Annnnd…Why Should Credit Unions Care About Achieving "World Class" Performance?
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Edward Filene, retail innovator and early champion of the credit union movement in the United States, said that "if we chase the facts far enough, we are sure to discover Truth." He also speaks of "the courage to follow where the business facts lead."

These quotes reflect Filene's steadfast reliance on the power of transparency and objective information to drive positive change. He believed that shedding light on conditions through rigorous factual analysis could fuel constructive action in business practices, government policies, and social conditions. In short, Filene was committed to using knowledge and awareness of measurable facts as catalysts for improved performance.

What are the facts that credit unions should be chasing to lead to truth – the truth about their performance, "warts and all"? What could be the outcome if those facts are measurably transparent in all aspects of service execution and operational excellence? Might the result be the delivery of superior value to members, so that they stay with you even when other options are clamoring for their attention? If credit unions bring forward this philosophy from Mr. Filene, it might very well lead to performance that sets them apart from the competition. Such performance is nothing less than "world-class."

Soooo…what does "world class" performance look like? How do you measure it?

Measuring "world-class" performance means having the confidence to shine a light across your entire organization – to follow fearlessly where the facts lead. This demands a sound, proven method of gauging service delivery against performance standards that reflect the ever-changing expectations of your members.

While a wide variety of measures can be brought to bear to assess performance, the most authentic is the Voice of the Customer. There is nothing more profoundly effective in its simplicity as hearing directly from your members what they think and how they feel when they do business with you.

Although credit unions can use member feedback and other measures to benchmark themselves against peers and industry leaders, it's more important to show progressive improvement in how well you are meeting *your* members' expectations. And that means consistently having a real-time finger on the pulse of your member base. Consumer loyalty can be both fragile and fickle – after all, you are only as good as their last experience with you!

Would you Recommend NPS®?

Speaking of loyalty: if you're in a business that deals with customers, you're no stranger to NPS. It's a key metric for member satisfaction and loyalty, which are vital for long-term success and growth. By understanding how likely members are to recommend them to others, credit union leaders can gain valuable insights into overall member sentiment and potential areas for improvement.

In the world of NPS, achieving a "World Class" score typically refers to attaining an NPS significantly higher than the industry average or benchmark. Bain & Company, the consulting firm where the creator of NPS is a partner, identified the range from 80 to 100 on the NPS scale as the rarified air of "World Class" performers. In other words, you have to be doing *much* in the category of excellence to hang out here!

Credit unions, like other businesses, strive to achieve "World Class" NPS scores to demonstrate their commitment to member satisfaction, loyalty, and service excellence. Continuously monitoring and improving NPS scores helps credit unions identify areas for enhancement and hone their competitive edge in the financial services arena.

But credit unions often come up short in making use of NPS. Many just follow the herd in collecting the data to have the number. They're not able to make use of the intel they're collecting. A big

reason for that is not knowing what questions to ask to get feedback that can effectively guide change. What's worse is when CU leaders consciously avoid asking questions out of anxiety that it will uncover things they'd rather not be bothered with. This "false sense of good" eventually shows up on the balance sheet in lost members – and not just a few.

Clarity Doesn't Always Start at Home

Once you have the will to shine a light on your entire organization, a well-designed survey is the starting point for a clear view of what your members are thinking and feeling about you. With so many demands for resources, it's tempting to go for those basic, in-house surveys, right? But let's face it – one size does NOT fit all!

Given the wide range of experiences – think of all the touchpoints, the numerous ways your members do business with you – it's even more crucial to have the expertise to know what questions should be asked. Without a well-constructed and calibrated research tool, your investment of time and resources might be wasted on findings that send you in the wrong direction!

A useful member survey is designed not only to ask the NPS question of "Would you recommend us?" but to get to the authentic WHY underlying the member's response – the motivation or driver of the member's reaction to their experience with you. The best analyses will even mine member comments to uncover sentiments that might not be detectable based on the scored response. Qualitative feedback – the authentic Voice-of-Your-Member – can provide a lot of insight from information that isn't always reflected in the scores.

Following the Facts: Two Paths

What can you do with the clear view of your members you get from a well-designed survey? On one hand, member feedback might trigger a response or alert to a specific issue, a "hot spot" where friction has caused a subpar experience. Having a closed-loop system in place to alert you to that bad experience, in real time, enables you to act quickly to intercept that member before they leave you for a competitor.

At the same time, patterns in member feedback might reveal larger, underlying systemic issues that require responsive action across the entire organization. Data analysis of member feedback and additional feedback from follow-up on issues can enable you to:

- Identify and validate root cause(s)
- Prioritize based on severity and impact
- Formulate improvement strategies
- Implement change across functional areas
- Assess effectiveness of changes

Following both paths to where the data leads – be it a one-time issue or an organization-wide challenge – gets the most effectiveness out of your member feedback. If the capability to alert you to both issues is not available, serious problems could be getting overlooked.

Measure Fearlessly, Act Fiercely

It takes great leadership with a big dose of courage to follow the facts, to peer into the areas of your organization that are just easier to ignore. But just because you are not measuring them does not mean the problems are not there. Even if you are willingly turning a blind eye to issues because you just don't want the hassle, you can be sure they are still visible to your members.

So rather than be surprised by the negative results, leaders need to be proactive in fearlessly uncovering the friction that can drive members away (and probably already is). After all, it's easier and cheaper to get in front of the problem than to recover losses after the fact. As the old adage goes, "Buy the best and cry once!"

So WHY should you care about achieving world-class status when it comes to performance? Because today's consumers are conditioned by other service providers to expect nothing less. Because it differentiates you and gives you a competitive edge in a crowded banking marketplace.

But most of all, you should strive for world-class performance because it creates the long-term member loyalty that fuels your continued growth and the capability to live out your mission, both fearlessly and fiercely.

Find out how we get credit unions to world-class performance that fuels member loyalty and ROI. To learn more: https://supportexp.com/world-class-nps/

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