

Asian Credit Union Forum 2006



Succession Planning

Making sure your board is composed
of the right people

By

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Post Succession Planning

focused, rightly, on retaining
young leaders and creating
a culture of on-going
opportunities for the young

What is Organization?

a noun – an organization
of differentiated parts which
are related to each other in such
a way that they function as a
unit.

What is Organization?

a verb – means to organize
arrange the parts in relation
to each other in such a way that
they will function in the
manner desired.

The Purpose of an organization

what its organizers want it to do

The Function of an organization

what it actually does.

The Function of Leadership

- . Helping individuals to become a co-operative group
- . Helping the group:
 - To define its purpose,
 - To interpret these purposes into practical goals,
 - To clarify the assignment of responsibilities,
 - To guide the purposes of planning,
 - To open up the potentialities of available resources,
 - To keep operations consistent with purposes and goals,
 - To maintain action and change continuously,
 - To evaluate efforts and results.

Most directors of the credit
union movement neither
demand nor expect cash
wards. Their satisfactions
come from within. They like to
make a difference. They are the
beneficiaries of opportunity.

The credit union movement has
given most of us far more than
we have given it. Opportunity,
recognition, a chance to be an
adult, often far beyond what
our talents could have won for
us in our other areas of
endeavour.

Moral and social responsibilities of credit union directors

1. Self improvement
2. Improvement of the members
3. Improvement of society

Functions of the board of
directors

Supreme decision centre

Advisory function

Trustee function

Perpetuating function

Symbolic function

Assure the effective operation of the democratic process in the deliberations

Assist other members to come to a collective decision

Avoid going off on tangents

Expedite communication among members

Encourage the more quiet members to participate

Attempt to work out, not gloss over, differences between members

Avoid getting into extraneous details

Assess once a year, with the other governing members

Have the management staff add to its special orientation for newly elected members the basic recommendations

It increases efficiency.

It saves time.

It is the instrument of the directors.

It is the directors' indispensable tool for shaping the organization.

It avoids conflict of interest.

Good policies should aim at maximum
use of resources for maximum benefit
to all of the people in the field of
service.

POLICY

LIBERATING not restrictive

POSITIVE not negative

expresses CONFIDENCE in members,
committees and staff

The seven characteristics of an

efficient director:

Vision 願境

Focus 專注

Values 價值

Passion 激情

Emotional intelligence 情緒智慧

Balance 平衡

Resiliency 反彈力

Directors should be aware
that:

Ignorance is no excuse
Inaction can be just as
culpable as positive
wrong action

Most frequent errors of board of

Directors

Fail to set up strategic points of
check

Tend to take over management
function

Fail to provide adequate objectives

Pay too much attention to money and

too little to human relations

Fail to take action when personalities

are involved.

director should :

Know the business

Behave ethically

Avoid politics

Be objective

Relate to social values

Have courage to do the disagreeable.

... should be on the board.
... people work best

... careful about retirees

... look for the warm personality

... hiring young company executives

... one or two accountants or business office

persons

... never put a man or woman on the board

... who might have a hungry eye on the

manager's job

... past president and ex-managers

... the righteous, hard-nosed reformer type

... the politician

There is a global population of 6 billion people. WOCCU figure shows that only 136 million members had been reached.

2004 ACCU figure showed a total number of members of 11 million. Lanka alone has a population of nearly 20 million.

There is a large, impatient
and potentially volatile
segment of our population
with a need of a kind of financial
service not now available to
them.

The Little Man Under the Umbrella created in the 1910's was not the Little Man of the 70's. When the Hand and the Globe with the People was created as the logo of the World Council of Credit Unions.

Commendable efforts were made to fit the Little Man as well as the Globe with the People into the credit union pattern.

It has become clear that the pattern has got to be made to fit the people in the world.

he future of the
international credit union
system depends largely on
how directors will address
the challenges facing it.



Thank you
for
your kind attention!