

# LEADING FOR THE FUTURE: Unlocking the Puzzle

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THE CANADIAN  
CREDIT UNION SYSTEM

**NATIONAL  
YOUNG LEADERS  
COMMITTEE**

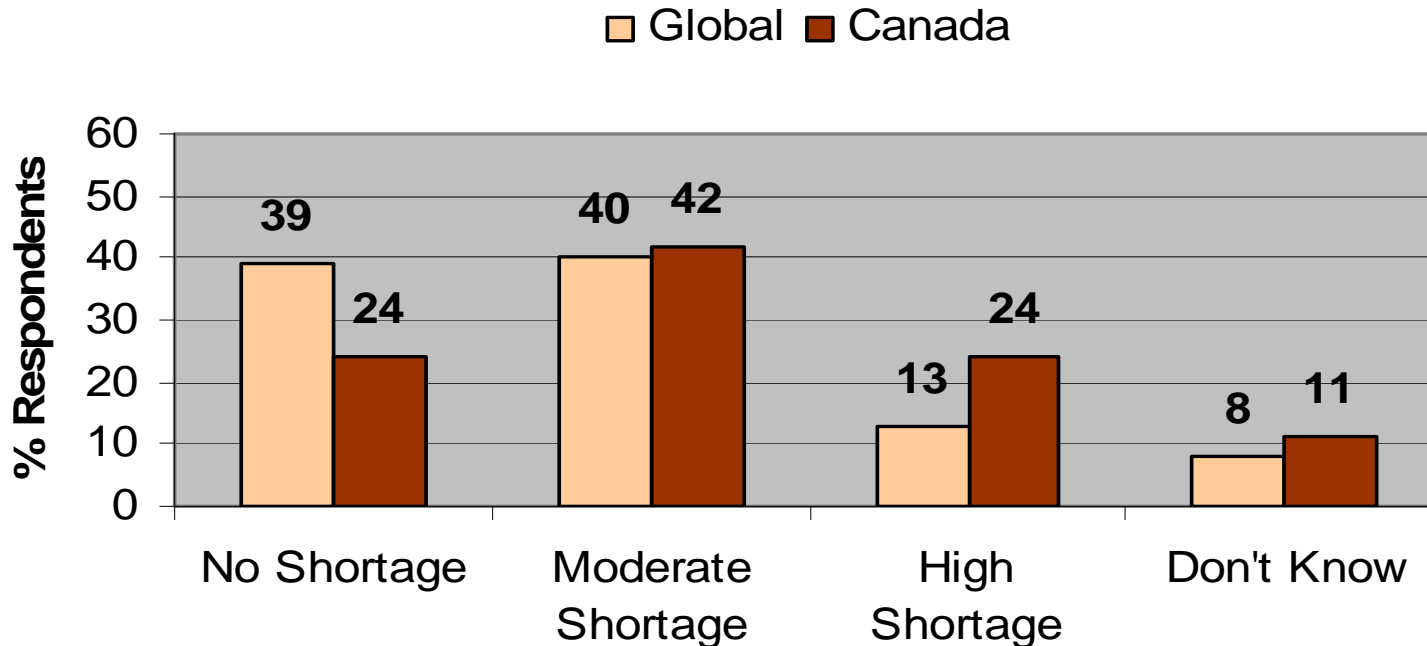
# Unlocking The Puzzle

- Why should Credit Unions worry?
- What are our future leaders looking for?
- What is National Young Leaders Committee doing?
- What can your Credit Union do?
- What is your Credit Union doing?

*“By 2020, The Conference Board of Canada predicts there will be a shortage of one million skilled workers.”*

Network Magazine  
Spring 2007

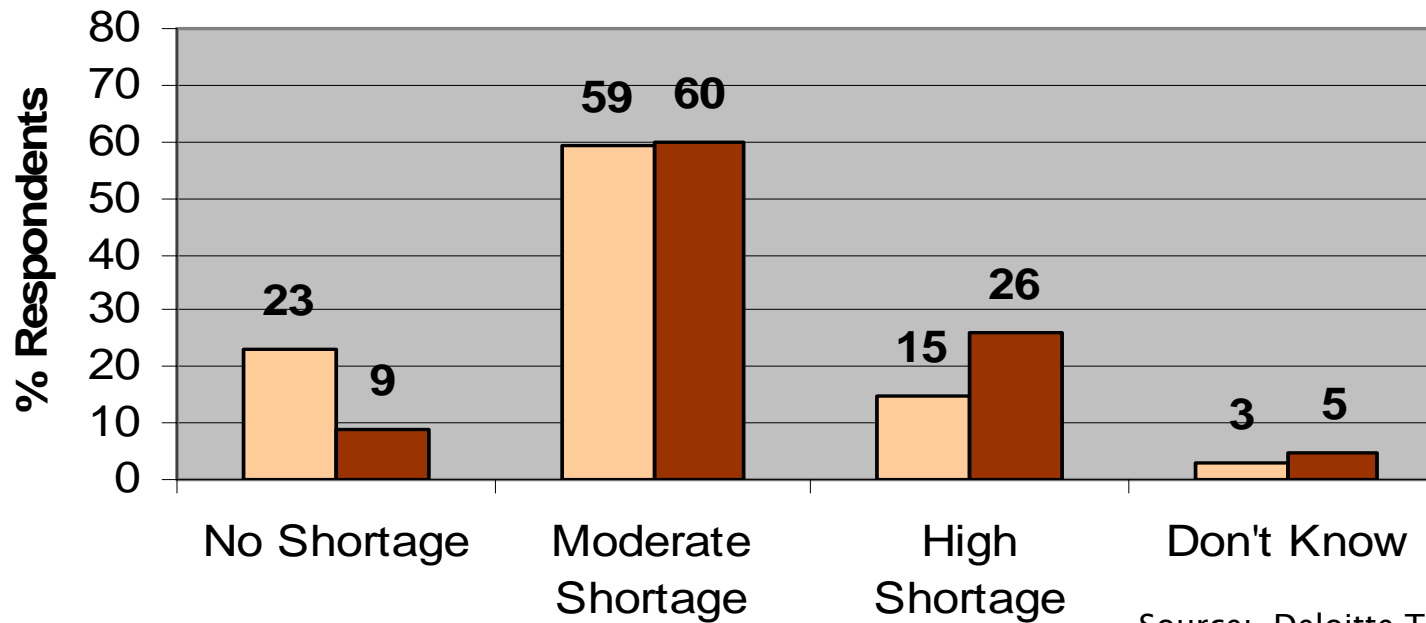
# To What Degree Are You Experiencing Talent Shortages or Anticipating Them Within 3-5 Years for Hourly Staff?



Source: Deloitte Touche Tomatsu

# To What Degree Are You Experiencing Talent Shortages or Anticipating Them Within 3-5 Years for Salaried Staff?

Global Canada



Source: Deloitte Touche Tomatsu

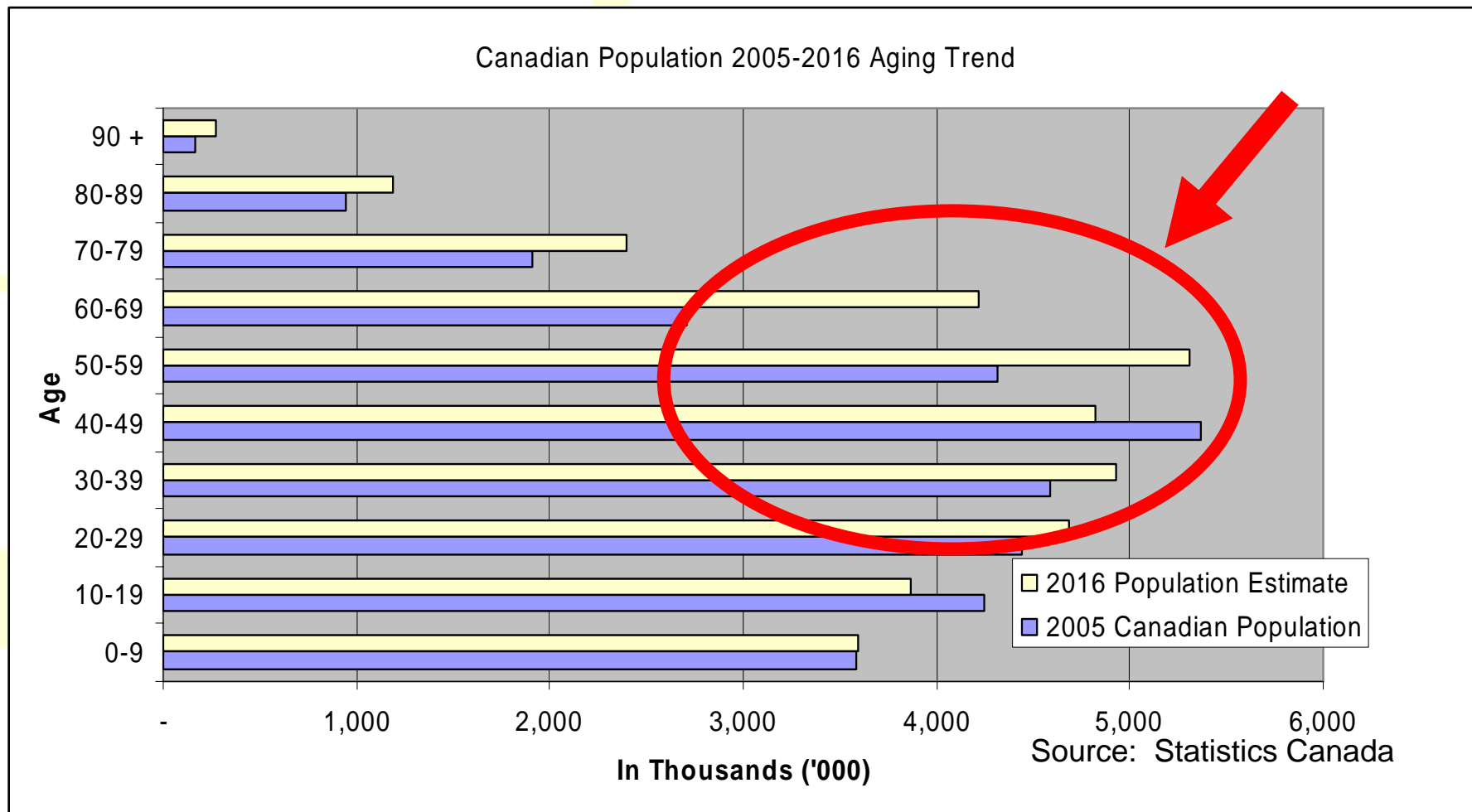
# Why Should Credit Unions Worry?

- A. Demographic Changes
- B. System Structure & Size
- C. Skills for Future Leaders
- D. System Challenges

# A. Demographic Changes

- Young people are taking much longer to complete education
- Many people are retiring earlier than 60
- Aging demographics

# A. Demographic Changes



*“Research shows that this year, for every one person entering the workforce, two workers will leave”*

Michael Palmer  
Executive Director  
Ceridian Canada Ltd.  
Network Magazine, Spring 2007

# B. System Structure and Size

- Further consolidation?
- Continued growth in assets under management

## B. System Structure and Size

Canadian CUs	2000	Q4 2006	% Chg (00-06)	2010 (Est.)
Number of Credit Unions	708	498	- 30 %	398
Number of Branches	1,745	1,783	2 %	1,807
Number of Members ('000)	4,467	4,990	12 %	5,389
Total Assets (\$ Millions)	56,252	95,127	69 %	138,954

# C. Skills for Future Leaders

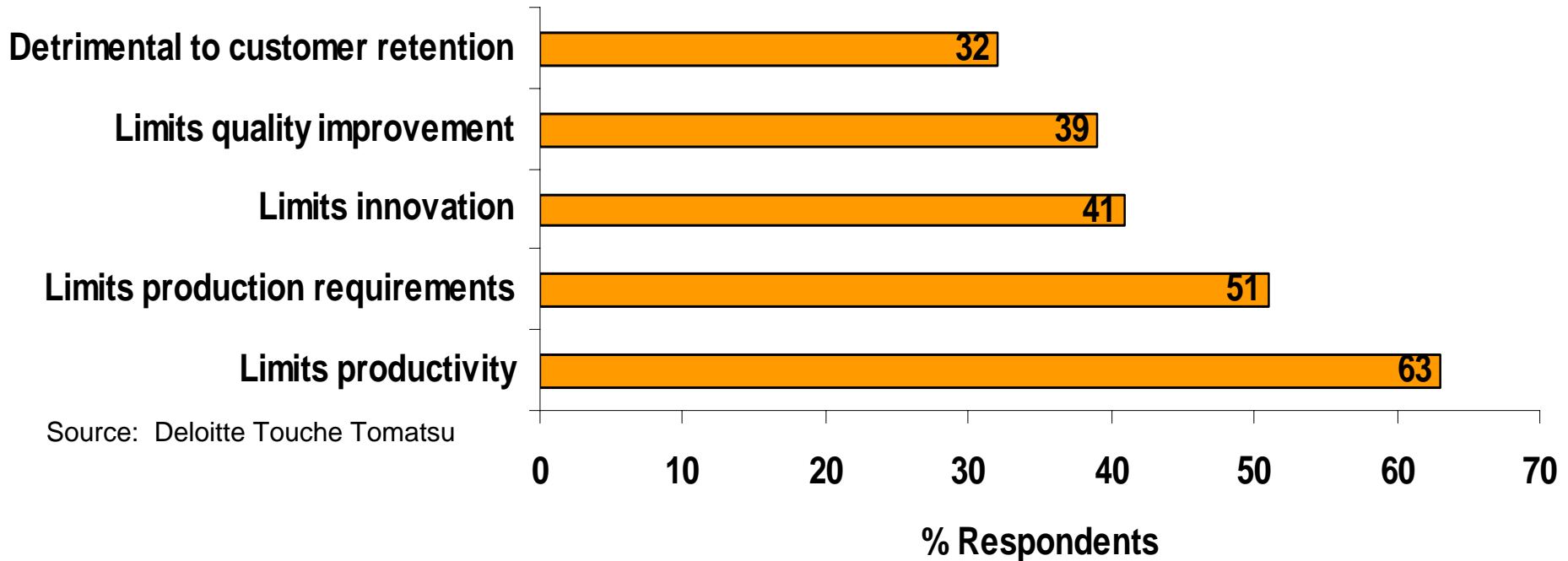
- Innovation
- Lead and drive change
- Ability to thrive under increased competition
- Passion for the vision

# D. Credit Union Challenges

- Legislative
- Regulatory
- New & increased competition
- Diversification
- Shrinking margins
- Security

# Impact to the Business

What are the business consequences of your talent management issues?



Source: Deloitte Touche Tomatsu

***“Failure to anticipate shortages will force companies into tough choices. They will either have to buy the necessary talent at a premium – or watch their strategies fail for lack of resources. In either case, the impact on shareholder value is clear.”***

Stephen Diotte

Deloitte Touche Tomatsu LLP

“Becoming a Magnet for Talent”

Global Talent Pulse Survey Results  
2005

# What are our future leaders looking for ?

- Changing expectations
  - Fit with corporate culture
  - Career opportunities
  - Responsibility and empowerment
  - Rewards and recognition

*“They (coming generations) want to be treated as associates, not employees, and they want to work for companies that are going to change the world.”*

Jeff Mulligan

Chief Executive Officer

Common Wealth Credit Union

Enterprise Magazine, January 2006



# What are our future leaders looking for ?

- Fit with corporate culture
  - Fits with their lifestyle
  - Fit with the community
  - Job sharing and flexible work arrangements
  - Opportunity to work in a challenging and entrepreneurial spirit environment

# What are our future leaders looking for ?

- Career and development opportunities
  - Opportunities for coaching
  - Exceptional training
  - Tuition reimbursement programs
  - Career advancement opportunities
  - Cross organizational opportunities
  - Geographic mobility

# What are our future leaders looking for ?

- Responsibility and empowerment
  - Opportunity influence decisions
  - Opportunity to impact the business
  - Open communication where their decisions, actions and suggestions are taken seriously
  - Looking to be challenged

# What are our future leaders looking for ?

- Rewards and recognition
  - Not always in dollars
  - Recognition in their organization
  - Ideas are acknowledged

“Simply recognition for a job well done”

# What are our future leaders looking for ?

- Quality of friendships
  - Friendly work environment

“Gen Ys are looking for organizations where they can create friendships like they did in school...employers must have a social flair .”

Robin Throckmorton  
And Linda Gravett

Canadian HR Reporter April 2007

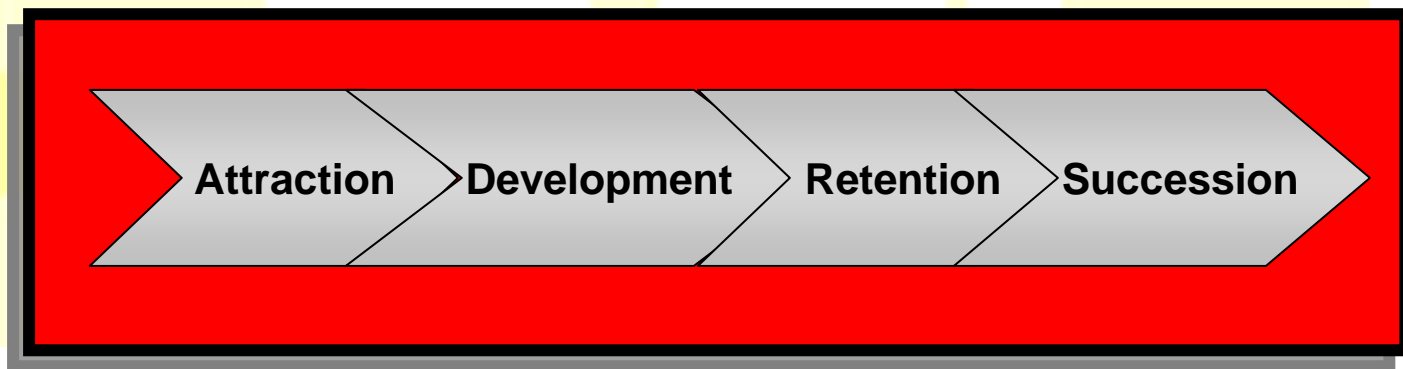
# National Young Leaders Committee

- May 2005 developed a position paper: *Leading for the Future*
- 2006 formed a board committee
  - 20 committee members from CUs across Canada
  - Former nominees of the CUCC Young Leader Award
- Mandate of committee: develop and deliver strategies to develop future leaders, to meet future talent and leadership needs of the credit union system

# What is the National Young Leaders Committee Doing?

Vision: To become the # 1 Employer for Young Leaders in Financial Sector in Canada

Four Strategic Focuses:



# Four Strategic Focuses



# Attracting Future Leaders

## Attracting Talent

Attract young leaders to the system and build a national talent pool

- National Credit Union Job Site
  - Highlight the value proposition of working for a credit
  - Articulate the difference
  - Highlight scope of opportunities within Canada
  - Help build a national recruitment strategy

# Attracting Future Leaders

- Creating the Credit Union Employment Brand
  - Create the edge in attracting and recruiting top talent
- Given the workforce demands need an to differentiate themselves at a top tier employer

# Developing Leaders

## Developing Talent

Grow and develop young leaders to meet the current & future strategic needs of the system

- National Inventory
  - Identify potential leaders (and needs)
  - Creating a community for the Credit Union future leaders
    - Young Leader events – WOCCU 2007
  - Creation of a Online Community
    - Blogs and Webinars

# Developing Leaders

- Mentoring Program
  - Non-competing credit unions mentor each other leadership candidates
  - Enhance the career development of leaders
  - Pilot to taken place Fall 2007

# Retaining Leaders

Retaining Talent

Proactively engage and retain young leaders

- National Think Tanks
  - Future leaders debating the current issues of the Credit Union System
  - Opportunity for Young Leaders to have a voice
  - Raising the profile of young leaders

# Retaining Leaders

- National Think Tanks
  - Developing the knowledge base of critical system issues
  - Opportunity to network with peers
  - 1st Think Tank: Spectrum Conference 2007

# Succession Planning

**Succession  
Planning**

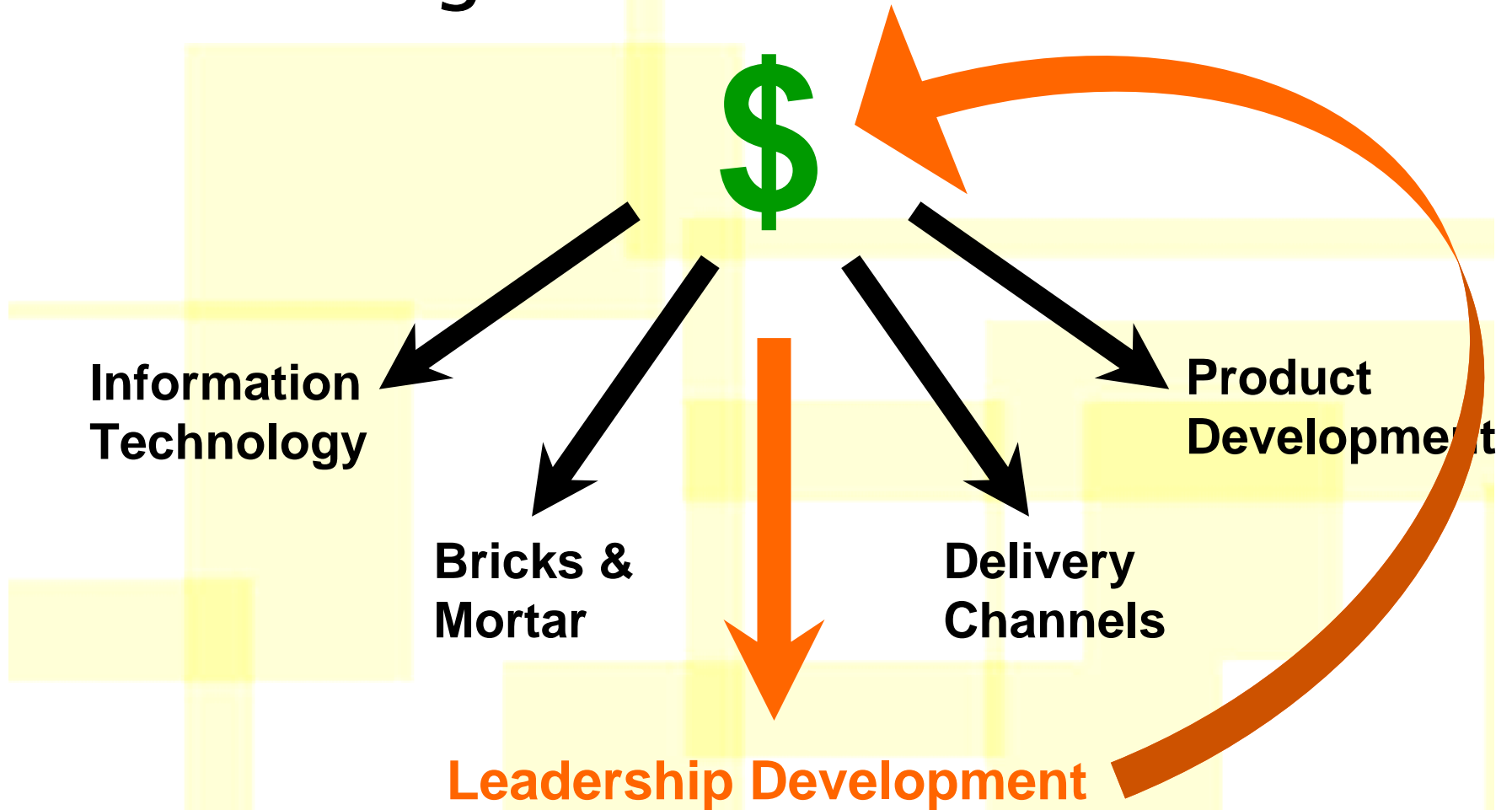
**Strategically plan to ensure the future leaders  
and CEOs of the system are in place**

- Raising awareness to Credit Union System
- Identify the needs through the National Inventory
- Mentoring Program
  - Leverage the knowledge and passion of the current leaders

# What can your Credit Union Do?

1. Understand your leadership needs
2. Support Provincial and National leadership development strategies
3. Make strategic investments in building leadership capacity
4. Build a culture that will attract, retain and develop future leaders

# Strategic Investment Choices



# Challenge or Opportunity?

- Leadership is a competency not a genetic trait
- Some excellent work already being completed in the system, although fragmented
- Our system values better aligned with the next generation than competitors

"Effective leadership is the only competitive advantage that will endure. That's because leadership has two sides - what a person is (character) and what a person does (competence)."

**Steven Covey**

# What is your Credit Union doing today ?

- What is your Credit Union doing today to develop your leaders for tomorrow?
- What more can we as a Credit Union system do?