



## Strategies for Growth – ten characteristics of higher-performing credit unions

The research study, *Strategies for Growth* (2012), explored the strategic options and practical actions that could be taken by credit unions in the North East of England and Cumbria to support their sustainable growth and expansion.

Based on the findings of the report, key characteristics of higher-performing credit unions are as follows:

1. Higher-performing credit unions have boards of directors that are visionary, strategic and committed to growth. They operate to a clearly understood model of governance; they define and set credit union goals and monitor performance against them.
2. They employ skilled managers and staff teams who have delegated responsibility to achieve credit union goals and who are held accountable by the board for their achievement.
3. They have strategic business plans that are up-to-date and are used to drive the business forward.
4. They offer a range of competitive financial products and services that attracts an economically diverse membership to use the credit union extensively.
5. They are highly effective lenders and ensure that loan products beat whatever competitors have to offer. They set competitive interest rates within the wider credit market.
6. They pay their members rates for savings that beat those of the high-street banks.
7. They inculcate financial discipline and operational efficiency throughout the organisation. They are committed to establishing the credit union as an autonomous and independent financial institution that does not require financial subsidy.
8. They maximise income, cut operating costs and manage expenses effectively.
9. They are committed to quality and responsive service delivery and act continuously to exceed member expectations. They are technologically modern organisations which retain the human touch in dealing with members.
10. They invest in the development of the board of directors, in building the skills, knowledge and competencies of the staff team and in promoting the engagement and participation of members in the organisation.