

*2018 Big Idea Series*  
Spring is Strategy Season

*Chris Howard, Senior Vice President*  
*Callahan & Associates*

CALLAHAN  
& ASSOCIATES  
the credit union company

Knowledge. Insight. Strategy.

# Can You Hear Me?

- We are audio broadcasting so please plug in your headphones or computer speakers to listen in.
- If your audio is choppy or slow, you may wish to dial into the teleconference:

Dial: +1 (415) 655-0003

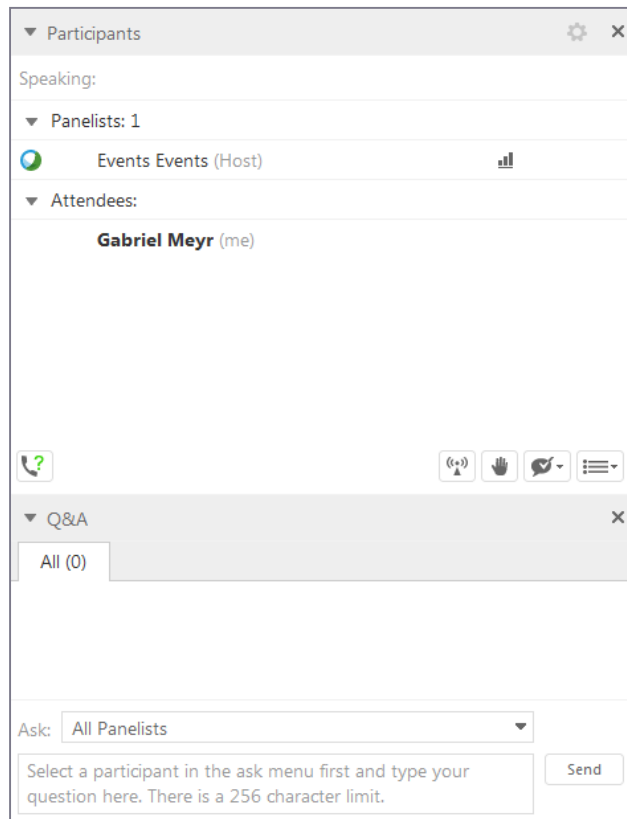
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## Slide Link

Today's slides can be found online at:

<http://bit.ly/04-05-spring-is-strategy>

# We Encourage Questions



Use the

## Questions Box

located on the right side of the screen, to type your comments or questions.

# You Might Also Be Interested In

## [How To Build A Better Team](#)

A monthly collection of Callahan content that, together, addresses a single topic from a variety of perspectives.

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# Tell Us What You Think!



**Please take our post-event survey. We value your feedback!**

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# What's the Big Idea?

POWERED BY CALLAHAN & ASSOCIATES

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## A Big Idea For 2018: Asking Tough Questions

How can credit unions push the movement forward? By tackling tough questions and discovering the right, not easy, answers.



By Jon Jeffreys



1561 Views

Callahan & Associates made a resolution for 2018, and we're sticking to it.

In the past, each of the senior leaders at Callahan chose a big idea to explore throughout the year on CreditUnions.com. This year, we're going all in on *one* big idea, and we're using that idea to frame our discussions about the industry for the rest of 2018.

That idea is: Is your credit union asking the tough questions?

Some critics claim that, as member-owned financial cooperatives, credit unions are "soft," whereas for-profit banks and other institutions bring a hard edge to the marketplace.

Credit unions are doing right by members and their communities, and they're succeeding financially. Third quarter credit union growth trends surged past that of community banks and the





# Strategy and Planning are Different

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Planning is...

- About looking backward to think ahead
  - How are we doing?
  - What comes next?
- About resource allocation
- About operations
- Concrete and actionable
- More about product than process

# Strategy and Planning are Different

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Strategy is...

- All about the future
  - Who you are
  - Where you are going
  - What you will become
- Conceptual rather than concrete
- Grounded in mission and values
- More about process than product





# The Myth of Strategy

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- A negative in a rapidly changing world
- Locks you in based on where you are and what you can see today
- Impedes agility and flexibility
- Limits vision and options
- Guarantees missed opportunities and suboptimal outcomes

# What is strategy?

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- Michael Porter, Harvard Business School legend and dean of business strategists, says strategy is deciding what not to do.
- In practical terms, this means setting the critical path from where your credit union is today to a vision of where you want it to be at some point in the future.
- Strategy sets direction to get you there, enables detailed business planning to keep you advancing, and serves as a guide to keep you headed along the right course with every big decision you make.

# Strategy vs. “The Strategic Plan”

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“Plans are useless but planning is everything.”

*- Dwight D. Eisenhower*



# The Truth of Strategy

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- A process, not an event
- HOW to think, not what to think
- Long-scope, high-level
- It is NOT a book best left sitting on the credenza gathering dust
- Starts with WHY (which makes it cultural)

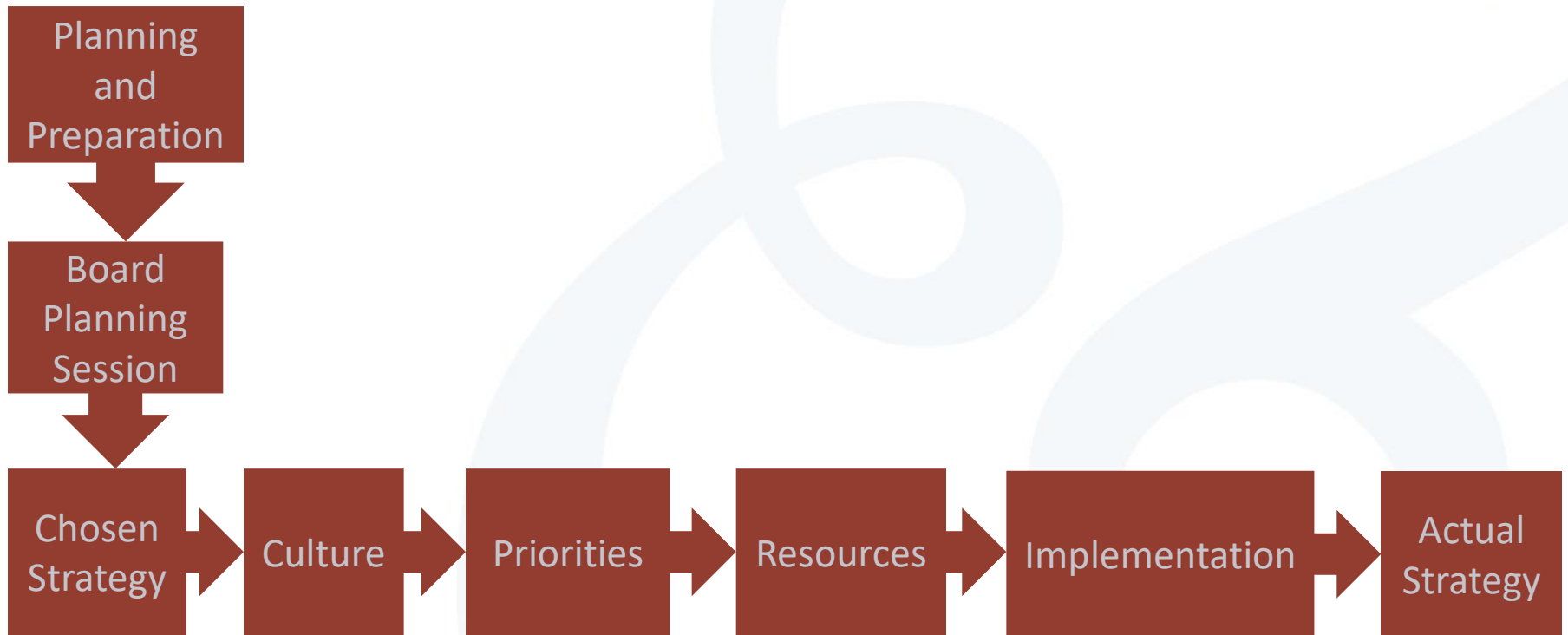
# Strategy Process

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# Strategy Process

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“Culture eats strategy for breakfast”

– *Peter Drucker*

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# 5 Characteristics of Good Strategy

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1. **It is fundamentally cultural**, starting with mission, aligning with priorities and values, and reflecting your uniqueness.
2. **It is visionary**, looking over the horizon to frame your long-term future, *five to 20 years or more out*.
3. **It is big picture**, covering your entire organization, your operating environment, and how you interact with employees, member-owners, partners, your community, and competitors.
4. **It is conceptual**, *designed and used as a guide, not a roadmap*. It is a test for initiatives, investments, and other major choices, and a source of inspiration for all of your stakeholders.
5. **It is condition-limited**, reflecting your focus, circumstances, operating environment, and your understanding of what your credit union can and cannot accomplish.

# Tough Questions About Your Strategy

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- *Does your strategy include a long-term aspirational vision that captures your mission?*
- *Is your strategy being utilized and refined on an ongoing basis?*
- *Can your front-line staff clearly communicate what your credit union is about and why that matters?*
- *Are you moving toward your credit union's envisioned "future state" cohesively as a team?*

# How We Can Help

Our consultants combine *Callahan's robust data resources, years of industry experience, and network of the industry's leading credit union and innovative suppliers* to supply your team with the guidance they need to develop strategies that are sure to succeed.

Contact us to learn more -  
[Callahan@Callahan.com](mailto:Callahan@Callahan.com)



# Review – Strategy Is...

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- A perpetual process
- Visionary
- About making choices
- The critical path from today to the future
- The ultimate test for every major decision
  - Is this the right thing to do?
  - Will it move us closer to strategic success?
  - Is it consistent with our other strategic choices?



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# Questions & Discussion

# Thank You

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