

Being a Credit Union That Matters

How to Build a Purpose and Brand
Consumers Will Love



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Tim Harrington, CPA

Tim Harrington is a Certified Public Accountant who has consulted with financial institutions since 1992. Since 1996, Tim has been President of TEAM Resources, a firm that provides consulting, strategic planning and training to financial institutions from coast-to-coast. He is the author of the popular the books

- *Eisenhower on Enlightened* and
- *Living a Life that Matters* and co-author of
- *Credit Union Guide to Strategic Governance*.

Tim is a faculty member of two national credit union schools on governance and management, and has spoken to hundreds of thousands of directors, executive management and staff throughout the Northern Hemisphere.







**“If you aren’t
making a difference
in other people’s lives,
you shouldn’t be in business
– it’s that simple,,**



Richard Branson, CEO
Virgin Atlantic
Virgin America
Virgin Galactic

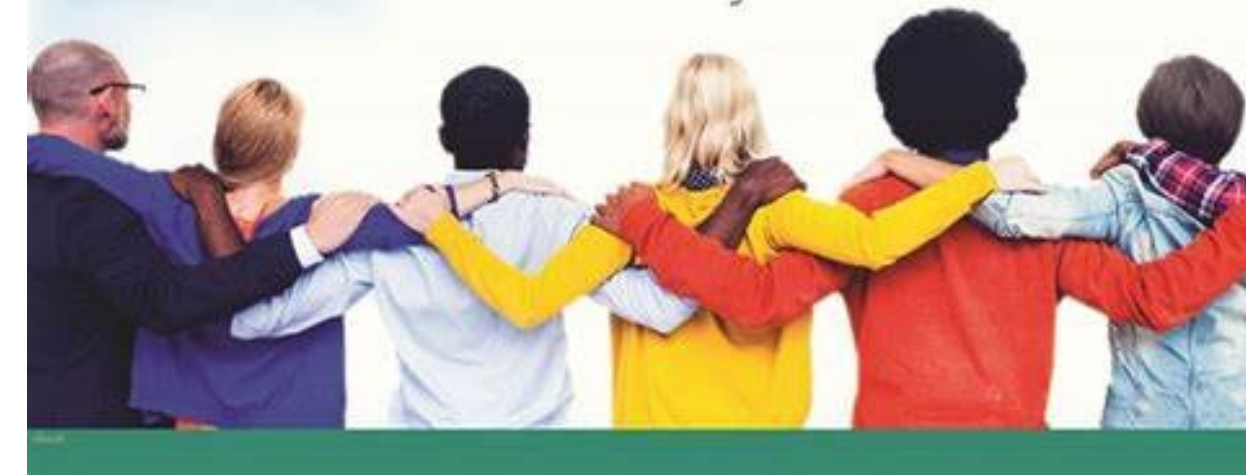
“The real job of the credit union is to prove, in modest measure, the practicality of the brotherhood of man.”

Roy F. Bergengren, CU Pioneer



CREDIT UNIONS
PEOPLE
— HELPING —
PEOPLE
#ICUday

*That's the
Shared
Purpose...
but not yours*



What do you call a credit
union....
without a PURPOSE?

A Bank!!!

What differentiates your CU?

a loan is a loan

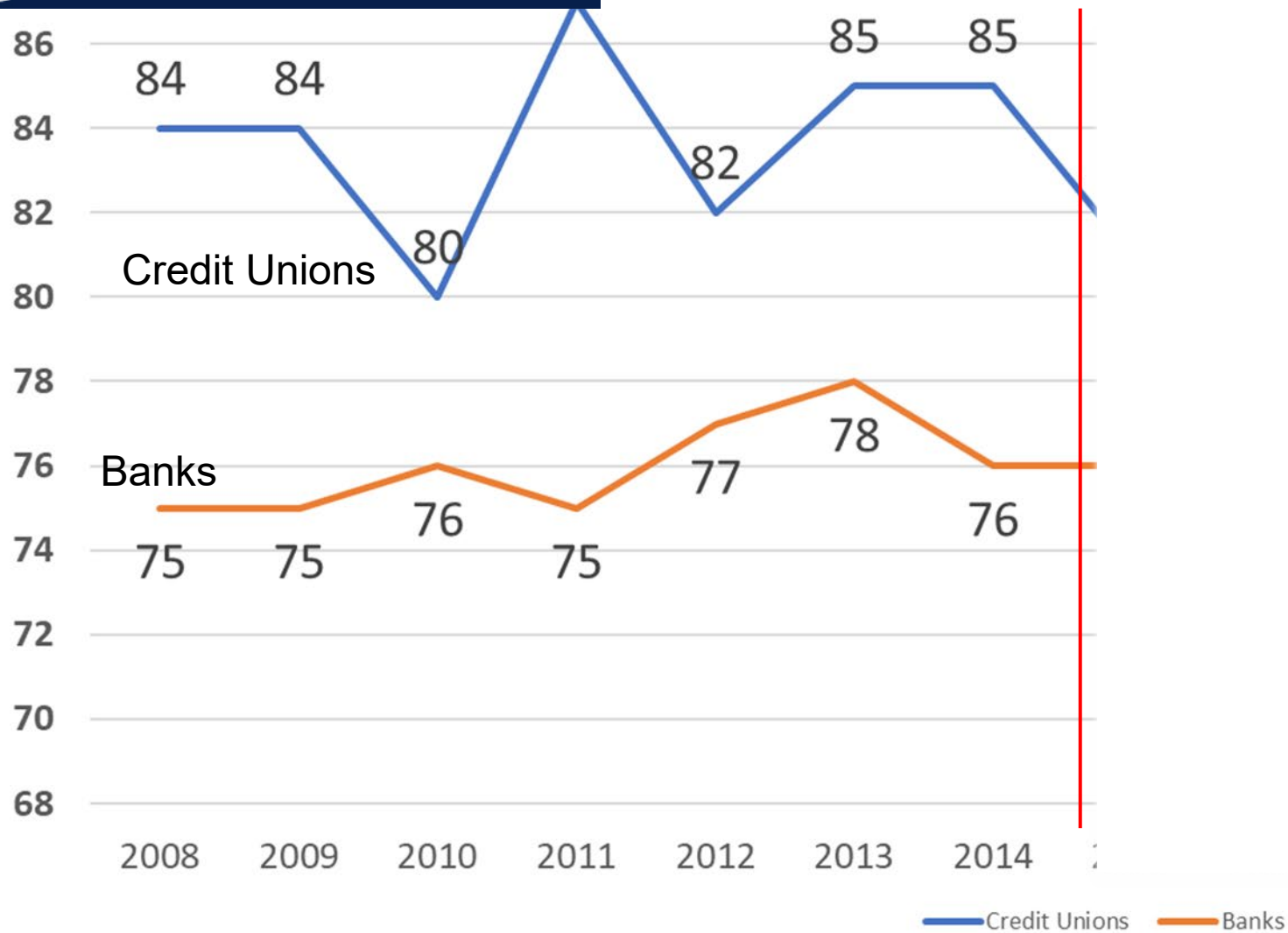
a deposit is a deposit

*a spending account is a spending
account*

Every Credit Union has
embedded in its DNA
the most incredible People
helping People ethic.

But we don't tell our story!!!

American Consumer Satisfaction Index Survey



Is your credit union relevant?

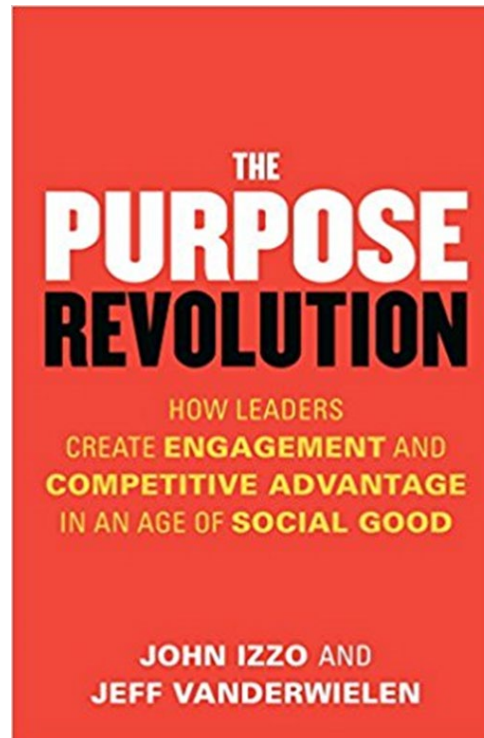
87% of Millennials think a company's success should include a "Larger Purpose"

A large majority want to buy products or work for companies that have a social conscience

Deloitte Millennial Survey 2016

Deloitte.

62% of millennials want to buy from and work for companies where they feel a sense of purpose and meaning



Dr. John Izzo
The Purpose Revolution

Belief-Driven Buying is Mainstream

64% of consumers are Belief-Driven Buyers. These Belief-Driven Buyers will choose, switch, avoid or boycott a brand based on where it stands on the political or social issues they care about. The belief-driven mindset has gone mainstream.

Edelman Earned Brand Study 2018

“The Purpose Revolution”

*“We think connecting **people** to your **purpose** may potentially be one of the few sustainable competitive advantages available to businesses.”*



*...to differentiate a company ...,it's ...necessary to create a value proposition based on a **higher purpose**. This higher purpose resonates at an emotional level -- creating an emotional connection ...!*

How To Differentiate Your Brand
In A Sea of Me-Too Competitors

Howard Breindel, Co-CEO at [DeSantis Breindel](#)

*It's important to
create an emotional
connection.*

*A Purpose is the start
of the emotional
connection between
a company and
people*



Purpose is Bigger Than Profit

Fulfilling dreams of personal freedom
is more than a phrase.
It's our purpose and our passion.





Our core purpose guides everything we do; we all work to inspire, educate and outfit for a lifetime of outdoor adventure and stewardship.

One of America's largest Co-ops



To inspire humanity –
both in the air
and on the ground.



Our customer service quality is so high because all our staff know we serve a higher purpose. We take care of the men and women who take care of this country.

6 Best Banks Of 2022 - Review And Compare

Written by
Chris Muller | Modified date: Jan. 20, 2022



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Aspiration
Do Well. Do Good.

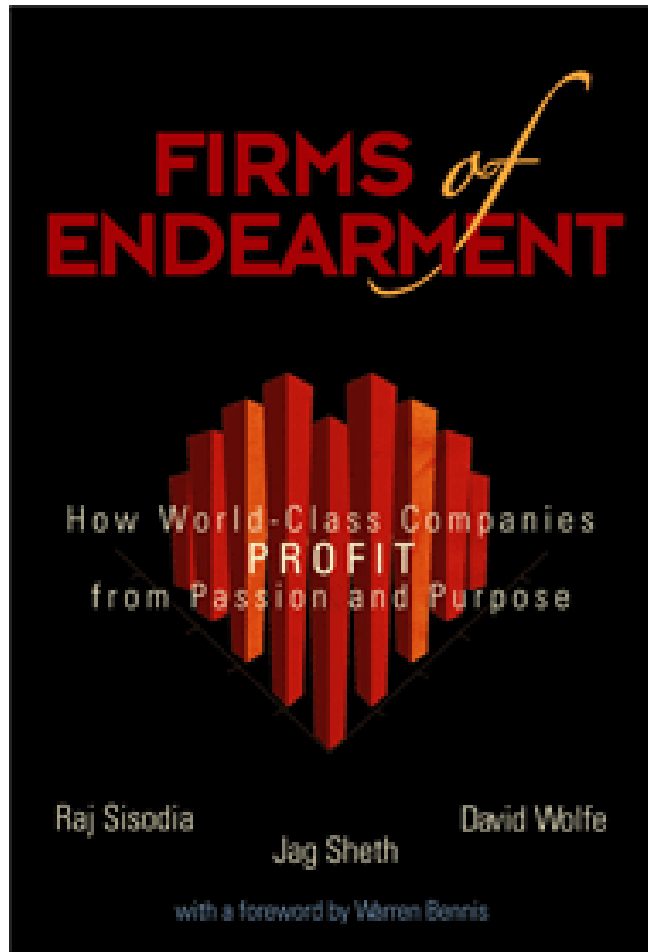
We're not just a
company,
we're a community.
We didn't set out to
build a bank.
We set out to build a
better world.
We're on a mission to
help everyone Do Well
and Do Good.

Purpose Makes Business Sense

Companies who deeply integrate purpose into culture, creativity, and operations are generating almost three times the revenue of their peers.

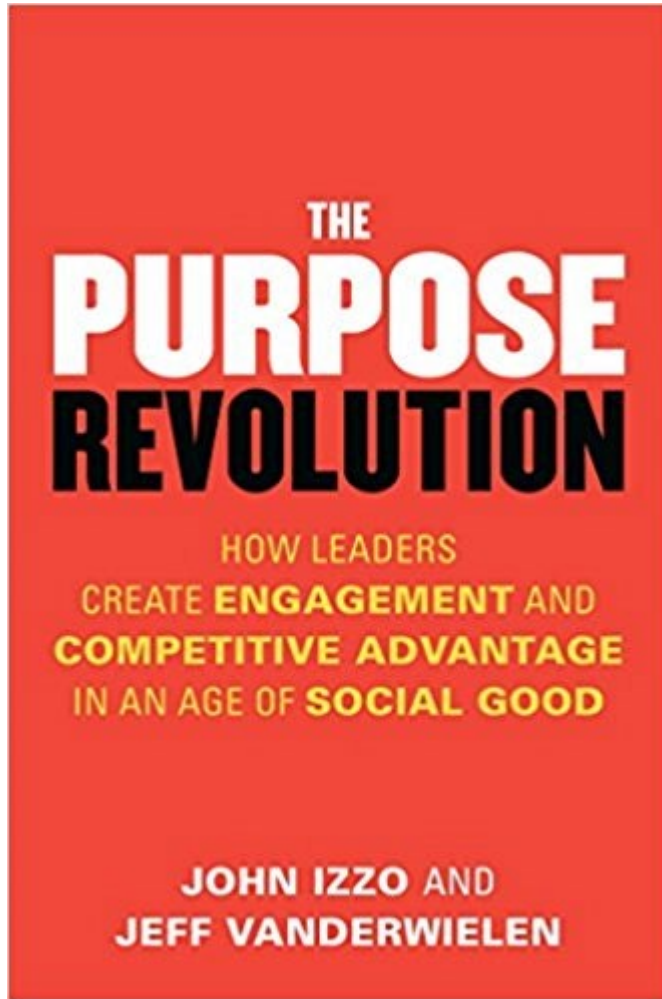
McKinsey
& Company

Purpose Makes Business Sense



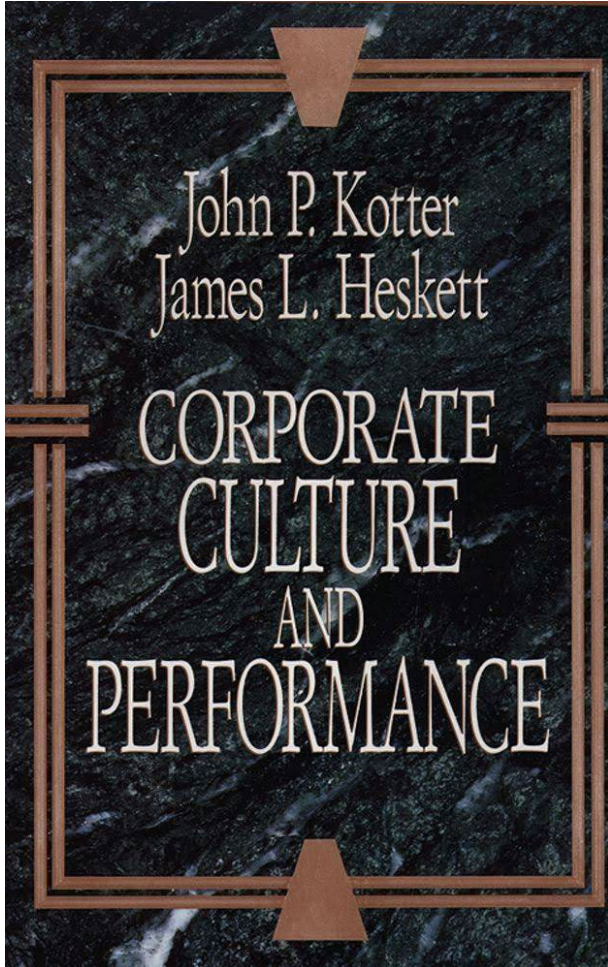
Purpose driven companies outperformed the S&P average earnings by 10.5 to 1

Purpose Makes Business Sense



Purpose driven companies grew 30% faster than non-purpose driven companies in 2017

Purpose Makes Business Sense



Purpose driven companies outperformed their counterparts in stock price by a factor of 12 over a 10-year period.

amazon.com[®]

CATERPILLAR[®]



COSTCO[®]
WHOLESALE



scJohnson
A family company
at work for a better world



Purpose versus Mission

Make and serve the
freshest, most delicious
coffee and donuts Versus
quickly and courteously
in modern, well-
merchandised stores



Market Cap: \$9 Billion

Purpose versus Mission



To inspire and nurture
the human spirit –
one person, one cup
and one neighborhood
at a time

Versus

DUNKIN'
DONUTS®

Market Cap: \$110 Billion

Uncovering My Purpose



“When you stop speaking for yourself...and start speaking for them... you will never run out of energy!”

Timothy Harrington, Inc. dba

TEAMResources

Opening Doorways to Your Credit Union's Future

*We help open doorways to
your credit union's future*



Macy's Four Pillars

Enrichment of the employees

Enrichment of the customers

Enrichment of the vendors

Enrichment of the community

A customer will never love a company until the employees love it first.



*Simon Sinek, Author
Start with the Why*

“86% of **employees** believe it is important that their own employer is responsible to society...”

Rochlin, Kiser, Bliss and Jordan , authors
Defining the Competitive and Financial Advantages
Of Corporate Social Responsibility and Sustainability

“Companies that have not developed purpose with employees at the center may face conflict across the organization. Business leaders need to listen to their employees first, to understand the issues that matter for them.”

David Evans, Research Analyst at
Reputation Leaders.



“The great unlock for ...engaged employees involves helping them to discover their personal purpose and then finding the alignment with their organization’s purpose. This unleashes tremendous energy, which gets translated into innovation across the enterprise.

Carol Cone, CEO
Carol Cone on Purpose

Purpose Increases Staff Engagement

Level 1: Most basic and least involved. There for the pay and the benefits. End of story.

Level 2: There because they enjoy the work and the people they work with. It's a good place to be and they don't hate being there.

Level 3: There because they believe they are contributing to something important. They're aligned with your purpose, their hard work has a purpose

What can purpose do?

It makes you stand out as trustworthy!

It attracts interested directors

It attracts passionate employees who care

It attracts loyal members

It brings greater growth, profit and awareness

What can purpose do?

Random Acts of Brightness

Executive Suite for kids at ballgame

28 School Branches staffed by students

	NAVY FCU	CONNEXUS	LATINO COMM.
ASSET SIZE	\$ 156,549,073,689	\$ 5,144,953,721	\$ 883,383,015
YIELD	4.75%	6.42%	5.60%
COF	0.61%	1.39%	0.72%
NIM	4.14%	5.03%	4.89%
PLL	0.64%	0.64%	0.21%
OP EXP	2.94%	3.86%	3.17%
Nii	0.88%	0.64%	1.38%
ROA	1.44%	1.16%	2.88%

What can
purpose do?

	GUARDIAN	COMMUNITY WIDE	PELICAN STATE	WICHITA	TriUs
ASSET SIZE	\$ 840,260,607	\$ 711,322,381	\$ 629,960,125	\$ 172,874,404	\$ 108,708,785
YIELD	5.32%	4.99%	5.64%	5.31%	4.46%
COF	0.65%	0.80%	0.69%	0.51%	0.22%
NIM	4.67%	4.19%	4.95%	4.80%	4.23%
PLL	0.69%	1.15%	0.73%	0.08%	0.04%
OP EXP	4.77%	1.84%	7.89%	4.87%	5.52%
Nii	2.78%	0.67%	5.04%	1.79%	2.65%
ROA	1.99%	1.87%	1.37%	1.65%	1.32%

“Salespeople who sell with noble purpose, who truly want to improve their customer’s lives, consistently outsell salespeople who are focused on sales targets and quotas.”



Demonstrating Purpose

- *We don't sell mortgages...**we help people afford their dream home***
- *We don't sell debit cards and checking accounts...**we help people manage their payments conveniently and affordably***
- *We don't collect loans...**we try to assist unfortunate members resolve financial issues***

Internal Branding

It's more important to
communicate your purpose
inside your company
than outside it

Making Purpose Come Alive

1. Uncover it
2. Phrase it...simply
3. Communicate it...*everywhere!*
4. Story it...*to the emotions!*
5. Use it...as a valuable a filter
6. Calibrate it...are you living it?
7. Lead it...emotion, passion and sincerity are essential





Through Story

- Ask staff to share Member Success Stories
- Give them a central location to post their MSSs
 - Call it a Brag Book
- Post the best stories on your website
- Celebrate the stories at your staff meetings

Be real, authentic, touch their emotions

For the Board

- Post the purpose on the boardroom wall
- List purpose at the top of each Agenda
- Use the purpose as a filtering system
- Include a purpose measurement in the dashboard
- Recruit directors who share your purpose
- Know your 30 Second Elevator speech



*“Life’s most
persistent and
urgent question is:
‘What are you doing
for others?’”*

Dr. Martin Luther King, Jr.

Make
It Matter

TIMOTHY P. HARRINGTON

LIVING
A LIFE
THAT
MATTERS

INTO THE LIGHT



Timothy Harrington, CEO

Timothy P. Harrington, Inc. dba

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www.TimothyHarrington.net/blog.html