


## Reinforcing the Credit Union Value Proposition:

### Helping members achieve their life goals and aspirations



ACCU Forum

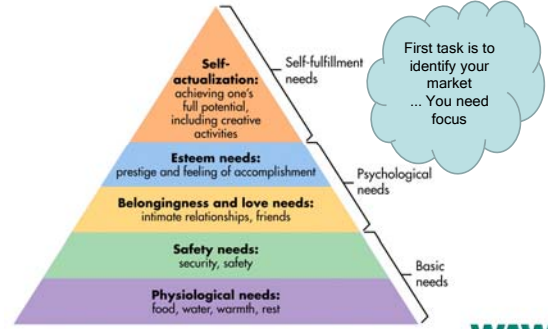
Peter Challis  
Chief Executive  
WAW Credit Union  
8 September 2012  
10:30 – 12:00

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FINANCIAL RELIABILITY COMMUNITY SUPPORT ENVIRONMENTAL RESPONSIBILITY CUSTOMER MUTUALITY **WAW** Smart Banking

## Maslow's Hierarchy of Needs

proposed by [Abraham Maslow](#) in his 1943 paper - *A Theory of Human Motivation*



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## A STRUCTURED APPROACH TO ACHIEVE YOUR GOALS



Do not compromise good governance ... You need leadership and control!

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## LEADERSHIP FOCUS

### VISION and OUR PURPOSE


- **VISION**
  - WAW is on a never ending journey to be the best value provider of smart banking services
- **OUR PURPOSE**
  - WAW aims to deliver on the 7 key terms in Our Purpose: responsive, value-driven, co-operative, financial and community benefits, stakeholders, our region and sustainability.

Balance!

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## A STRUCTURED APPROACH TO ACHIEVE YOUR GOALS



WAW Credit Union's Four Bottom Line Wheel ... a continuous improvement process

**Smart Banking**

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## OUR VALUES

- **Co-operation**
  - Full and open disclosure
  - Feedback process for customers
  - Available for customer interaction
  - Low level of complaints
  - Promotion of an advocacy process
  - Build partnerships with stakeholder groups
  - WAW is a shareholder of Abacus, Cuscal and TransAction Solutions (Credit Union owned stakeholders)

It's about your behaviour!


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## OUR VALUES

- **Moral Integrity**
  - Equal access to products and services
  - Compliance with the Privacy Act
  - Full and open disclosure
  - Communication process on the pros and cons of a product or service
  - Compliance with Financial Services Licence in disclosure of fees & charges
  - Australian Credit Licence requirements
  - Facilitating complaints and disputes
  - Acts in the best interests of the customers and the community
  - Compliance with legislation and the intent of legislation.

It's  
about  
your  
behaviour!




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## OUR VALUES

- **Trust**
  - 92% customer satisfaction
  - Aiming for 'trusted adviser' position
  - Full and open disclosure to customers
  - Communication process of educating and informing customers
  - Works with customers who are experiencing difficulty managing their financial obligations.

It's  
about  
your  
behaviour!




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## OUR VALUES

- **Financial Prudence**
  - Works with customers who are experiencing difficulty meeting their obligations
  - Full and open disclosure
  - Prudent lending framework that protects the borrower and the lender
    - Resulting in low delinquency levels
  - Cost recovery fees and charges framework
  - Proactive communication on ways to minimise and avoid fees and charges.

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about  
your  
behaviour!




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## OUR VALUES

- **Caring for Customers**
  - 92% customer satisfaction level
  - Cap on excessive capital building
  - Balance between the business and caring for customers
  - Customer feedback actioned within 24 hours
  - Customer complaints and disputes reported to the Board monthly
  - Annual Director visitation program
  - Low level of complaints
  - Continuous improvement process in place

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your  
behaviour!



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## OUR VALUES


- **Social Responsibility**
  - Our Vision:
    - Our Staff, Our Customers and Our Community are central to our ongoing sustainability
    - Providing trusted advice and support is our life blood
  - Our Purpose:
    - a balance between financial and community benefits
    - Special accounts for special groups
    - Community empowerment and engagement
    - To educate, inform and influence customers.

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## ACTION - 4 Bottom Line Approach




- **Financial Reliability:**
  - Long-term sustainability: Rolling strategic planning approach, five year financial planning horizon and long-term decisions.
  - Financial results that respect co-operative principles:
  - Controlled growth: Endeavour to achieve manageable levels of business activities year on year.
  - Value for customers: A focus on balancing the needs of our customers and that of the credit union.

Focus!



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### ACTION - 4 Bottom Line Approach



- **Community Support:**
  - Community engagement: Latipsoh Day, CARS safety program, meals on wheels, blood bank **donations**, school literacy programs, annual Director visitation program.
  - Stakeholder involvement: Recognises the importance of all stakeholders.
  - Employee wellbeing: Employer of Choice report and WAW's efforts to balance work and leisure.
  - Buy Local approach: We buy local where we can.
  - Regional employer: We employ and promote local people where we can.
  - Corporate governance approach: A best-person-for-the-role approach whilst recognising the importance of regional decision makers.

Focus!

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### ACTION - 4 Bottom Line Approach




- **Environmental Responsibility:**
  - Waste Wise accreditation: We make decisions that are good for the environment.
  - Green Team process: A Green Team is in place.
  - Community engagement: Communication strategies are employed to engage and influence better communities.
  - Stakeholder involvement: We work in partnership with all stakeholders to eliminate waste and duplication where we can.

Focus!

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### ACTION - 4 Bottom Line Approach



- **Customer Mutuality:**
  - Owned by the customers: Plans, policies and procedures reflect this focus.
  - People helping people: Aggregation is a critical element of WAW's sustainability.
  - Engaging customers on financial, community and environmental issues.
  - Making decisions that balance customer interests: Long-term decision making around ongoing sustainability.
  - Customer participation in key issues: Ready to engage customers and the community on issues of significant importance.
  - Building stronger affinity networks: Always on the lookout for participation by stakeholder groups.

Focus!

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### KEY AIM: Increase the level of awareness of the WAWCU brand

#### RESULTS & OUTCOMES

- Unprompted brand recall: Members 97%; Community 84%
- Customer satisfaction with WAW: 92%
- Latipsoh association with WAW: doubled
- Corporate and marketing profile is about positioning
- Positioning statement: *smart banking*
- 4BL approach: engagement and influence
- Community Development role: commitment

You Need specific aims!

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### KEY AIM: To be our customers' preferred financial institution

#### RESULTS & OUTCOMES

- Services per member
  - 2.70 at 06/12; 3.5 by 6/17
- This is about the focus and journey
- Our pricing and reward processes encourage more business bundling
- Ongoing product range management and enhancement.

You Need specific aims!

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### KEY AIM: Balance customer needs and long-term WAW sustainability

#### RESULTS & OUTCOMES

- Maintain capital within an ideal range
- Ongoing marketing research
- 3 Year Deposit growth to 06/12: 21%
- 3 Year Loan growth to 06/12: 26%
- Prudential approach to strategic and operational management – lending delinquency levels and fraud statistics well below industry levels.

You Need specific aims!

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## KEY AIM: Community linkages to Our Vision and Our Purpose

### RESULTS & OUTCOMES

- Community and marketing focus
- Director visitation program
- *SmartLINK* newsletter/Annual Review/eNewsletters
- Telephone on-hold 4BL messages
- Sponsorship and support programs
- Latipsoh Day appeal
- Corporate valuation methods (4)

You Need specific aims!

## KEY STRATEGIES

- **Performance Measurement**
  - The ongoing measurement and recognition of current and trend issues is very important to the effective and efficient operation of WAW.
  - SMART : **Specific, Measurable, Attainable, Realistic and Timely.**
  - The majority of information is linked by operational cause and effect issues.
  - Provide direction to staff

Operational structure!

## KEY STRATEGIES

- **Human Resources**
  - The single largest non-interest cost of our operation, with the single biggest impact on service and delivery of our products and services.
  - WAW's structured human resources approach balances the needs of WAW and the aspirations and opportunities for staff.
  - Ongoing training and development of our staff and directors is critical to our ongoing sustainability (staff 5,337 hours & Directors 336 hours).
  - Bi-annual Employee of Choice and Organisational Health reports.

Operational structure!

## KEY STRATEGIES

- **Marketing**
  - A balance of WAW's ongoing sustainability and the needs of our customers.
  - WAW will chart its own approach thus ensuring it is in charge of its own future rather than just following other's and in turn avoiding potential operational risks.

Operational structure!

## KEY STRATEGIES

- **Prudential**
  - WAW has in place a strong governance and oversight approach.
  - WAW complies with both the requirements and the intent of legislation and voluntary codes of operation.
  - This compliance culture is reflected in the results of APRA inspections, external and internal audits, and other ad hoc inspections.
  - Embrace best practice

Operational structure!



... Thank you to all in ACCU for allowing me to participate in the forum

... It is all in the planning and doing!