

MCUL & Affiliates | 2016 Annual Convention and Exposition

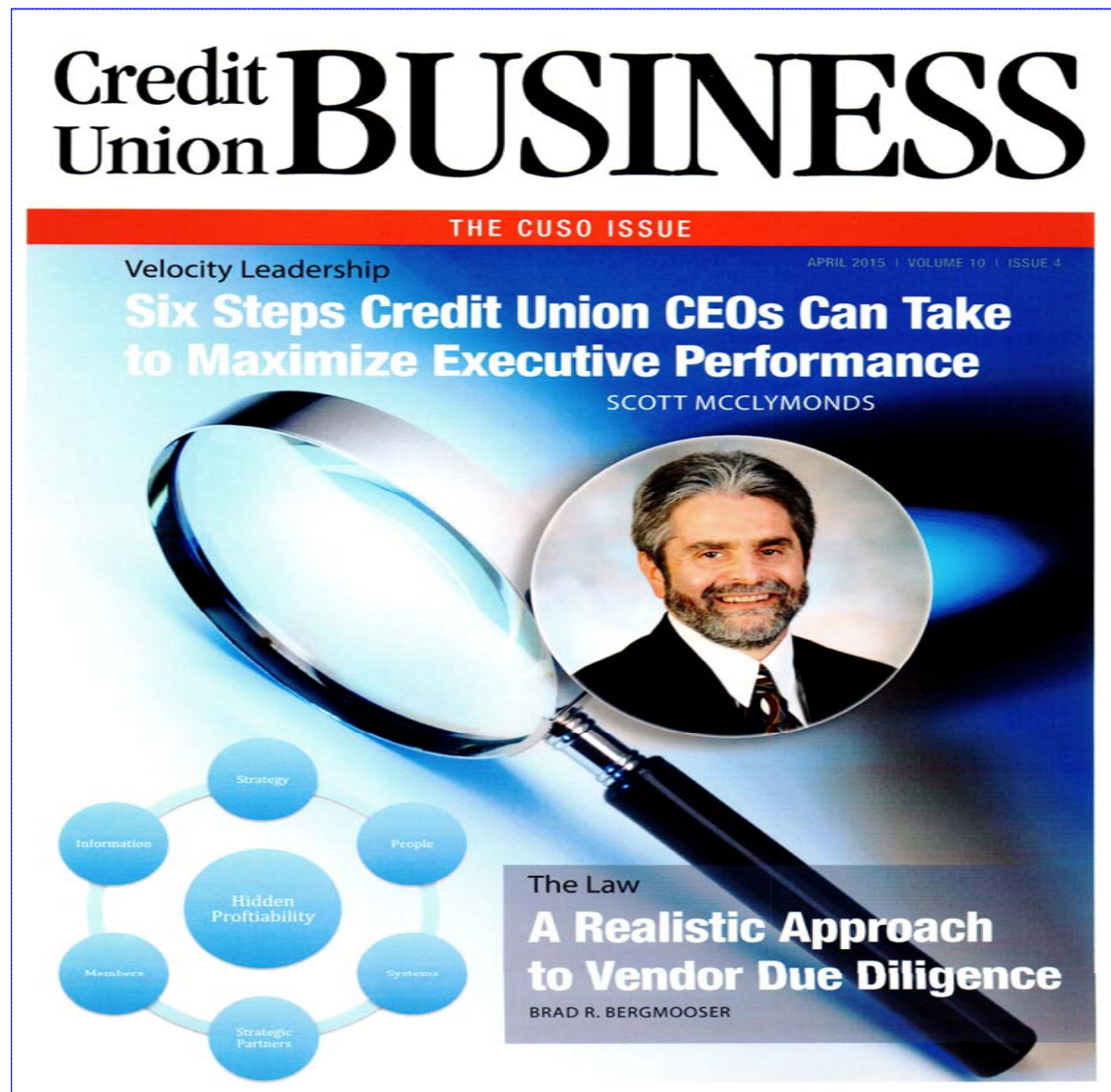


Six Ways to Maximizing Executive Performance

Presented by Scott McClymonds, CEO Velocity Consulting

Friday, June 10, 2016 | 2:15 p.m.

Visit www.mculace.com to Access Handouts From Select Sessions





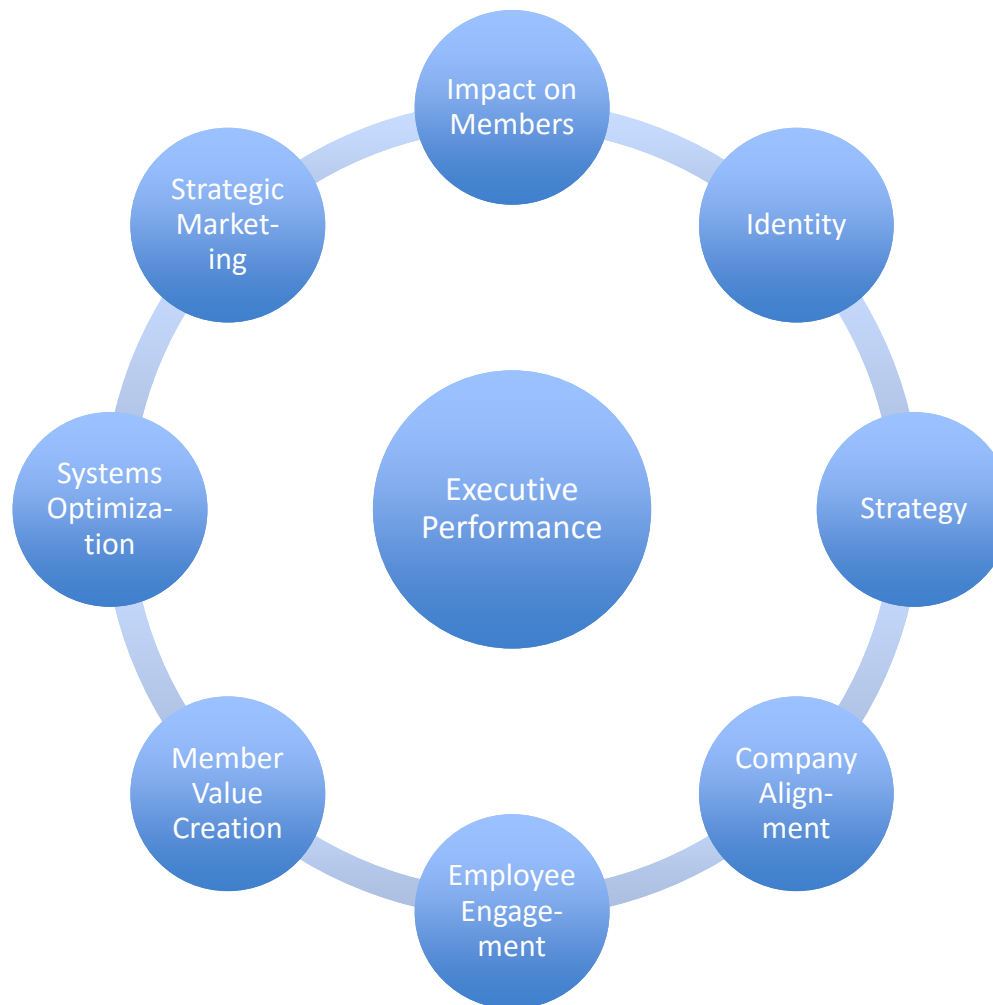
Agenda

- The need for high performing executives
- An epidemic at the top
- Key growth principles
- Six keys to maximizing executive performance
- How executive performance affects everything else
- CEOs need to grow too
- Q&A / Takeaways

"Everything rises and falls on leadership."

~ John Maxwell

Your Executive Team: The Engine of Your CU



Which Best Describes Your Executive Team?

Passionate, Growing in Their Strengths, Engaged by Your CU's Mission

Apathetic, Bored, Dispassionate, Only Partially Bought-In to Your Mission

"Growth stops when you lose the tension between where you are and where you could be."

~ John Maxwell

The Unspoken Problem at the Top

Who's Who On Your Executive Team?

Only 36% of American executives are fully engaged in their work

2 out of 3 executives are going through the motions

Managers account for at least 70% of the variance in employee engagement

Almost 50% of managers don't know what their company stands for

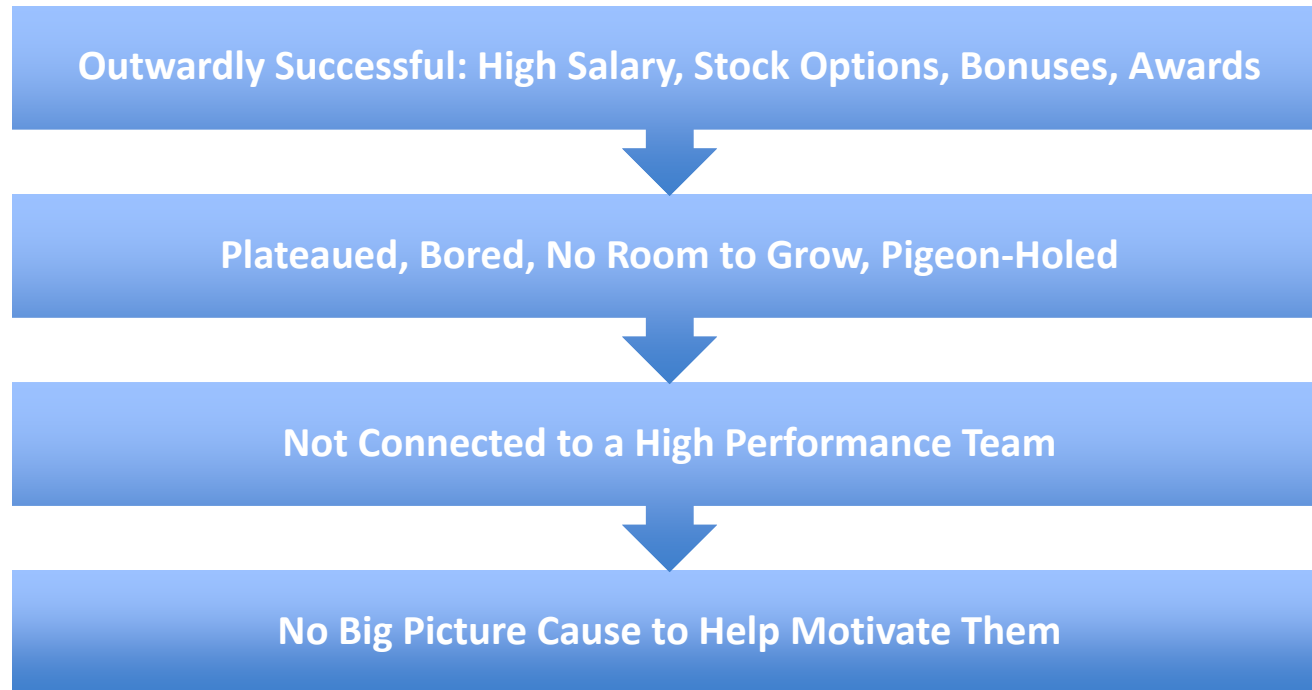
All productivity comes from 1 out of 3 leaders

Sources: 2013 Gallup Study on the American Workforce and 2014 Study on the American Consumer

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~ John Maxwell

Profile of a Disengaged Executive



“Disengaged workers are hard to spot.”
~ 2013 Gallup Study on the American Workforce

Key Principles of Executive Development

Don't assume all is well simply because someone is an executive

People want to perform at high levels...but they need to keep growing

Being part of a unified team and vision motivates them

Helping them reach and express their full potential is the greatest gift

Your CU's purpose and strategy must be compelling to them

Executives need to see the credit union is committed to them

"Positioning ourselves as the leader of the credit union industry means taking the steps to heavily invest in intellectual talent and allowing that talent to lead and drive the business forward, not simply training it to manage."

~ James Schenck, CEO, PenFed CU

Six Keys to Maximizing Executive Performance



Clearly Define Corporate Identity, Strategy, Purpose

Gallup: 46% of managers don't know what their company stands for

Alignment starts here...the 8 Pillars of Strategic Alignment

Develop company-wide measures

Drive measures down to each executive's area of responsibility

"We stay focused by keeping our vision and mission in front of us all the time with very specific strategic goals we've laid out with our board. Our core values are all spelled out. I communicate them constantly."

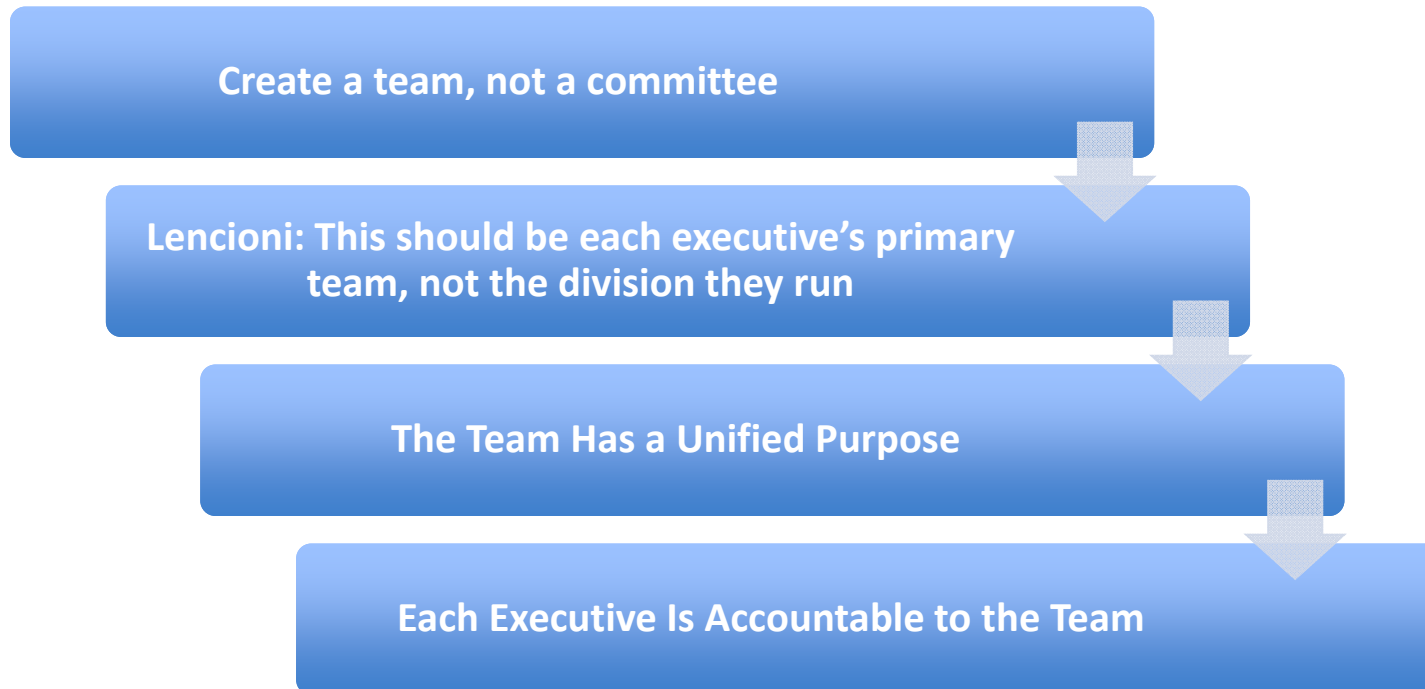
~ Donna Bland, CEO, Golden 1 CU

The 8 Pillars of Strategic Alignment (Executives Affect Everything)



“Knowing who you are is the most important thing. We have to ensure that everyone—from board members to line tellers know where the organization is going.” ~ *James Schenck, CEO, Pentagon Federal CU*

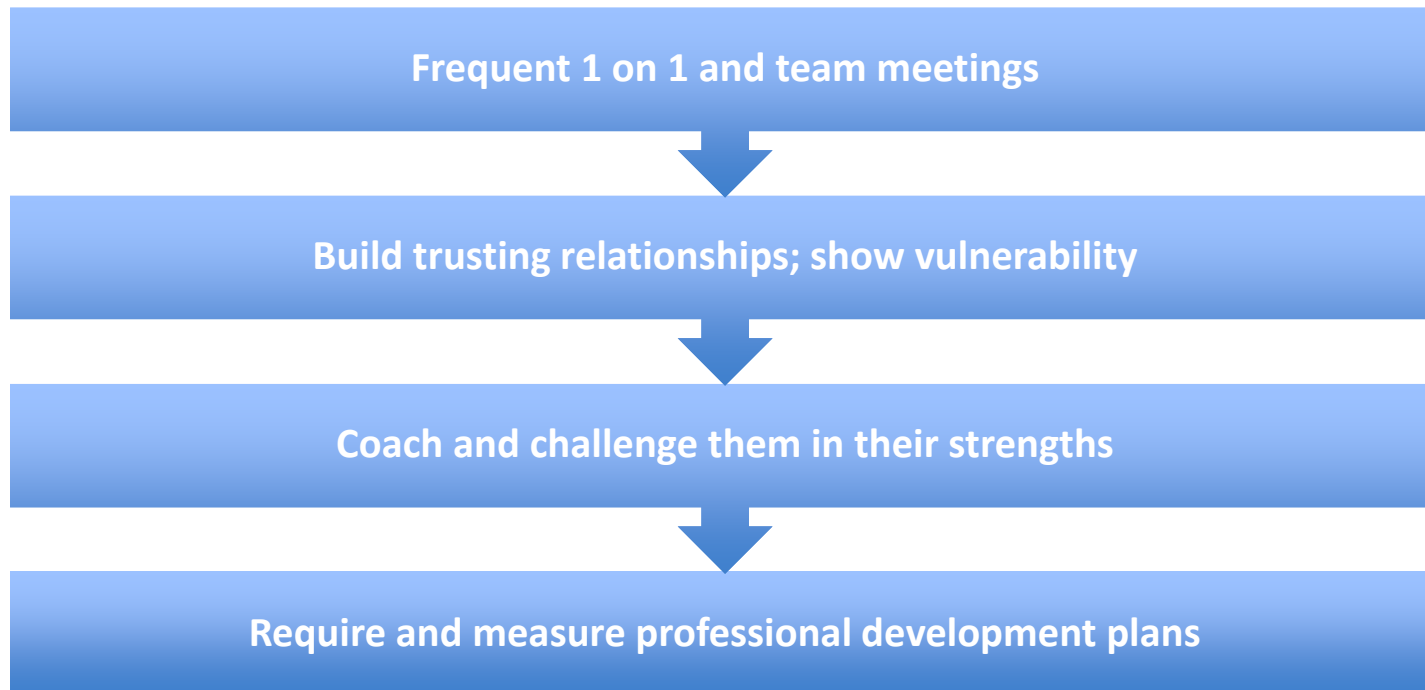
Build Executive Team Around Unified Goals



"All my senior executives share the same goals and priorities. This creates a very strong team environment where no one wants to be the weak link."

~ Jim Laffoon, CEO, Security Service FCU

Commit to the People Development Business



"You can't have just formal leadership development. You need to have informal too, whether it's having lunch with people one on one, or stopping by their office. You have to ask people what's going on so you have an opportunity to advise and mentor them."

~Donna Bland, CEO, Golden 1 CU

Actively Develop Leaders

2/3 or more of new credit union CEOs are hired from the outside.

Pen Fed: Each VP and above participates in team-focused leadership instruction as well as a personal coach

Workshops: strategy, innovation, people development, technical skills

Personalized development plan; monitored; accountable

HR: Create talent and development database

“We strongly emphasize the importance of leadership education and training...this helps us set the culture at the top and helps them look ahead.”

~ James Schenck, CEO, Pen Fed CU

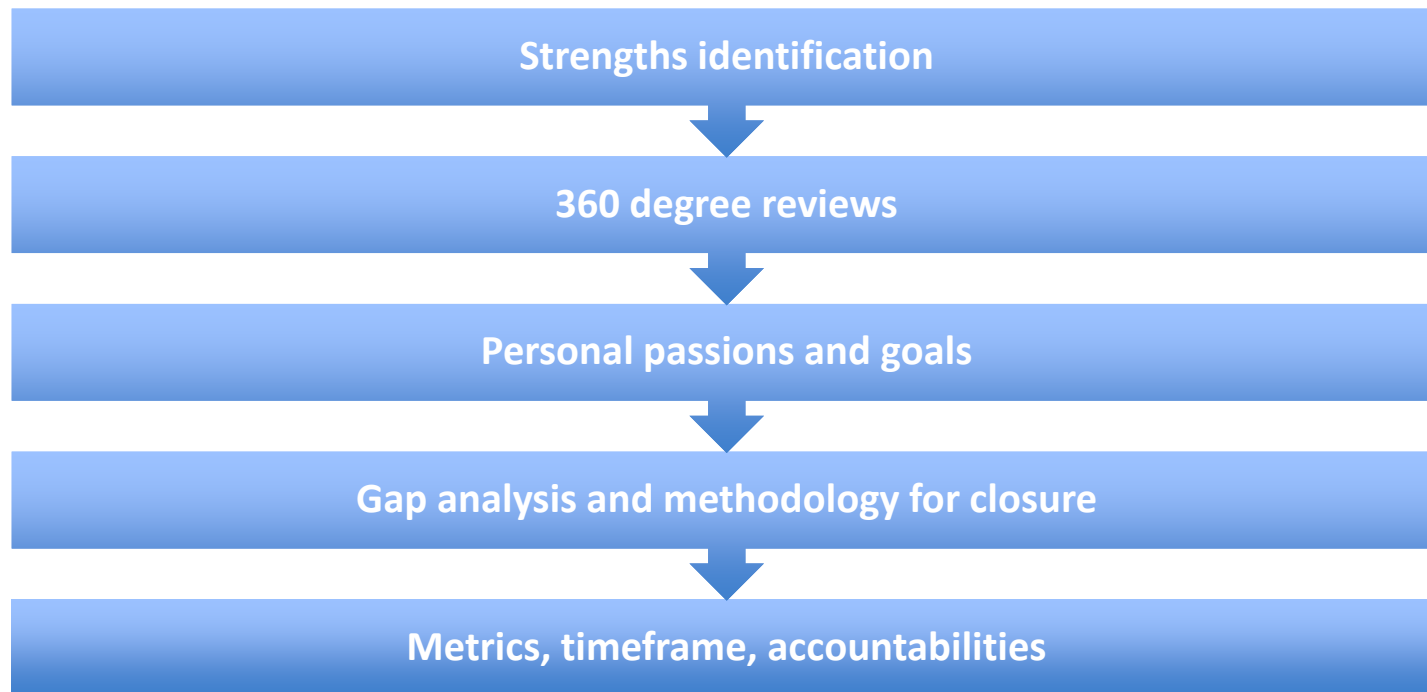
Challenge Executives with New Assignments



“High performing executives are rewarded when they are free to use their intellect to establish visions for the CU and their division that move the organization in the direction it desires.”

~ Jim Laffoon, CEO, Security Service FCU

Executive Personal Development Plans



“High performing executives are rewarded when they are free to use their intellect to establish visions for the CU and their division that move the organization in the direction it desires.”

~ Jim Laffoon, CEO, Security Service FCU

CEO: Leadership by Example

Create your own development plan; be accountable

Succession plan

CU transformation plan

Identify and remediate your blind spots

What do you want your legacy to be?

“You've got to be learning and developing yourself all the time. You have to put yourself in situations that make you uncomfortable and nervous. You have to lead by example.”

~ Rodney Showmar, CEO, Arkansas FCU

Example of ONE CEO's Journey

Budget
UFCU, Austin TX
11-8-13

Metrics?
Board expectations?
Advice?
Direction?

2000
"Do" leader
w/
traditional
metrics

2002

Waterline
delegation
model

Reinvention
#1

"Do" less
"Be" more

Assets
\$430 m
Members
102,000

2011
Reorganization
New Exec. VP.
Reinvention
#2

"Do" even less
"Be" yet more

New
Position
description

Assets
\$1,460 m
Members
142,000

2013
Calibration
w/
my Board

Assets
\$1,670 m
Members
165,000

Evolution vs. Plan

1/3 OF TIME: Cultural Leader

- Keeper of Vision Mission Values
- Ensure heart + mind leadership
- Meet w/ new leaders, new staff, 1:1
- Branch visits, visibility, connection
- Leadership/organizational develop

1/3 OF TIME: CU Thought Leader

- CUNA Board
- CUNA Finance Committee
- CUNA Plan to Win T.F.
- Catalyst Corporate FCU
- Texas Legislative Coalition

1/3 OF TIME: Civic Leader

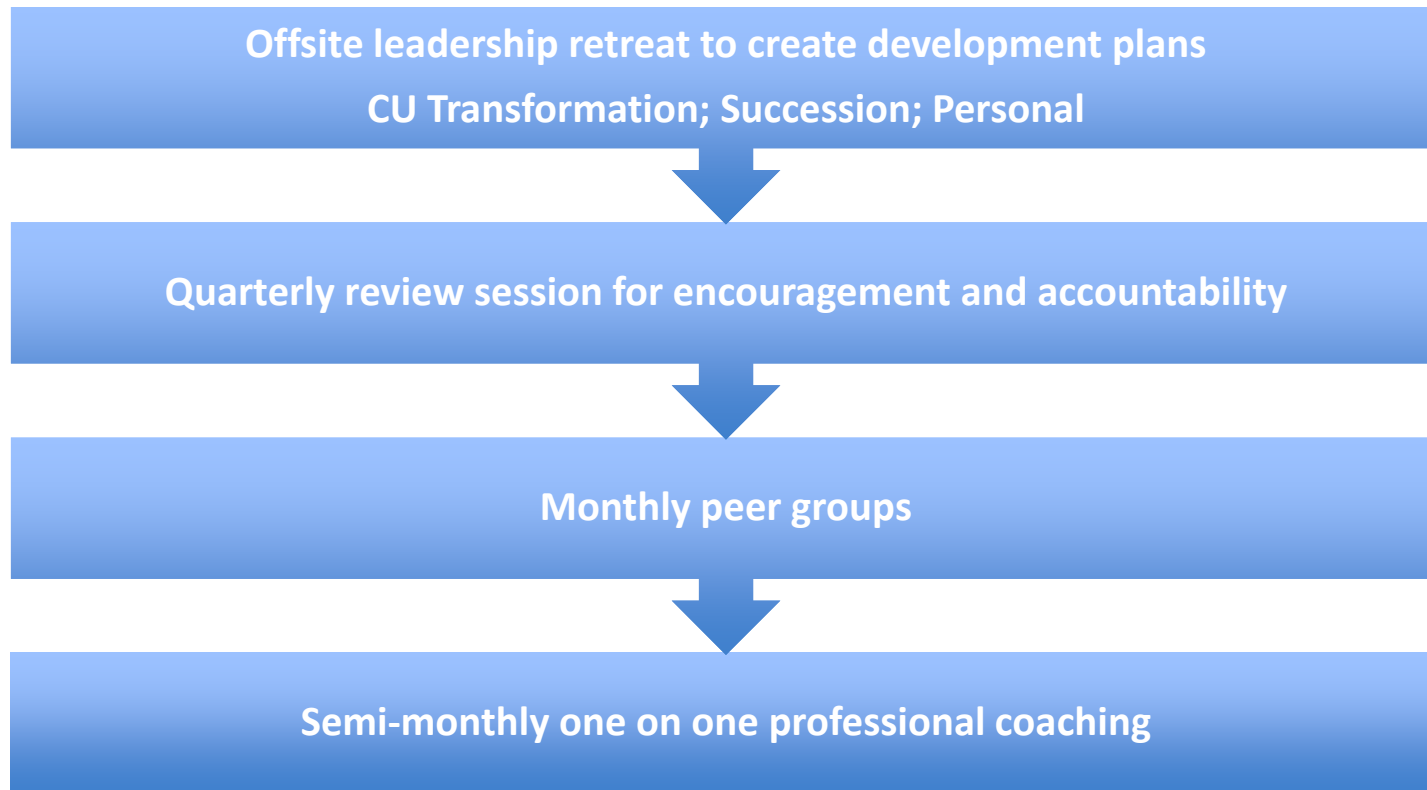
- Chamber Education/Talent Council
- Chamber ACC T.F.
- Greenlights for Nonprofit Success
- Austin Crime Commission
- UMCB Development Council
- Concordia Development Council

UFCU

Industry

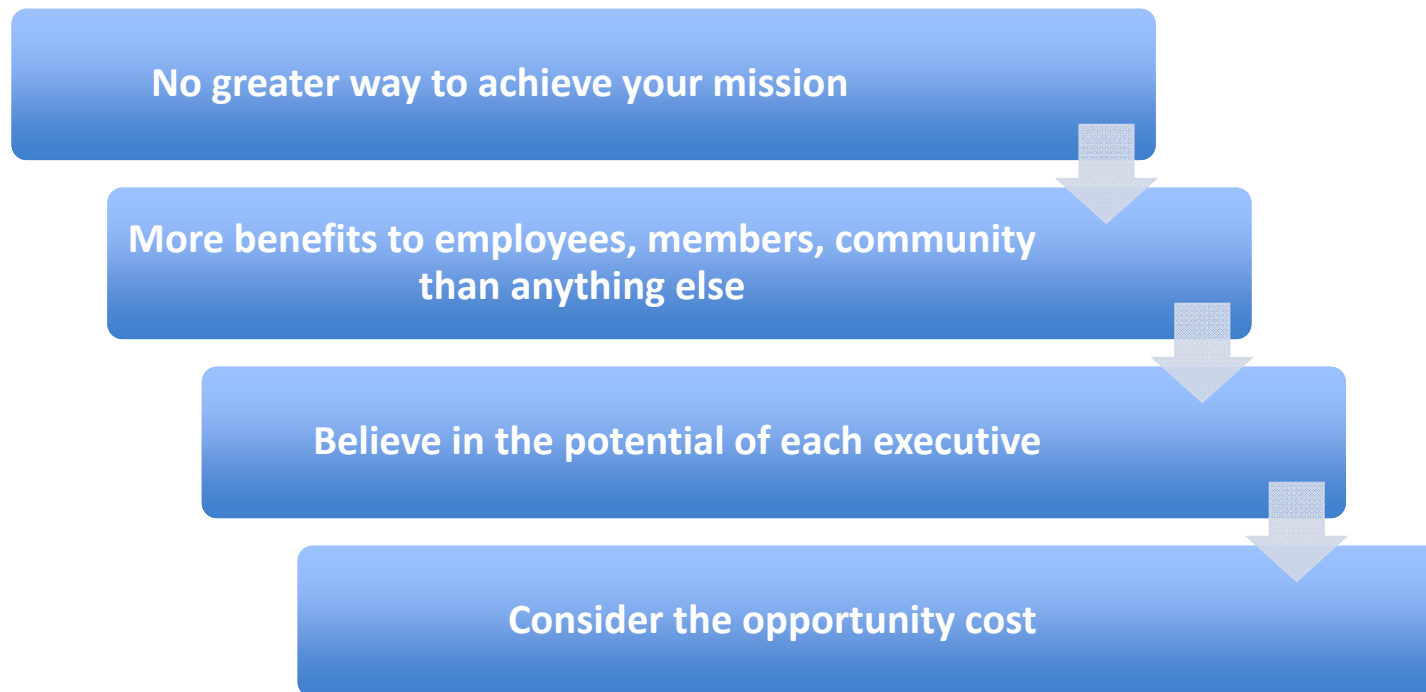
Community

Leadership Intensive Model



"Over the last five years our leadership development efforts have created greater alignment and bench strength across the credit union."
~ Paul Trylko, CEO, Amplify FCU

Benefits of a Supercharged Executive Team



"We'll be successful because there's an executive team of overachieving geniuses that can't be stopped and want to change the world."

~ Rodney Showmar, CEO, Arkansas FCU

A Brief Example: The Big Picture

His city was in ruins and he chose to fix it.



"So we built the wall."

~ Nehemiah



Q & A / Key Takeaways

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Leadership Resources @ceovelocity.com/resources/media/

Leadership and Strategy Editorials:

- Formula for Success (CU Management)
- Six Ways to Uncover Profits (CU Management)
- A Need for Speed and Direction (CU Management)
- The Power of Leading from the Middle (CU Management)
- The Strategic and Profitable Nature of Member Portfolio Management (CU Business)

Credit Union CEO Leadership Discussions in CU Business Featuring:

- James Schenck, Pentagon Federal
- Deb Gallagher, Capital Credit Union
- James Laffoon, Security Service FCU
- Rodney Showmar, Arkansas FCU
- Donna Bland, Golden 1 CU
- Steve Hennigan, SACU
- Paul Trylko, Amplify FCU
- Bob Allen, Teachers FCU
- Doug Fecher, WPCU
- Rod Staatz, SECU