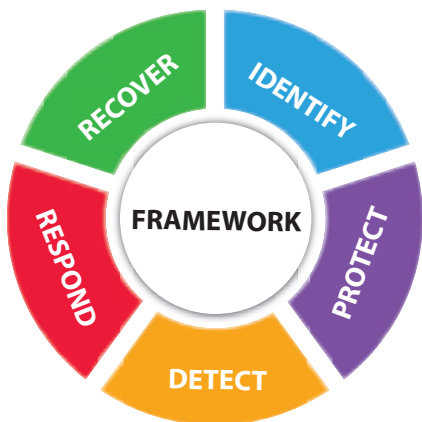
CYBERSECURITY AWARENESS

October was Cybersecurity Awareness Month. This is an annual international campaign to raise awareness of cybersecurity threats and how to best handle them. 2019 has seen an increase in ransomware attacks and business email compromise (BEC). So it is timely to re-iterate the importance of having adequate processes and controls in place to mitigate cyber risk in your credit union.

The regulators often remind us that as a consequence of the potential adverse financial, legal, customer and reputational impacts arising, cybersecurity and IT risk remain a key focus area - and should be a priority for all regulated entities

Regulators expect financial institutions to consider relevant good practices and internationally adopted frameworks for IT Security Risk Management as may be appropriate.

One such example is the National Institute of Standards and Technology (NIST) in the United States. The NIST has developed a **Cybersecurity Framework** that provides a suggested structure for the controls that institutions should have in place in order to manage and mitigate cyber risks.



www.nist.gov/topics/cybersecurity

The recently introduced **EU Cybersecurity Act** will bring a strong agency for cybersecurity and EU-wide rules on cybersecurity certification. On 27th June this year, the European Cybersecurity Act came into force, setting the new mandate of ENISA, the EU Agency for Cybersecurity, and establishing the European cybersecurity certification framework.

Depending on the size and type of organisation, the best way to assess your information security position is against a recognised standard that is both auditable and certifiable, such as **ISO27001**.

Cybersecurity is no longer the sole job of IT security professionals. It's a shared responsibility, which requires efforts at all levels of organisations.

WHO IS RESPONSIBLE FOR CYBER SECURITY?

BOARD

- Establish policy, risk appetite, strategy
- Review procedures
- Assess results
- Monitor progress and implementation

MANAGER/CEO

- Identify risks
- Plan for attack
- Prepare personnel/systems
- Improve staff training/awareness
- Implement Board strategy
- Record and report progress/issues
- Suggest changes

EVERYONE IS RESPONSIBLE!
Board, CEO, Employees, Volunteers

Data Protection/Cyber Insurance

While cyber security is paramount, it is also important to mitigate against the financial consequences of a data breach incident occurring by having appropriate

cyber insurance in place.

Since the introduction of GDPR, a financial institution's financial exposure from the risk of a data breach or cyberattack incident has increased significantly. Credit unions are no exception to this. Data breach claims are also increasing, most of which are as a result of human error.

It is imperative, therefore, that credit unions give priority to reviewing the current level of data breach/cyber insurance cover they hold. They should ensure that it is adequate to mitigate against the potentially catastrophic costs of this emerging and ever increasing risk.

ILCU Support

For those credit unions who are subscribers to the Irish League of Credit Union's CUCC service, the following resources are available to assist with these cyber security responsibilities:

- Cyber Risk Assessment (Risk Subscribers only)
- Cyber Risk Guidance document (Risk Subscribers only)
- Five Cyber Questions for the Board (Compliance and Risk Subscribers)
- Cyber Fraud Typologies (Compliance and Risk Subscribers)
- Cybersecurity for Credit Unions: A practical overview of current best practice (Compliance and Risk Subscribers)

Please note that the list above is not exhaustive and other resources are available to CUCC subscribers

Cyber Security Awareness 101

Human error is involved in 95% of all security breaches

- Have a regular security awareness training schedule in place for your staff (and other relevant stakeholders)
- CU L&D provide a number of relevant courses, for example their *Data Protection and Cyber Security for Credit Unions* course



- Use complex passwords. A cyber survey by the UK's National Cyber Security Centre (NCSC) conducted in April this year found that 123456 was the most widely-used password on breached accounts
- Avoid connecting to public WiFi
- Filter email traffic
- Implement two-factor authentication, e.g. note the Strong Customer Authentication introduced in September for PSD2 for mobile/on-line transactions
- Install anti-virus software and keep it up to date
- Know your IT estate; keep an inventory of all IT assets
 - This should include details on end of life support for operating systems
- Keep all your IT assets up to date (patching)
- Scan your IT estate for vulnerabilities
- Password protect and encrypt confidential files in transit
- Develop & maintain a backup policy
- Restrict and control privileged access
- Develop & maintain a Data Breach Response plan

Refer to www.creditunion.ie for helpful guidance documents & sample policies

A new report from AIG states that business email compromise (BEC) is now the main driver of cyber-insurance claims in the EMEA region. After BEC, ransomware was the second biggest offender in 2018, followed by data breach by hackers and data breach by employee negligence tied in third place.

In most cases, BEC can be traced to a phishing email containing a link or attachment. Engaging with the email's content may give an intruder access into the user's inbox allowing the intruder to send and receive emails from the victim's email address.

The ICT dept. of ILCU has negotiated a significant discount on Topsec's Phishing Training as a Service for any interested credit unions. This service allows you to

deliver customised simulated phishing emails to staff over a pre-defined period which display "Teachable Moments" messages to individuals who fall for a mock phishing attack.

For further details on the service www.topsec.com/phishing.php

If interested in finding out more about the special offer available to ILCU credit unions, please contact phishingawareness@creditunion.ie



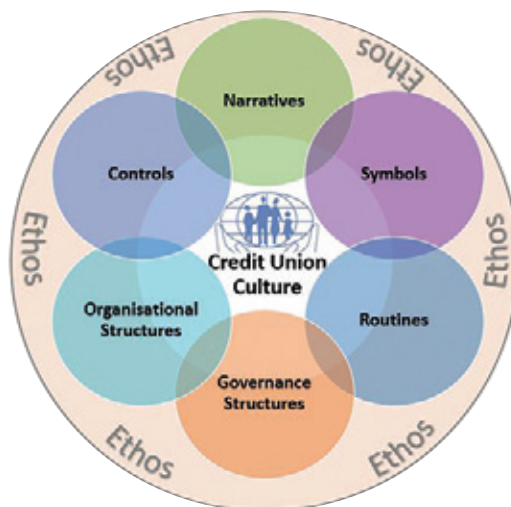
The language of leadership to influence culture

Culture can be described as learned beliefs. Practically, within the credit union movement, this is when and where volunteers and staff learn the norms of governance and operations through their experiences and interactions. Forbes Magazine has described culture as ‘the way we get stuff done around here.’ The credit union movement has its own distinct culture, which compares favourably to other financial institutions. With strong distinctions drawn from the focus on members, volunteering and the credit union ethos, these factors

create the shared identity of ‘us’ within the context of credit unions.

Credit union culture can be visualised as a set of interlocking influencing factors ring-fenced by the strong credit union ethos. It is within this space that decisions are made that reflect a credit union’s cultural understanding and beliefs.

As the diagram demonstrates, there are a variety of factors that contribute to the cultural understanding of the credit union movement. Similarly, in other groups, there are complex influences on what constitutes their culture.



Regulators View of Culture

Looking outward, regulators have been actively commenting on culture for some time. It is important to be aware of how they view culture - and associated responsibilities of change and performance.

“Culture in financial services is widely accepted as a key root cause of the major

conduct failings that have occurred within the industry in recent history.” **Financial Conduct Authority, Transforming Culture in Financial Services.**

“We do not have any ‘right culture’ in mind when making our assessment; rather we focus on whether boards and management clearly understand the circumstances in which the firm’s viability would be under question, whether accepted practices are challenged, and

whether action is taken to address risks on a timely basis.” **The Prudential Regulation Authority’s approach to banking supervision.**

“...some banks are more advanced in their transformation towards a consumer-focused organisational culture than others, and all have a distance to travel.” **Central Bank of Ireland (CBI), commentary on culture in retail banks.**

What Regulators say about Retail Banks

As the retail banking sector continues to access and amend its cultural and decision-making shortcomings, there are opportunities for credit unions to consolidate ongoing success in member experience. The regulators recognise the challenge.

“During the course of the Central Bank’s Tracker Mortgage Examination, we detected a number of cultural indicators that were standing in the way of fair consumer outcomes. For example, we found banks adopting a narrowly legalistic

approach rather than embracing a customer-focused perspective; assigning insufficient resources to the Examination; or offering initial compensation proposals that fell well short of our expectations.”

Derville Rowland, Head of Financial Conduct, CBI.

These words provides evidence of cultural shortcomings in the banking sector. However, this realisation has led to change. Banks are becoming more competitive in the space of customer experience, a realisation that when applied early in the change process allows for a greater return beyond immediate customer satisfaction.

“The Senior Manager part is about

leadership and stepping up and actually saying this can be a positive thing for your firm as opposed to just a compliance thing which in a sense is constricting.” **Jonathan Davidson, Executive Director of Supervision, Financial Conduct Authority.**

It is recognised that banks struggle to change their culture as historically they failed to tackle behavioural change. Training for this type of change is not a linear process and needs continuous touch points to review, practice and reassert desired behaviour. People change their behaviour gradually and on an individual basis, so credit union support should recognise the requirement for continued investment in training to achieve results.

Why is Culture important?

Culture is of course complex and is woven into the formal and informal decisions that we make. In one form or another, most business strategic and operational decisions can be traced to the culture of the boardroom. Leadership and decision-making are then at the hub of behaviour and culture in any organisation. That is why, with reflection and lessons learned from the global financial crisis, culture is emerging as a hot topic with regulators.

Regulators are increasingly moving toward an approach that accounts for both culpability, responsibility and accountability. The CBI has indicated that regulated entities can expect more intensive scrutiny of their norms and conduct in 2019. Regulators are suggesting that Boards and managers are increasingly expected through their individual and collective leadership to demonstrate through

communication and decision-making the culture and values of their organisations.

Culture and leadership are inextricably linked. Culture has so often had a positive impact at local level within the credit union movement as strong values and ethos provided for our members' needs. Opportunities exist to use culture effectively in achieving performance for your credit union. There is a direct relationship between the leadership function of management, Boards and committees to credit union and culture. Effective communication at an individual and organisational level enables culture to be positively influenced for the benefit of your common bond.

Recognising the increased dialogue from both regulatory jurisdictions, it is probable that greater cultural awareness will be promoted in a manner similar to the

introduction of ethical requirements post financial crisis. Culture audits and MCC Culture requirements are terms that will become familiar in the coming years.



What next?

Culture and strategy programmes, leading to change, in any organisation, can often struggle as they require new behaviours that need Board and management support.

Structured approaches have greater success when they identify skills and competencies to support and sustain required change. Well-designed training incorporates applied skill development to reinforce positive behavioural change. Investment in training and the development

of your leaders enables sustainable change, providing a measureable return through successful performance. Training engagement should also be tracked employing the MCC Register on CU Learn. This tool identifies individual mandatory annual training requirements.

Recognising that culture includes the way people interact with each other, how they solve problems, and how they justify themselves are some initial and

straightforward Cultural Audit questions to pose;

1. What's the communication style during decision-making?

2. Are there more one-way broadcasts from leadership or grassroots conversations?

3. Could any of the above be improved?

Effective organisational culture, especially one including good leadership and communication, has a significant effect on job satisfaction and organisational performance. The CBI recently strongly asserted that 'leadership is a critical driver of culture'. One of the most important attributes of effective Boards as leaders is the capacity to develop and communicate an appropriate risk appetite.

The Irish League of Credit Unions (ILCU) provides a number of resources to assist with the challenges identified. These include;

- The CUCC schedule of regional workshops where themes include

Culture and Risk

- A MCC Register is available on CU Learn to track individual attainment of skills and mandatory training requirements
- The Communications Department has recently published a Member Experience Toolkit, available for download at creditunion.ie
- CU L&D offers a range of training for Induction, the Board, Governance and Leadership. The suite of leadership-focused courses, with a renewed focus on applied communication and culture, will be available in 2020.
- The CU CPD scheme provides support to your credit union officers. Consider enrolling them to provide for their

training and development needs. Use these opportunities to engage for cultural success in 2020 and beyond.



THE IMPORTANCE OF CULTURE IN THE CREDIT UNION



CREDIT UNION COMPLIANCE CENTRE
culture | people | protection

IT AIN'T WHAT YOU DO IT'S THE WAY THAT YOU DO IT (AND THAT'S WHAT GETS RESULTS!)

Culture has been given much more prominence since the global financial crisis and is now treated as a key regulatory priority. It is widely accepted that cultural failings in the banking sector were a significant contributory factor to the economic crisis. It was discovered that whilst rules may have been followed, wrong decisions were made.

WHAT IS CULTURE AND MORE IMPORTANTLY, WHAT IS THE CULTURE IN YOUR CREDIT UNION?

By its very definition, culture is a collection of beliefs, behaviours, standards, attitudes and values of the people within your credit union, which in turn set the tone of the culture within your credit union.

The culture is shaped by multiple elements, for example from the environment processes and strategies, to perceptions thoughts and feelings.

It is set from top down and bottom up. If there is a need to review or change the culture within your credit union, it can take a great deal of effort from multiple people (people first have to 'unlearn' values behaviours etc.), and they have to show a desire to change.

However, studies have shown people are likely to follow culture within an organisation if there is significant peer pressure to do so - **good** or **bad!**

HOW WOULD YOU DESCRIBE THE CULTURE IN YOUR CREDIT UNION?

Culture within Operations

Culture within the operations of a credit union will impact the majority of staff and volunteers. All credit unions have a culture, whether they choose to or not, however they can influence what culture they would like to have.

Operational Best Practices to consider include:

- Do members, staff and volunteers feel safe to raise concerns within your credit union, within the normal line management process, without embarrassment or fear of retaliation? Does your credit union support a culture where the most junior of staff can highlight or question a process or procedure where appropriate? Are people open to alternate views?
- Does your credit union embed a culture of compliance and risk? For example, is compliance talked about at every team meeting and given the attention it deserves?
- What is the communication structure within your credit union and to members? For example, are all communications open and transparent?
- What is the culture when receiving or responding to complaints? For example, are they seen as an informative experience to improve processes or identify training needs?

Board

The culture within the Board is one of the most critical areas of culture within the credit union as it sets the tone from the top and is echoed from the bottom up. (It should also be noted that *Tone from the Top* is not necessarily the spoken word or rules made, it can often be behavioural driven and perception).

The Board sets out the values that should be embedded, and devises

policies and procedures to follow. They should live the values and lead by example.

Two areas the Board should review when assessing its culture are:

■ The Chair

Most Chairs will require an element of training based on their previous experience. Good practice will recognise skill gaps identified through the credit unions annual Training Needs Analysis (TNA). They should play a key role in ensuring the diversity of the Board and encourage different views and opinions, including those of different backgrounds, experience, skillsets etc.

■ Avoid Groupthink

The objective is to create an environment where directors feel comfortable challenging popular opinion, especially where an area has not been fully explored or debated. 'It's what we've always done' is an easy response, but should be avoided at all costs and be replaced with a healthy challenging discussion! Directors should also be aware that both admiration and fear can often drive groupthink and challenge sound decision-making processes. Promote diversity in thinking, start by enrolling on the new and free eLearning course *Equality and Diversity Essentials*.

BANKING CULTURE

Studies have shown that firms are increasingly willing to acknowledge that people are motivated and take actions for reasons other than monetary rewards. It is recommended that the Board of directors and manager of the credit union continue a practice that fosters a culture which rewards appropriate behaviour, and not allow misplaced incentives to take root.

A recent example of this was evidenced in Irish retail banks with the



findings from the Tracker Mortgage Examination, conducted by the Central Bank of Ireland (CBI). It identified a culture of achieving sales targets ahead of good consumer outcomes. To date, lenders have paid over €580 million in redress and compensation to affected customers, with a cost to the banks of over €1 billion.

The CBI also released a report in July 2008 entitled *Behaviour and Culture in Irish Retail Banks* in which it recommends the embedding of a ‘consumer-focused organisational **culture**’. The recommendation was that banks are to put the customer at the centre of every decision they make, and this should influence future strategies.

Of course, credit unions have been doing this for years and already have a distinct advantage with the unique relationship they hold with their members. This was evidenced only recently by the winning of the CXi Awards for an unprecedented fifth year in a row. Recent changes by retail banks to improve customer experiences reflects a change in their priorities, now is the time for credit unions to look for continuous improvement.

CULTURE V GOVERNANCE

The Financial Stability Board states: ‘*firm’s culture can defeat its formal governance.*’

Culture cannot be changed by simply introducing rules. The Board of Directors

and the manager of the credit union need to own and embed the required culture in their credit union - and drive the change if required. Just because rules allow an activity to take place does not mean morally it is the right thing to happen. Processes and controls will not secure a good regulatory outcome, unless the right cultural mindsets and behaviours are embedded throughout the credit union.

Complying with rules is not enough, the credit union should embrace the spirit of the rule or regulation.

HEALTHY CULTURE

The Financial Conduct Authority’s message on culture is: ‘*We cannot specify the culture a firm should have, but what we can do is help firms to identify what is a healthy culture, and how to get there.*’

The benefits of a credit union having a healthy culture include:

- Fair and ethical decision-making processes which are customer centric
- Improved reputation
- Enhanced professionalism and integrity
- Effective controls
- Strong oversight
- Flexibility to adapt to challenging situations
- Improved efficiency

Evidence of a poor culture could include:

- High turnover of staff
- Increase in internal fraud
- Poor member experience
- Miss-selling of products
- Increase in number of complaints
- Reputational damage
- Higher loan book arrears
- Fines or sanctions from regulators
- Greater challenges in volunteer recruitment
- Low morale

And of course, all the above has an impact on the bottom line of a credit union.

CHANGING CULTURE

For a credit union to change its culture it has to identify where it is at right now, and where it wants to be.

An action plan can then be put in place to bridge the gaps and training programmes implemented to help emphasise and enforce the desired behaviours, beliefs and attitude the credit union would like to adopt. Support change through sustainable policies developed in consultation with the Guide for Developing Policies available on CU Learn.

A healthy culture within your credit union will ensure that you enhance relationships and maintain the trust of your members in the future.

HOME LOANS CUSO – INAUGURAL ANNUAL MEETING OF PARTICIPATING CREDIT UNIONS

On Wednesday 16th October 2019, the Home Loans CUSO held the Inaugural Annual Meeting of Participating Credit Unions (PCUs) in the Midlands Park Hotel, Portlaoise.



The PCUs were represented by directors, CEOs and senior management. The meeting was chaired by the Independent Chair of the Mortgage Product Forum (MPF), Billy Andrews. The agenda for the meeting generated interesting discussion. The below topics were the key focus points.

1) Service Performance

Paul Farrell, Mortgage Hub, gave an operational and financial performance update on credit union recruitment and home loan activity by the PCUs.

Frank Doherty, Mortgage Hub, presented a summary of the *Operations and Service Assurance Review Report* completed by the Risk & Advisory Consulting Services of the Accountancy Firm BDO.

Billy Andrews, Chair of the MPF, set out and explained the key Business, Strategic and Financial Priorities for 2020.

2) Outsourced Service Provider

Mark Hyland, Link Asset Services (Link), outlined how the service is working to date and highlighted the core steps that they support within the service.

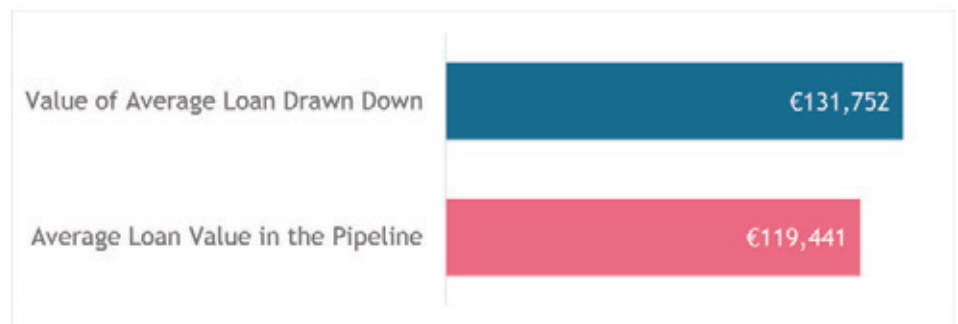
3) Mortgage Market & Trends

Michael Dowling, Dowling Financial, presented on the mortgage market perspective and outlook for 2020.

4) Regulatory Expectations

Bill Hobbs, Central Bank of Ireland, updated the PCUs and spoke about key areas for credit unions to prioritise when considering mortgage lending.

Home Loans CUSO - Statistics



Average Loan to Value Ratio  **59%**

GREEN PINS reflect 17 credit unions live on the service, with assets of €2.2 billion

ORANGE PINS reflect 12 credit unions signed up for the service (but not yet live) with assets of €1.5 billion



CP125 – Consultation on Potential Changes to the Lending Framework for Credit Unions

The Credit Union News, Issue 11 - September 2019 published by the Central Bank of Ireland (CBI), explains how the proposed changes to the lending framework (CP125) are intended to support diversification in credit union loan portfolios. They would do so by allowing those credit unions with sufficient financial strength, competence and capability to undertake additional home mortgage and commercial lending while effectively managing duration and concentration risk.

Among the proposals, the CBI proposed the removal of the existing lending maturity limits and the introduction of concentration limits, on a tiered basis, for house loans and commercial loans expressed as a percentage of total assets.

The regulations are expected to commence following an appropriate transitional period. Should your credit union take the decision to engage in mortgage lending and avail of the proposed concentration limits arising from CP125, please don't hesitate to contact the Mortgage Hub for information on the Home Loans CUSO Service.

Mortgage Hub Contact Details:

Phone: 01 614 6973

Mail: mortgagehub@creditunion.ie

2020 SCHOOLS QUIZ

Battle Commences!

School children around the country are getting ready to do battle as the Credit Union Schools Quiz returns for 2020. Credit unions on the island of Ireland are encouraging schools in their local communities to get fighting fit and claim victory in the 29th annual Quiz. As usual, the Quiz will culminate in a fiercely fought national final at the RDS, Dublin in April 2020.

This year's theme is 'Let the Battle Commence'. A photoshoot to officially launch the Quiz took place with Dublin's Viking Splash on Grand Canal Docks in late October.

Each year around 25,000 schoolchildren take part in the Quiz. The Quiz begins with a knock-out stage at local level which takes place in late January or early February. The winning teams then progress to the regional knockout stage in late February or early March.

The winning teams from the regional stage will then make it through to the Grand Final in April 2020. Here they will be pitted in a nerve-wracking battle of the wits against a number of other formidable teams of four. Today FM DJ, Fergal D'Arcy, who was a huge hit at last year's final, returns as Quizmaster this year.

Speaking about the Quiz, Irish League of Credit Unions (ILCU) Head of

Communications, Paul Bailey said: "We're putting the war cry out for children and schools to do battle in this year's quiz. It's a fantastic opportunity for schools to nurture a culture of partnership among students, and we would really encourage all schools to get registered for the 2020 event. A core focus of this event for children to gain experience at teamwork to help equip them with the skills necessary for successful teamwork in the future."

Last year, the winning schools were Quay National School, Ballina, Co Mayo in the under 11 years category. St Cronan's Boys National School, Bray, Co Wicklow claimed victory in the 11-13 years category. The runner-up teams were Dromclough National School, Listowel, Co Kerry in the under 11 years category. St Joseph's National School, Skibbereen Co Cork and St Colmcille's National School, Mullingar, Co Westmeath were joint runners-up in the older age category.

Registration for the 2020 Schools Quiz is now open. Children interested in taking part can also log on to www.creditunion.ie and brush up on their knowledge via an online, interactive quiz.

About the All-Ireland Schools' Quiz

The quiz is divided into two sections; Competition A for children up to 11 years and Competition B for children between 11 and 13 years. The winning teams at the national finals will receive €1,250 per school, with the runner up teams in each category receiving €750 for their schools, adding up to a fantastic prize fund of €4,000. Local and regional winners will also receive a range of prizes.

- Local quiz winners go through to the regional final, and the regional winners and runners-up will compete for the national titles in April 2020.
- Local winners will receive prizes from their local organising credit union.
- Regional winners will also receive prizes and their schools will receive cheques or a cash prize.
- The national winners and runners-up receive a silver salver, significant personal prizes for each team, and their schools are each awarded a substantial cheque.
- Every team competing receives a special certificate marking their achievement.



Antrim Credit Union Celebrates 50 Years of Service



50 years ago, the founders of Antrim Credit Union recognised the root of many of the problems in their community was the scarce availability and poor management of money. They resolved to identify a system that would allow people in the Antrim and Randalstown area to gain more control over their finances. Antrim Credit Union Ltd. was thus formed.

Today, Antrim Credit Union has savings of £18.2 million, assets of £21.4 million, and last year provided £5.6 million in loans to members. The staff at Antrim Credit Union are always available with budgeting and savings guidance for new and existing members, as well as information on suitable loan products to suit individual circumstances. Figures only tell part of the story however. Credit for the success over the past 50 years is mostly due to the many local men and women whose contribution to their own communities could never be recorded in a balance sheet.

To coincide with the celebration of its 50th Anniversary, Antrim Credit Union recently officially opened a new premises in Randalstown. An exclusive night of celebration in the new building was attended by the Irish League of Credit Unions (ILCU) President, Gerry Thompson. This was followed by a dinner at the Dunadry hotel, where staff, directors and friends of the credit union celebrated the milestone together.

The new Randalstown office will provide a purpose-built resource for the town; opening up new financial service opportunities, particularly to those left at a loss after the closing of local bank branches. Additionally, meeting and conference facilities will be made available to meet the needs of members and community friends and partners.

At Antrim Credit Union, members are always the number one priority. The credit union is always willing to work with each individual borrower to structure repayments in a way that will suit their individual circumstances. There are no hidden fees or



ILCU President Gerry Thompson at the unveiling of the new premises in Randalstown.



Credit union staff, volunteers and friends, and the ILCU President, attended the 50th Anniversary dinner

administration charges. Borrowers are also free to repay the loan early, should they wish, without any penalties. The credit union also offers life assurance on savings and loans, a dividend on

savings and a loan interest rebate each year.

Antrim Credit Union looks forward to another 50 successful years serving the local community.

Zeminar 2019

Credit unions were once again proud to be one of the main sponsors of the popular Zeminar. The three day event champions the needs, interests and mental wellbeing of Ireland's young people. Now in its fifth year, the event was held from the 8th to the 10th of October. Zeminar moved venue this year due to popularity and numbers attending. The new venue was the state-of-the-art National Sports Campus in Dublin.

Credit Union Sponsorship

Zeminar is the only event of its size in the country which is exclusively for Generation Z. It is a social enterprise created to bring all those invested in the development and well-being of young people in Ireland to one place. The unique event attracted around 30,000 students from all over Ireland. Sponsorship of the event is an important aspect of the Irish League of Credit Unions (ILCU) Youth Programme.

Credit unions sponsored the main stage on the opening day of Zeminar. Credit union branding was visible on-stage while keynote speakers such as Mayo footballer Tom Parsons spoke about resilience in the face of adversity. Other speakers on the day included the inspiring Mark Pollock, a blind adventure athlete who is now seeking a cure for paralysis following a tragic accident that left him paralysed.

Throughout the three days, students attended talks by some of the country's most inspirational activists, sports stars and well-being experts on the main stage. Outside the main arena, there are a range of other amenities and activities for students to enjoy. These include mini-Zeminars or hubs where

information can be found on everything from mental health, stress management and healthy life choices to career selection, sports and hobbies and everything in between. For example, there was a 'Well-Being Gym' where the young attendees can learn how to look after their mind, body and soul. The 'Activation Zone' was a science, technology and exhibitor space for broadening horizons and captivating young people's imaginations.

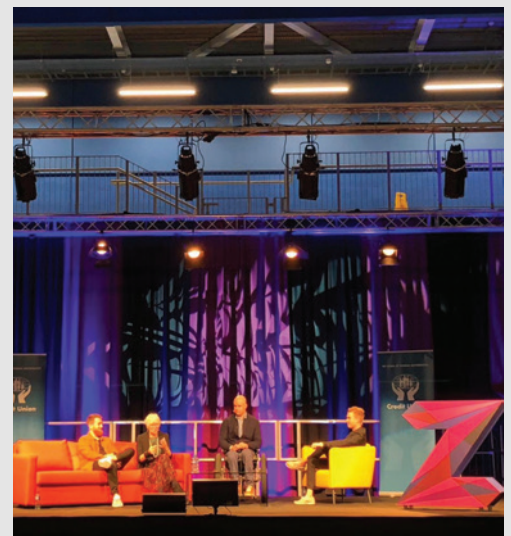
Queueing Up for the Credit Union

The credit union stand was a big hit over the three days, with crowds of secondary school students forming queues to have their pictures taken in the Magic Selfie Mirror. Everyone participating received a branded Polaroid. On average, there were almost 300 pictures taken on each day of the event! To be in with a chance to win a brand new One Plus mobile phone, students simply had to take a picture of their Polaroid and upload it to their Instagram stories, tagging the credit union and following the official Instagram page. There was a huge level of engagement with this competition on Instagram.

What is Zeminar?

Zeminar is a social enterprise created to bring all those invested in the development and well-being of young people in Ireland to one place.

Zeminar is a Wellbeing & Education movement for Generation Z that caters for all 15-20 year olds and their parents, teachers, mentors and coaches, irrespective of academic ability or socio-economic background. The event facilitates the introduction of young people to some of the best and most innovative organisations on this island. Throughout the event there are workshops, influential speakers, essential resources and fun activities. Attendees will leave the event with new knowledge to help them live happier, safer, and more fulfilling lives.



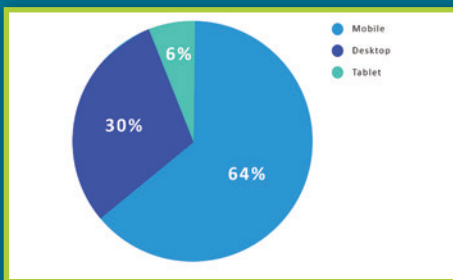
EIGHT INSIGHTS ON CREDIT UNION WEBSITE VISITORS

As CU Focus readers will be aware, the new credit union website went live around this time last year. Since then, the Irish League of Credit Unions (ILCU) Communications Department has been tracking website analytics. The objective of this is to assist credit unions in understanding their website users better.

The aim is that these analytics will enable credit unions to form a solid understanding of their average website visitor, and their behaviours.

INSIGHT 1

Mobile is now predominantly the browser of choice for users. Therefore, a mobile first approach to web design and information presentation across all online channels is critical.



INSIGHT 2

Mobile users are 5% more likely to return to a website. Does your website load quickly? Google recommends a website should load as close as possible to three seconds. A fast-loading site will encourage more visitors. This is due to the ease of access and fast deliverability of information the user is looking for.

INSIGHT 3

The top credit union branded searches on Google are focused around loans. This can give you a clue as to what people associate with the credit union - and hints at popular services.

INSIGHT 4

What people search for on credit union websites are focused around loan calculations and searches for online services. These top five searches (below) provide us with information on what website users seek in their user journey on a credit union website. This information can help with website navigation and ensuring that this information is very easy for people to find on your website.

1. Loan Calculator
2. Online Banking
3. Mortgage
4. Top-up Loan
5. App

INSIGHT 5

Mobile has the highest conversion rate for loan enquiries. It's more than clear that your site needs to be optimised for mobile, as it is mobile users who are more likely to convert.



INSIGHT 6

More than 70% of loan enquiries are submitted via mobile devices.

INSIGHT 7

Top Frequently Asked Questions (FAQs) relating to credit unions on Google focus on how to join and get a loan. This information can help answer key potential new-member questions. Does your website inform people in a simple and straightforward manner on how they can join your credit union and how they can get a loan? Have you made it clear

whether this can be done online, or if they need to come in person into the office? Ensuring that this information is easily accessible to your website visitors is very important.

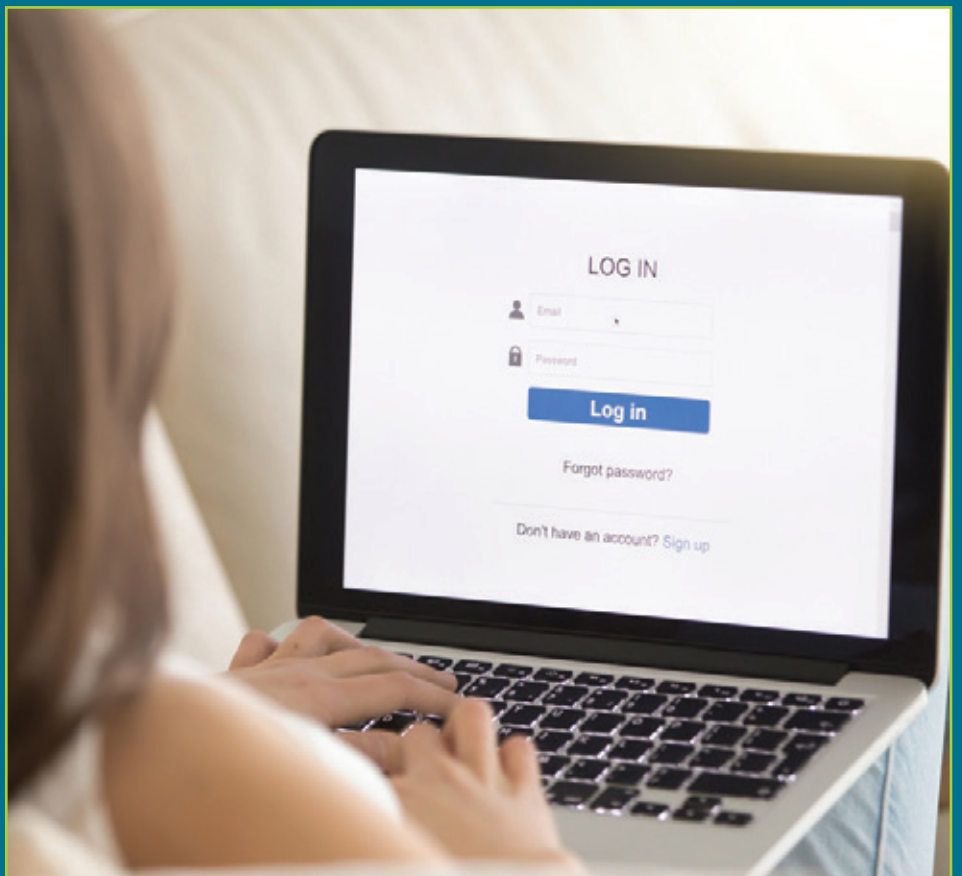
See some FAQs below;

- What do I need to open a credit union account?
- How to apply for a credit union loan?
- How do credit union loans work?
- How much can you borrow from a credit union?
- Can you have a joint credit union account?
- Open a credit union account online
- What is a credit union?

INSIGHT 8

Website visitors have a rich array of different interests - with a skew towards travel and cars. Unsurprisingly, most people who visit a credit union website have interests around the services credit unions offer. People who want a holiday loan are interested in holidays and travel. Both used cars and new car loans are also popular amongst people visiting the site.

Again, providing information to your website visitors on these topics can go a long way to both retaining users and attracting new website visitors.



MINISTER COMMITS TO ENGAGEMENT ON CREDIT UNION INVESTMENT IN SOCIAL HOUSING

In his Budget 2020 speech, Minister for Finance & Public Expenditure and Reform, Paschal Donohoe, pledged that the Government would continue to engage with the credit union movement on establishing an appropriate mechanism for investment in social housing.

The Minister said; “We will also continue to engage with the credit union movement on appropriate mechanisms for it to establish a vehicle to invest in approved housing bodies.”

The Irish League of Credit Unions (ILCU) welcomes this development on behalf of its affiliated credit unions. The fact that the Minister made this commitment in such a nationally significant announcement as the Budget speech is also to be welcomed.

This development comes as a result of the ILCU’s consistent and persistent lobbying for the use of surplus credit union funds to support Approved Housing Bodies (AHBs) in the building and provision of social and affordable housing. This focus of lobbying efforts is part of the ILCU’s and credit unions’ commitment to social justice, and to working towards ending the current housing shortage and homelessness crisis.

Background to Social Housing Proposals

In response to a Government request in November 2014, the ILCU developed a comprehensive proposal outlining how surplus credit union funds could be used for social housing. In July 2016, the Department of Housing, Community and Local Government policy document *Rebuilding Ireland* stated that “the Government is also committed to a range of other structural funding and policy supports to increase delivery by AHBs. Among these measures will be the establishment of an Innovation Fund to support the development by AHBs of innovative financial models. Support will be provided from this fund to an Irish Council for Social Housing (ICSH)/sector-led new special purpose vehicle, involving investors, including the credit union movement”.



Throughout this time, the ILCU frequently met with the Central Bank of Ireland (CBI) and impressed upon them the importance of easing regulations around credit union investments, namely broadening the investment classes permitted. This would pave the way for credit unions to invest in social housing. Following this lobbying, and a public consultation period, the CBI amended the investment regulations to facilitate investment by credit unions in AHBs.

The remaining stumbling block was the establishment of a financial vehicle as committed to in *Rebuilding Ireland*. The ILCU stressed with Government and elected representatives the importance of the establishment of this financial vehicle so that credit unions could finally start to invest in social housing.

The Budget announcement is positive news on this front.



Celebrating 30 Years

In October the Irish League of Credit Unions International Development Foundation (ILCU Foundation) hosted the fifth International Partners Conference. The event coincided with the ILCU Foundation's 30 year celebrations. The week-long conference *Strengthening Financial Inclusion for All* brought together credit union representatives from 12 countries in Africa and Eastern Europe. The week provided an opportunity to share

experiences of credit union development in the diverse countries, discuss and address challenges, and strategically plan for the ILCU Foundation's future support to developing credit union movements. The week comprised of a number of technical sessions, including presentations by ILCU staff and the delegates themselves. Topics covered included risk management, digitalisation of financial services and prevention and detection of financial

misconduct. To coincide with the week, the ILCU Foundation visited a number of credit unions. Regional events were also hosted to allow the credit unions to meet ILCU Foundation partners and hear from them about the impact of the credit unions in their respective countries.

Many thanks to Affinity Credit Union Ltd. and Mullingar Credit Union Ltd. for hosting partners and to all who attended the events and met with the partners.



Representatives from credit unions in Clare, Limerick and Tipperary meet with IPC delegates



St. Declan's Credit Union, Ashbourne attend IPC event.



The delegation visiting Affinity Credit Union



Mary Ryan and Mary Higgins, Monasterevan Credit Union and Lilan Songa



Delegation with Tom Allen, CEO, Mullingar Credit Union



Drogheda Credit Union attend IPC event



CUMA supports ILCU Foundation

As part of their Autumn Conference, CUMA hosted a 5km run/walk and an auction in support of the ILCU Foundation's work. The evening was a huge success, with over 70 people participating in the run/walk and over 100 attending the auction. A total of €10,000 was raised. Many thanks to all who participated in the run and/or the auction. Thanks to CUMA for their support over the years, and a special thanks to Lisa and Suzanne for organising such a successful event.



CUMA presents cheque for €10,000 following successful fundraiser.

Cooperation among Cooperatives

Thank you to the credit unions who have contributed to the ILCU Foundation's work this year. Your support helps to educate, enable and empower credit union staff, volunteers and members in Ethiopia,

Sierra Leone and The Gambia. Thanks to you, the ILCU Foundation can share the experience of the Irish credit union movement with other movements in Africa and Eastern Europe. This helps them

build strong, secure and sustainable credit union movements. Contribution forms were sent to all credit unions in October and if you have any questions please get in touch.



Supporting ILCU Foundation



New Ross Credit Union present a contribution to ILCU Foundation



NSF



Palmerstown Credit Union supporting the ILCU Foundation



Governance Volunteer Programme

In September, seven volunteers participated in the second Governance Volunteer Programme. The group travelled to The Gambia for one week to provide support to credit union personnel, share their knowledge and experience and see the work of the ILCU Foundation at first-hand. They visited a number of credit unions and hosted a very engaging workshop on a variety of governance topics. It was an enjoyable week for the volunteers, meeting with those involved in the credit unions in The Gambia, sharing their experience and also learning from them. The week-long programme is organised in conjunction with the National Association of Cooperative Credit Unions (NACCUG), the apex body for credit unions. Speaking about the volunteers, Lamin S. Jarjou, manager of Foni Berefet Credit Union Ltd. noted that “the Irish credit union movement and the Gambian credit union movement are like twins. We have a good relationship, you see us as equals and friends, and we are learning from each other, after all we are on the same journey.” The volunteers spoke highly of their experience throughout the week during the debrief session with NACCUG. Seán Roberts noted how “Gambia credit unions are now in a similar position that Irish credit unions were in in the 1960s and 1970s. We were able to encourage them with the story of the success of the Irish credit unions....one could only admire what they have achieved despite the difficulties”.

Thank you to all volunteers for participating in the programme: Elizabeth Harpur, Core Credit Union Ltd., Sean Roberts, Crosshaven and Carrigaline Credit Union Ltd., Geraldine Gilsean, Drogheda Credit Union Ltd., Frances Cross, Enniscorthy Credit Union Ltd., Christine Barretto & Marie McBryan, Health Services Staff Credit Union Ltd. and Aldo Selvi, St. Dominic’s Credit Union Ltd. Thank you to your credit unions for supporting you and thanks to those who fundraised to participate on the programme.

If you are interested in participating in the Governance Volunteer Programme please get in touch. Contact details are included below.



Frances Cross and Lamin S. Jarjou, Manager, Foni Berefet District Credit Union discuss credit union stats



Seán, Liz and Marie with Board and staff members, Foni Kansala Credit Union



Aldo Selvi working alongside Fatou Fofana and Ousman Manneh



Yaya Kolley, Kandeh Trawally, Seán Roberts and Landing Jarju

News and Updates

The 2018 annual report is now available online, and provides an overview of the work undertaken by the ILCU Foundation last year.

For more information on the ILCU Foundation, contact Sinéad on 01 614 6945 or email slynam@creditunion.ie
Keep up to date with the ILCU Foundation on Facebook, Twitter, Instagram and LinkedIn

Ballinderry Bridge Credit Union marks 50th Anniversary with Opening of New Premises.



Ballinderry Bridge Credit Union Ltd. celebrated its 50th Anniversary in June 2019 with the official opening of a newly refurbished office. This was followed by an Open Day for all members to view and enjoy the modern, customer-friendly environment.

The event was attended by Irish League of Credit Unions (ILCU) President, Gerry Thompson, who performed the task of cutting the ceremonial ribbon in time honoured tradition. He was accompanied by the ILCU Treasurer, Helene McManus, ILCU Board Director Jim Toner, ILCU Vice-President, Eamonn Sharkey and Patsy McShane.

The revamp of the office, which includes a generous community meeting space, was timed to coincide with marking the important milestone of 50 years' service to the local community. The credit union is proud to serve the people on the north western foreshore of Lough Neagh, and the geographical catchments of Ballinderry, Kinturk, Loup and Ballyronan areas.

IN THE BEGINNING

The credit union's journey began in March 1969 following a meeting in Ballylifford Primary School, attended by thirty-two visionary founders. Each contributed the princely sum of £1 to form the first share capital available to the membership. Fr P Fox, parish priest of Ballinderry for 30 years, was a strong advocate of self-help. He encouraged and supported initial efforts to establish a credit union branch in the parish. At that time, the common bond covered the parishes of Ballinderry and the townland of Kinturk. It was not until a little later in the journey (June 1988) that the common bond was officially extended to include the Loup area. Since then, the catchment has remained as such until the present day. Indeed, those who took the first tentative steps deserve rich praise for their courage, fortitude and foresight. On a wider front, the volunteers who believed in and started the credit union movement nationally were true pioneers.

Ballinderry Bridge Credit Union held the first annual general meeting on 12th February 1970. A copy of the balance sheet for the period ending 31st December 1969 was presented. This showed that savings

had reached £6,140 from 121 members, which in those days represented an average of £50.15 shillings. In 1970, the credit union paid its first dividend out to members at a rate of 4%. The first interest rebate was 2% for the financial year of 1971.

Income and Expenditure A/c for the period ending Dec 31st 1969

INCOME			EXPENDITURE				
£	s	d	£	s	d		
By Interest:	75	10	1	To Date Insurance:	19	19	1
Membership Fees:	15	2	4	Cheque Book:	1	5	4
Gratuities:	10	10	10	Stationery:	22	10	1
Deposit A/c Interest:	43	0	4	Ballinderry Road Tax:	9	10	0
				Chapter Fees:	2	0	0
				Rack Fees:	1	0	0
				Deposit A/c Interest:	41	0	4
	129	3	10		19	12	10
Surplus Income over Expenditure =			74	11	1		

Balance Sheet as at Dec 31st 1969

LIABILITIES			ASSETS				
£	s	d	£	s	d		
SHARES:			CASH IN BANK:				
Subscribed during period:	6,140	0	1	Current A/c:	827	5	4
Less Withdrawals:	4,49	0	0	Deposit A/c:	1,500	0	0
	1,641	0	1	Master Finance:	1,000	0	0
				Interest accrued to 31/12/69:	42	0	4
					3,369	5	2
RESERVE:			LOANS:				
Balance from:			Granted during period:				
Income & Expenditure:	74	11	1	Less Repaid:	455	0	2
Outstanding Accounts - CASH:	28	7	10		2,417	10	10
CASH:	46	17	9				
Stationery 21: 10: 1							
	49,789	18	0		49,718	18	0

We hereby certify that we have examined the records and books of the Ballinderry Bridge Credit Union and find them to be correct and in accordance with above balance sheet.

Signed: Violet S. Kelly (Asst. Treas.)

Copy of the Original Balance Sheet from 1969.

TEAM EFFORTS

The desire to make the credit union environment more welcoming and comfortable for both staff and members, together with a refreshed modern feel to the offices, matches the same grit and determination that delivered an All-Ireland GAA Senior Football club title to the area in 2002. Indeed, the two clubs that comprise the common bond, Ballinderry Shamrocks and Loup St. Patrick's, have won more than their fair share of county and Ulster titles throughout the noughties.

The staff, volunteers and directors, in marking another seminal milestone in the history of the credit union, thank most sincerely all those members who have shared in the journey throughout the past 50 years. The credit union looks forward to serving the needs of the next generation of members who embrace the values of thrift, collective effort, empathy and compassion. Ballinderry Bridge Credit Union remains as committed as ever to deliver on their behalf.

The celebrations don't stop here, as the credit union will be continuing its '£50 for

50' campaign of £50 prizes to be won in the office, or via the Facebook page, throughout the remainder of this important year in its history.



Brian McVey, Treasurer, Maureen McKinless, Secretary with Dessie Rocks, Chairperson of Ballinderry Credit Union



The official opening of the newly refurbished Ballinderry Credit Union office



Ballinderry Credit Union Board of Directors



ILCU President Gerry Thompson with Ballinderry Credit Union Treasurer Brian McVerry at the opening of the new Ballinderry office

Legislative Update

ROI

ENCU Summary of Meetings

November 2019

Representatives from the Irish League of Credit Unions (ILCU) joined representatives from, Poland, Moldova, Croatia, Albania, North Macedonia, Latvia, the Netherlands, and WOCCU for the November European Network of Credit Unions (ENCU) meeting in Brussels. Numerous issues pertinent to European Union (EU) credit unions were discussed between the various policy makers. In particular, the ILCU Representatives met with MEP Billy Kelleher (co-chair of the meeting) and Vincent O'Sullivan - Attaché Financial Services, Permanent Representation of Ireland.

Among the highlights at the meeting was the re-establishment of the European Parliament Credit Union Interest Group (EUPCUIG). This group is an informal, all party European Parliamentary Group that meets twice a year (in spring and autumn) to raise awareness about credit unions and micro-finance among EU institutions and stakeholders.

Challenges facing credit unions in the EU, and some key regulatory items coming up in the Parliament's new legislative term, were also discussed.

In addition to the EUPCUIG meeting, representatives met with various policy makers and stakeholders to discuss key dossiers. These included;

- a. **European Deposit Insurance Scheme (EDIS):** Wherein the EU is considering the establishment of a deposit insurance scheme which could supplant existing schemes, or be structured as an additional backstop to existing national level deposit guarantee schemes. ENCU is working to ensure that existing schemes such as those in Ireland, Netherlands and Estonia are not adversely impacted and further, that any potential regulatory burden is appropriately tailored and minimized for credit unions.
- b. **Consumer Credit Directive:** Meetings with DG JUST indicated that the evaluation of the Consumer Credit Directive has largely been completed. A final version should be published in early 2020 that will be the basis for a decision on whether or not to initiate the drafting of legislation. Indications tend to indicate that an 'overhaul' will be unlikely, but that some minor changes or 'tweaks' could be forthcoming. ENCU discussed the need for proportionality in any legislation, noting the disproportional regulatory burden that often falls on smaller institutions - such as credit unions.
- c. **Distance Marketing of Financial Services Directive:** DG JUST noted that the evaluation of this directive has been completed with the conclusion that the directive is still relevant but that there is room for improvement for harmonisation with national-level regulations to eliminate overlap and potential conflict. They are also looking at the



Fianna Fail MEP Billy Kelleher with ILCU Treasurer Helene McManus and ILCU Board member, Margaret Heffernan

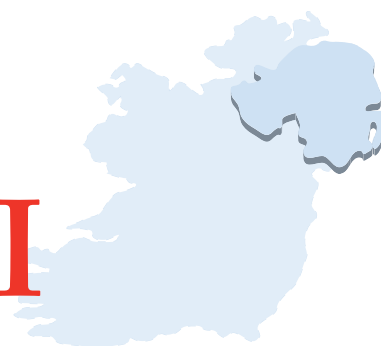
cost/benefit analysis on the issues of disclosures to gain a better understanding. ENCU is following up with this office to provide input on the impact on credit unions.

- d. **Non-Performing Loans and Secondary Market (CMU):** The issue of how to deal with non-performing loans and the allowance of extrajudicial recovery of collateral is a continuing issue in the EU. ENCU is concerned that the rights of second-lien creditors, as well as the rights of consumers and small business borrowers, will be negatively affected by new accelerated loans security facilities. ENCU is working to ensure that the impact on credit unions is understood by policy makers in the EU.
- e. **Miscellaneous:** Other proposals discussed were the new banking package (Basel III) planned for 2020, which is not expected to impact credit unions, however the progress of this will continue to be monitored.

ENCU consists of a network of experts that brief the European Parliament, and other EU decision-makers, on credit union developments worldwide and in EU member states.

Legislative Update

NI



Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2019

In December 2018, the Financial Conduct Authority (FCA) released guidance (FG18/6: *Helping tenants find alternatives to high-cost credit and what this means for social housing landlords*) following on from a consultation paper it introduced in 2018. The intention was to provide some guidance to help understand the scope and application of consumer credit regulation, where housing associations and registered social landlord help tenants to find alternatives to high cost credit by referring them on to regulated organisations, such as credit unions or schemes that help people to buy furniture/household appliances.

Over the course of summer 2019, a new statutory instrument came into force applying to all of the UK under the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2019.

The welcome piece of new legislation will allow for housing associations and registered social landlords to refer tenants to credit unions. This is a welcome move by the UK government and it is hoped will be beneficial to credit unions in Northern Ireland.

Financial Services Directory

The FCA intends to introduce a new public register (the Financial Services Directory) for checking the details of key people working in financial services. As part of the Accountability Regime, the Financial Services Directory will provide a range of information to the FCA, financial institutions and the public.

The FCA believes that the Financial Services Directory will promote transparency and make it quicker and easier to check the history of new appointments and hires, complementing the regulatory reference regime.

The new online accessible FS Directory will include details of:

- all certified officers/staff (those holding a certification function); and
- directors who are not performing Senior Manager Functions (SMFs).

The Financial Services Directory will go live from 9th March 2020.

Review of capital requirements

On 24th October 2019, the Prudential Regulation Authority (PRA) released a new consultation paper (CP28/19) relating to proposals for new and amended credit union capital requirements. The consultation will last for three months until 24 January 2020.

In his speech announcing the consultation paper, Deputy Governor for Prudential Regulation and Chief Executive Officer of the Bank of England, Sam Woods said that “*Credit unions provide a vital service for their members, often acting as a backstop by allowing those members to access services they might find more difficult to get from banks and building societies. The sector plays an important role in many communities – particularly in Northern Ireland*”.

The proposals will move to a simple calculation, based on assets as the trigger and the capital requirements of those credit unions above £10 million will result in a graduated approach (much like income tax).

Sam Woods went on to say that “*The effect of these changes should be to reduce overall capital requirements for the credit union sector by roughly one quarter, and encourage the growth of successful credit unions by removing several cliff-edges present in our current regime.*”

PERFORMANCE MANAGEMENT – CONTINUOUS ASSESSMENT

Performance Management is the cornerstone of both good leadership and good HR Practice. Peter Drucker has stated that: “Management is doing things right; Leadership is doing the right things.”

The primary objectives of an effective performance management process are:

- To allow the development of greater versatility and flexibility in matching strengths and career interests of employees with the needs of the credit union;
- To provide an effective process for the development of employees; and
- To provide a forum for coaching and communication.

Performance management is a process that provides feedback, accountability, and documentation for performance outcomes, in a frank discussion between both parties. It helps employees to channel their talents toward organisational goals; which are reached through the achievement of agreed key objectives linked to those of the credit union.

Performance Management Should NOT be:

- A one-way conversation from manager to employee
- A salary discussion – this is the remit of the Remuneration Committee
- A surprise (or contain any major surprises)
- A disciplinary interview

Key Principles of Effective Performance Management include:

- Aligned, Near Term Objectives
- Frequent Feedback
- Regular Support from Manager
- Employee Recognition
- Personal & Career Development

Over years there have been many issues identified with Annual Appraisals, these include the fact that:

- Managers/CEOs don't like doing them
- Employees don't like them
- They are not seen as Adding Value
- They identify problems but not solutions
- They are not improving performance or engagement
- Tend to be Past-Focused rather than Future-Focused

- Objectives set 12 months ago are often irrelevant by the time of the annual meeting
- Therefore, one of the suggestions that the Irish League of Credit Unions (ILCU) HR Department is making is to change from the traditional Annual Appraisal to Continuous Assessment. In a recent report¹ 67% of employees say their managers spend too little time having ongoing conversations with them about individual performance. This needs to be addressed in order to increase productivity and employee engagement. Many firms are changing their current process to continuous feedback, rather than the traditional annual review.

Key differences

Traditional Performance Appraisal	Continuous Performance Review
One-time annual event	Continuous, ongoing process
A long cycle to evaluate past performance	Consecutive small cycles that offer real-time feedback
Inflexible goals set at the beginning of the year	Flexible short-term goals revised frequently
A tool for measuring employee past performance	A tool for coaching and development
No follow-up or plan for improvement	Periodic feedback and guidance to improve future performance
Process considered to be a burden and a waste of time	Process is agile, faster, continuous and lighter
Negative effect on employee morale	Creates a positive work environment

In order for Review Meetings to be both effective and successful, the key components required are:

- Regular Review Conversations
 - Conversation – not completion of forms
- Adaptable Goals
 - Small number of Short Term Objectives
 - Reviewed Periodically
 - Achieved more quickly
- Real Time Feedback
 - Not only when something requires correction

- Give & receive feedback as things happen

Key to success is **Regular Review Conversations**² where both parties discuss the employee's progress against the previously agreed objectives, and agree forthcoming priorities for the individual and the department, linking to the needs of the credit union. A main element of the discussion is based around the employee's personal development and their career goals. There should also be a discussion regarding any issues or concerns, either the employee or their manager has, with a focus on solutions to address these - in addition to identifying any support required. Finally, a number of action points to be completed before the next meeting should be addressed.

The following are suggested prompts for discussion during the meeting:

Actions from the last meeting

- Have agreed actions been completed?
- If not what can this be done to ensure they are completed in the next week / month?
- Objectives
- What progress has been made?
- Are there obstacle to achieving them on time?
- Do any objectives need to be added or changed

Feedback

- What has been done particularly well?
- What could have been done better?
- What feedback has been given recently?
- Using Strengths
- Has the individual been able to do what they do best in their role recently?
- How do they better utilise their strengths?

Priorities

- What are the priorities for the next few weeks?
 - Individual
 - Team
- Have credit union priorities changed recently?

Issue of Concerns

- Does either party have any issues or concerns?
- What are the options for addressing them?

Help and Support

- What help and/or support is need from the manager

DEALING WITH DIFFICULT CONVERSATIONS

At some point, most managers/supervisors have probably had to have a difficult

¹ Towers Watson – Ireland Performance Management Survey

² Continuous Performance Review Form available on ILCU Website on : www.creditunion.ie

conversation with an angry employee. The main reasons for this anger differs from person to person. However, research shows that the main reasons tend to be; because the employee feels they've been treated unfairly, colleagues are not pulling their weight, that they're not paid enough, that the boss is being unreasonable or that they have been subjected to unjustified disciplinary action.

Sometimes people's performance is not at the required standard. Ignoring under-performance can affect the whole team, leading to resentment from other employees.

How to handle a difficult review

- **Prepare Well** - Think about how you will handle the review, Identify and know the issues do you want to highlight, consider how the individual is likely to respond, ensure you know what outcome you are hoping to achieve. In order for this to occur ask yourself what needs to change and how will the employee make the shift.
- **Take a step back** - Talk to others who have interaction with the employee; try not to allow one aspect of someone's performance to cloud your perspective about the rest.
- **Be Direct & Specific** - Don't skirt around the edges. You will need to be upfront and direct or the employee may not fully understand the issue. Make your comments specific rather than general, and give concrete examples of where people have done something wrong or behaved inappropriately.
- **Dig Deep** - Make the review a dialogue not a rant. You need to be clear about what needs to change, but you also need to make the employee feel they can open up if there are problems you may not be aware of. Often, there are hidden issues behind poor performance. The person may not have adequate resources or is not being given enough time to do their job properly. They may not be getting support from colleagues, or may feel they are being bullied by another member of the team. Sometimes, people may be struggling with ill-health or personal issues they haven't previously disclosed. It's not about allowing people to make excuses, but about making sure you have a correct handle on the situation.
- **Help Build Self Awareness** - Sometimes, people lack the self-awareness to pick up when they are upsetting colleagues with a brusque approach or that their sense of humour isn't appreciated by everyone. If

the performance issue is around interpersonal skills, try and find ways to help the individual build their self-awareness.

- **Manage your emotion** - Delivering a difficult message is never comfortable. However carefully you plan, there is always the chance the individual will react badly and get either upset or angry. Make sure you keep calm and keep your own emotions in check. It can also be very difficult to remain firm if you are having to pull a liked and respected colleague up on their performance, particularly if it becomes obvious they are feeling wounded and betrayed by someone they thought was 'on their side'. Keep calm and try to retain a clear perspective.
- **Set specific goals for improvement** - Be very clear about exactly what you want to change and by when, and agree a date when you will get together again to review progress. Offer coaching, support and whatever training may be needed to help the individual improve. Make sure you involve the employee in the solution. People are more likely to commit to a course of action if they feel they have been part of the discussion.
- **Put the conversation on record** - Make sure you record whatever has been discussed and agreed. Keeping proper records is important so that if at any point the situation escalates and you find yourself in a disciplinary situation, you have evidence of the fact that issues have previously been raised and individuals have been treated fairly. Make sure you are not blurring the lines between an appraisal and a disciplinary.

Dealing with an angry employee

- **Don't go on the defensive** - When faced with an angry employee, our first instinct is often to defend ourselves or counter-attack. The best approach is just to listen, let the person get the anger out of their system. They won't want to listen to you if they are still churning up with fury inside.
- **Don't blank them** - It's tempting to 'tough it out' when someone is standing in front of you shouting and waving their arms. You need to keep control of your own

emotions, but don't be afraid to show that the anger is affecting you.

- **Show positive intention** - Once you allow the person to vent their anger, try to discover the facts. Ask for examples of the behaviour that wound them up the wrong way, talk through why that made them feel the way they did, and what would make it better in the future. Make it clear that you genuinely want to try to help resolve the issue. Help them think about next steps and positive actions they can take to move the situation on. Make sure you reflect back to them before the end of the meeting anything that's been agreed, so that you both have the same understanding.
- **Be realistic** - about what you can achieve and think about what your criteria for a successful exchange would be. Have you managed to bring the temperature down and shift the focus to the future? Have you made some progress in the conversation, even if you haven't managed to resolve the situation? What are the next steps you need to take?

If you felt you didn't handle the situation well, ask for training, or perhaps involve others who have more experience of mediation. People management is a tough role, and it's important to make sure that you get the support you need.

Remember, over time you have probably dealt with angry members in your role within the credit union, and the principles for dealing with an angry employee and an angry member are the same.

In summary to make Performance Management more meaningful:

- Make feedback an ongoing process – hold regular review conversations
- Know what you want to achieve
- Make it a dialogue (not a rant)
- Focus on the positive
- Look ahead

One action to take this week:

When was the last time you sat down with your direct reports and had an informal performance conversation?

Make time this week to talk to your team and catch up on how they're doing.

For further advice, on any of the above or indeed any HR Issue, credit unions should contact the ILCU HR Department:

Margaret Davern	HR Adviser	mdavern@creditunion.ie	+35316146974
Maura Behan	HR Executive	mbehan@creditunion.ie	+35316146941



CHAMPION DAY FOR CARLOW CREDIT UNION



Rugby star Sean O'Brien was among the famous faces at Carlow Credit Union Ltd.'s stand at the National Ploughing Championships recently. The stand was a big hit over the three days at the event, with visits not only from O'Brien, but from RTE star Kathryn Thomas, Minister of State for Trade & Employment, Pat Breen, and Minister for Justice, Charlie Flanagan.

The credit union's stand was in the Carlow Marquee alongside 30 companies from the county. The credit union would like to thank Carlow Local Enterprise Board and Carlow County Council for organising the stand.



New Era for Citybus Credit Union

Citybus Credit Union Ltd. has successfully completed a Transfer of Engagements into Public Service Credit Union Ltd. Members of both credit unions endorsed the Transfer of Engagements unanimously at an August 2019 meeting.

This is a welcome development for the credit unions who will focus on providing enhanced member services. This means that the credit unions are coming together in the spirit of co-operation to enhance efficiency and to work together to manage regulatory requirements, with the main objective of enhancing service provision to valued members at the credit unions.

Many may be interested to know that the etched wooden Citybus Credit Union nameplate remains over the door to the credit union office. This nameplate was deemed a 'Protected Work of Art'.



Ordinary People, Extraordinary Stories

Cork credit unions, in conjunction with the Centre for Co-operative Studies in University College Cork, recently launched a book about credit union volunteers in the rebel county. The book was officially launched on International Credit Union Day.

The book, *Ordinary People, Extraordinary Stories*, captures narratives, memories, anecdotes and experiences from credit union volunteers across Cork, as told in their own words. The book uniquely captures the stories of the very first volunteers and those that have followed them.

A special connection exists between the people of Cork and their credit unions. A key figure in the establishment of the Irish credit union movement in the 1950s was a



Cork woman, Nora Herlihy. Her vision of ordinary people developing a better way of providing themselves financial service has been continued by volunteers to this day. *Ordinary People, Extraordinary Stories* is filled with touching and inspiring first-hand accounts. As Professor Patrick O'Shea, President of University College Cork

commented, "This book uniquely captures the stories of those first volunteers, and those who have come after them, in their own words."

John Colbert, Chairman of Chapter 11 Credit Unions, stated "It tells of the impact the credit union has had in their personal lives and in the life of their communities."

Green Energy and Home Improvement Exhibition

Ballina Credit Union Ltd. recently hosted a Green Energy and Home Improvement Exhibition. Television personality and original eco-activist, Duncan Stewart, was the guest speaker at the event. The exhibition aimed to educate and inform attendees on 'green homes'. More than 30 companies showcased their products, ranging from geothermal panels to electric car chargers, energy efficient windows and insulation to energy efficient instant hot-water taps.

More than 1,000 people attended the event which was a huge success. Michael Ferguson, CEO of Ballina Credit Union stated: "Today has evidenced that people are more eco-engaged than ever, and not just in terms of the here-and-now - but for future generations to come".

The credit union recognises the desire of its members to become more eco-friendly, but also understands that this can come at a considerable cost. With that in mind, the credit union launched its inaugural Eco Loan, the first in a series of eco products to be released. The loan is available for amounts up to €65,000 at a highly competitive interest rate, with flexible repayments built around the member's needs.



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