



# Beyond the Annual Budget: Building a Performance Planning Rhythm in Credit Unions

Presented by **Brad Brockman** · Empyrean Solutions

A framework for credit union finance teams navigating a volatile operating environment

TODAY'S PRESENTER

# Brad Brockman



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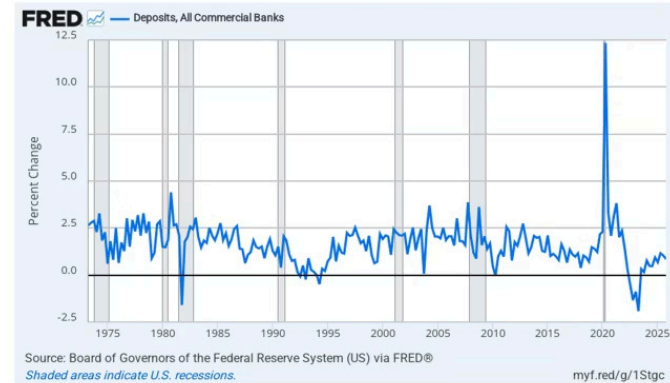
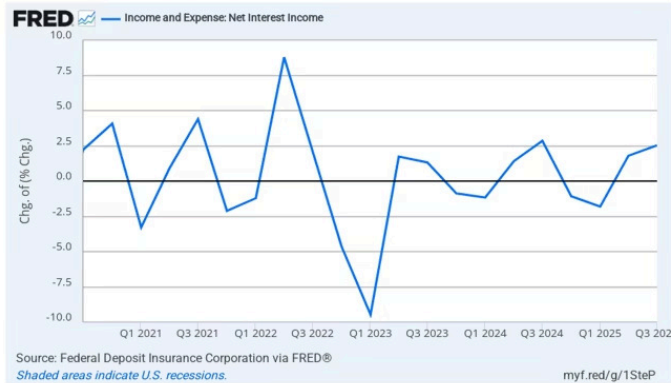
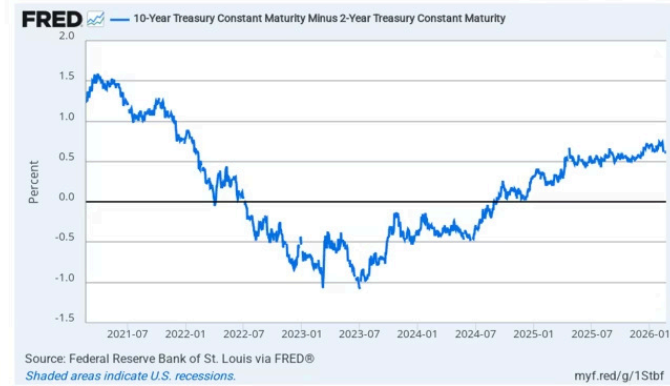
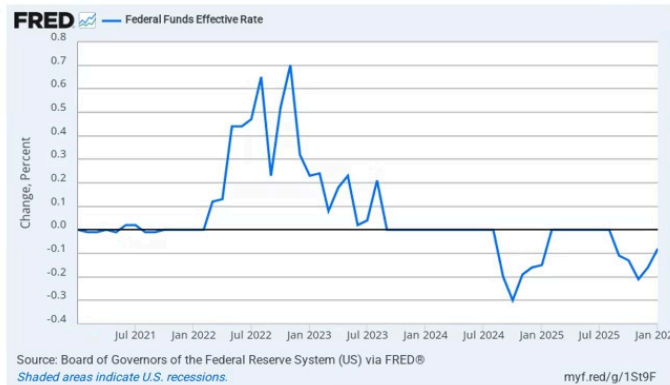
Brad is a **strategic advisor to CFOs and finance leaders** at banks and credit unions, helping them strengthen decision-making across planning, profitability, reporting, and balance-sheet management.

He brings **25+ years of experience** across finance, software, and sales leadership, with a track record of guiding executive teams through high-stakes evaluations and transformation initiatives.

Brad is recognized for his ability to **connect strategy to execution**—turning complex financial topics into clear priorities, measurable outcomes, and actionable operating rhythms.

# Rates shifted. The curve moved. NII compressed. Deposits stalled. Your annual budget was built for none of this

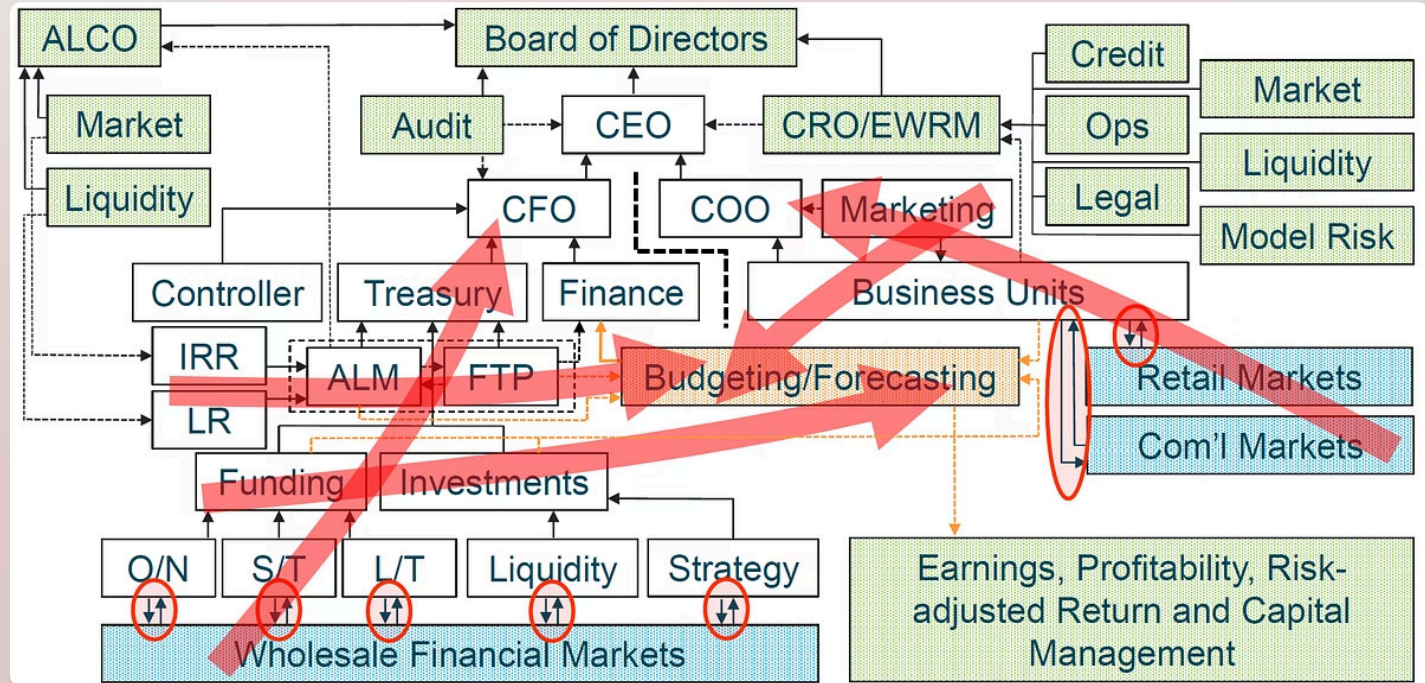
## The Environment Has Changed — And It's Not Done Changing



# The Challenge

Credit union finance teams operate at the intersection of competing demands – regulatory compliance, rate risk, deposit pressure, member growth, and board accountability – all at once. The org chart is complex, the data is siloed, and the annual budget cycle was never designed to keep pace with today's volatility.

**The question is: how do you build a finance function that doesn't just report the past, but actively steers the institution forward?**





"Plans are worthless, but planning is everything." – Dwight D. Eisenhower

# The Budget Isn't a Spreadsheet — It's a Steering Wheel

If your planning process only explains what happened last month, it won't help you navigate what's coming next — rate shifts, deposit pressure, staffing constraints, and member expectations that change faster than annual cycles allow.

When planning becomes a **performance system**, the results are transformative: faster decisions, clear accountability, and measurable impact. Performance doesn't come from a once-a-year budget. It comes from a planning rhythm that helps leaders **see around corners**, choose tradeoffs early, and stay aligned when conditions change.

# Integrated Planning Has Become a Defining Capability

Leading finance teams connect strategy, budgeting, forecasting, and execution in an increasingly volatile environment. **Integrated planning has become a defining capability for high-performing FP&A teams** — but many organizations are still struggling to translate strategy into execution.

The gap between those who plan dynamically and those who rely on static annual budgets is widening. The 2026 AFP FP&A Benchmarking Survey Report makes clear: **the institutions that link planning to performance outperform their peers** in agility, decision speed, and financial results.

[Association for Financial Professionals →](#)

## Effectiveness of Planning Process Elements

(Percent of Respondents Rating the Elements as Agree or Strongly Agree (4 or 5 on 1-5 scale))





## AGENDA

# Beyond the Annual Budget: Building a Performance Planning Rhythm in Credit Unions

1

## The Finance Team: The Performance Story

Why the finance team is the performance engine – not the reporting function.

2

## From Vision to Execution

Ensuring that the entire institution is aligned to execute the plan – from strategic intent to daily action.

3

## Finance & Operational Impact

Your Finance Team has data and information to help every functional area make smarter decisions.

4

## Key Takeaways & Q&A

Actionable principles and an open discussion to bring it all together.

Your Finance Organization is the GPS  
for performance—**constantly**  
**recalculating** when conditions change.



## CHAPTER 1

# The Performance Story

**Your Finance  
Organization is the  
GPS for performance  
— constantly  
recalculating when  
conditions change.**

# Lead the Performance Story

A high-performing finance team doesn't just close the books — it actively shapes how the institution understands, responds to, and improves its performance. To do that effectively, finance must play **three critical roles simultaneously**:

## **Navigator (Planning)**

Sets targets, allocates resources, and defines what "winning" looks like. Finance translates institutional ambition into financial terms and actionable goals.

## **Interpreter (Analysis)**

Explains *why* results happened and identifies which levers to pull next. Goes beyond variance reporting to uncover the root causes behind the numbers.

## **Translator (Communication)**

Turns complex financial tradeoffs into clear, confident decisions for executives, the board, and operational leaders across the institution.



# Finance: The Unique Cross-Functional View

Finance sits at the intersection of every major institutional decision — and has a unique vantage point across the full lifecycle of performance. Each phase demands a different set of tools, questions, and outputs from the finance team.



## Vision

Strategic Financial Plan

If we achieve our vision, what does that look like financially and from a risk perspective?



## Strategy

Budget, Forecasts & Risk Analysis

What are the best options? What is the financial and risk impact?



## Execution

Profitability & Performance Data

Who does what, when, and how do we best execute our plans?



## Assessment

Variance & Profitability Analysis

Ongoing assessment of performance against plans to determine what adjustments are needed.



CHAPTER 2

# From Vision to Execution

How do high-performing credit unions ensure that institutional ambition doesn't stall at the strategy meeting? The answer lies in a disciplined, connected planning cycle – one that links the long-term vision to the daily decisions made by every team in the organization.

Your Finance Organization is the GPS for performance—**constantly recalculating** when conditions change.



# Vision

## What and Where Do We Want to Be

Vision, Mission, and Values form the North Star and compass that guide every major institutional decision – today and for years to come.



### **Vision — Future Focus**

Where are we going? Aligned with mission and values, this is the long-term aspiration that energizes the institution.



### **Mission — Current Focus**

Why do we exist and how do we operate today? The primary goals and operational principles that define daily work.



### **Values — Core Beliefs**

The non-negotiable principles that guide actions, decisions, and culture at every level of the organization.

PHASE 2

# Strategy

## The Long-Term Plan to Achieve Our Vision

The Strategic Plan is the **critical link** between our vision and execution. It translates ambition into a roadmap for every major decision and investment.



### Corporate Plans

Credit union-level strategic plan — the institution's unified direction, priorities, and multi-year goals.



### Operational / Functional Plans

Detailed functional area plans designed to support and operationalize the corporate strategic plan.



### Financial Plans

Financial and risk assumptions and projections — including long-term forecasts, scenario models, and annual budgets.

# Execution

## Tactical Plans, Decisions & Actions

This is where strategy meets reality. Execution translates the plan into specific actions, owners, timelines, and accountability structures throughout the year.



- **Budget Is Our Guide**

Strategic initiatives, operational and financial plans, and resource allocations needed to achieve targets.

- **Fine-Tune the Details**

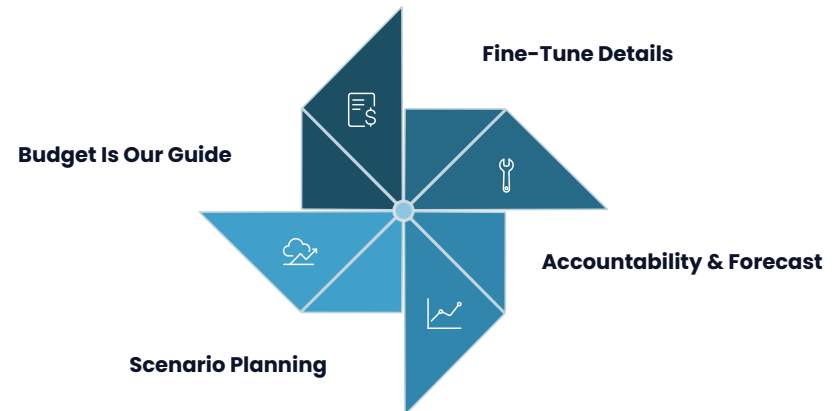
The who, what, when, and how – a precision approach to help align teams and sharpen plans.

- **Accountability & Forecast**

Functional areas take ownership and act. Rolling forecasts keep teams calibrated and aligned throughout the year.

- **Scenario Planning**

Model opportunities, threats, and what-if situations to stay agile when conditions shift.



# Assessment

## Analysis of Our Results

Assessment is both the **ending and the starting point** of the planning cycle. It feeds the next iteration of strategy, keeping the institution continuously improving.



- **Identify the Metrics That Matter**

Focus on the most critical KPIs and the underlying operational drivers that directly influence success and performance.

- **Why Are We Here?**

Analyze the underlying drivers of performance. What went well? Where do we need to improve or change course?

- **Where Are We Today?**

Point-in-time analysis to understand results as they happen – not weeks after the fact.

**Key Insight:** Assessment is not a final destination – it is the launchpad for the next cycle of planning, strategy refinement, and execution.

# The Vision-to-Execution Cycle

High-performing credit unions don't treat planning as a one-time event — they operate within a **continuous, connected cycle** that reinforces and informs itself at every stage. Each phase feeds the next, creating an institution that is always learning, always adjusting, and always performing.

## Vision

Define where the institution is headed and what financial success looks like long-term.

## Assessment

Measure results, analyze variances, and surface insights that continuously improve the next cycle.



## Strategy

Build the multi-year roadmap, allocate resources, and model financial and risk scenarios.

## Execution

Deploy the budget, assign accountability, and activate tactical plans across all functional areas.

BEST PRACTICE EXAMPLES

# Seeing the Cycle in Action

The following slides illustrate how each phase of the Vision-to-Execution cycle comes to life in practice – with real examples of the tools, reports, and analyses that high-performing credit union finance teams use to drive measurable results.

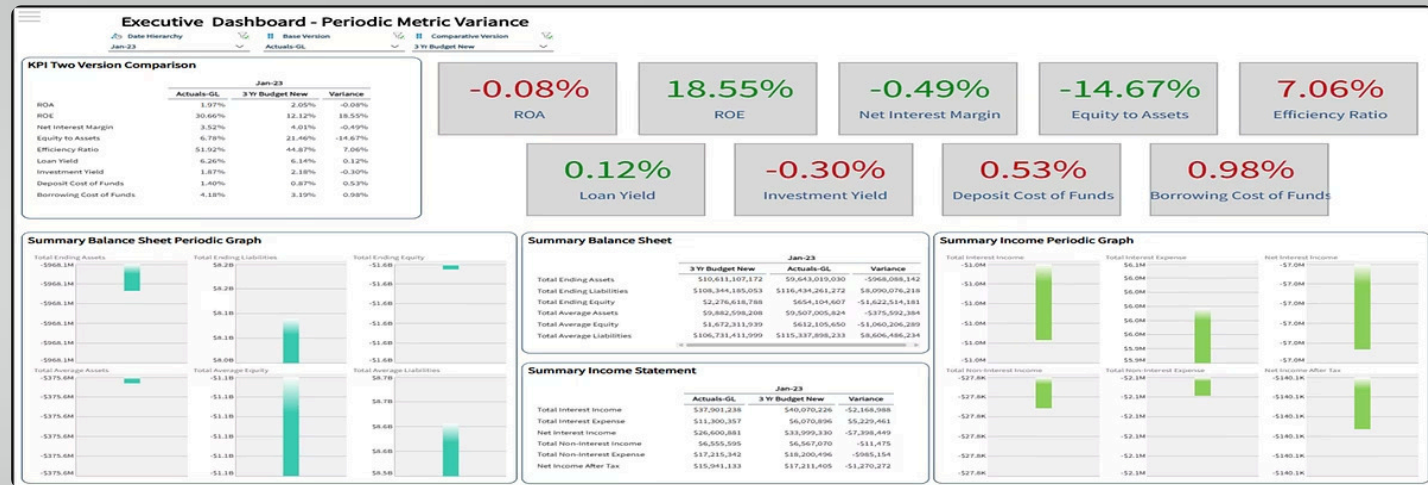
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# Best Practice: Performance Variance Analysis



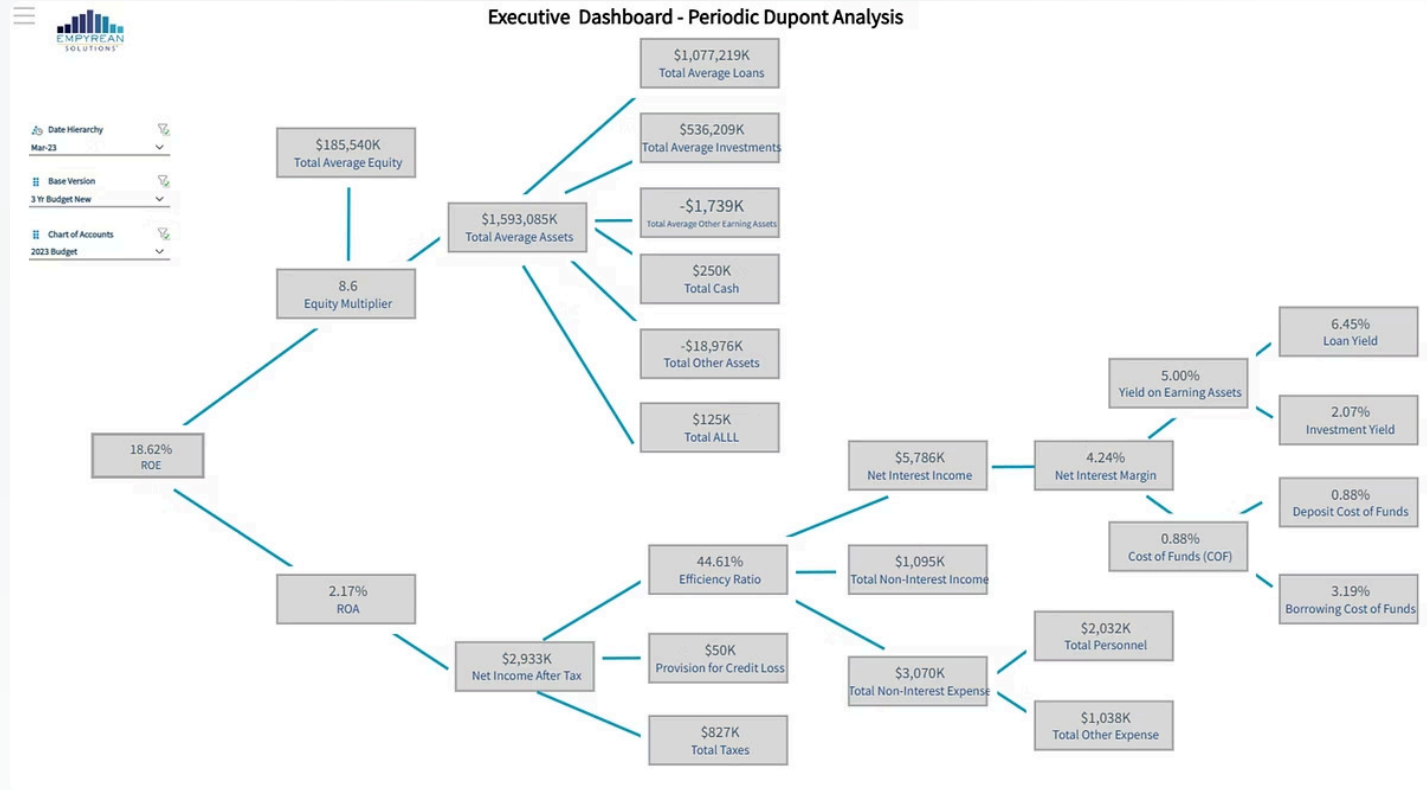
**Best Practice Consideration:** Focus on the metrics that matter most, at the levels of detail that matter. Surface variances by department or cost center, and ask functional managers for context and commentary – not just the numbers. This transforms reporting from a historical record into a forward-looking conversation.



ASSESSMENT

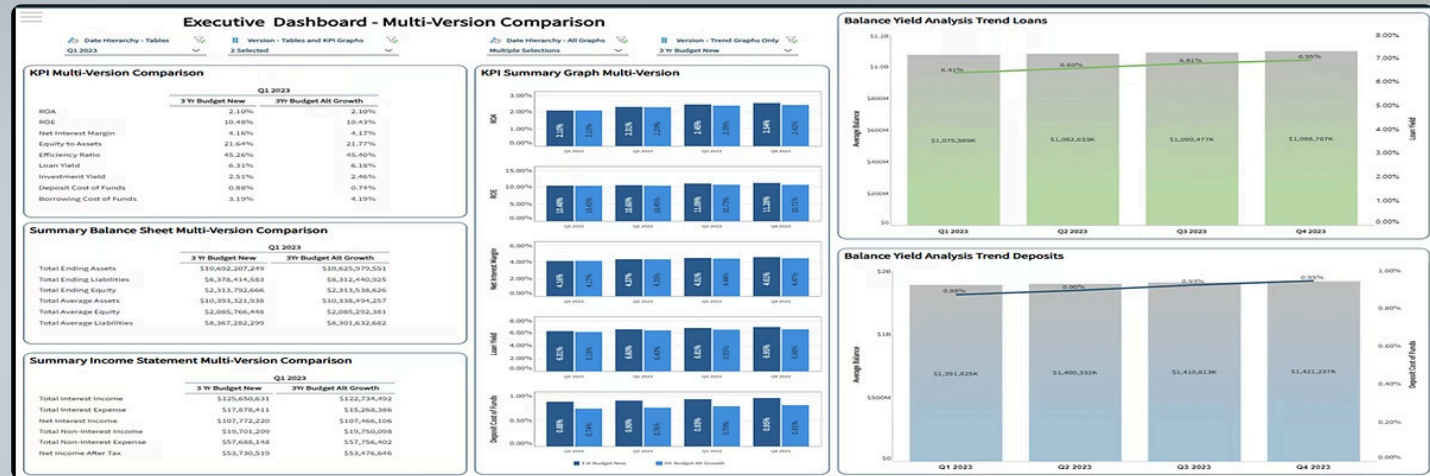
# Best Practice: Understanding Our Results

Best Practice Consideration: Build reporting with the ability to drill down to the next level of financial and operational detail – loan origination volume, headcount, branch activity. Summary-level reporting alone leaves too many questions unanswered when performance deviates from plan.



# Best Practice: Forecast Financials for Strategic Initiatives

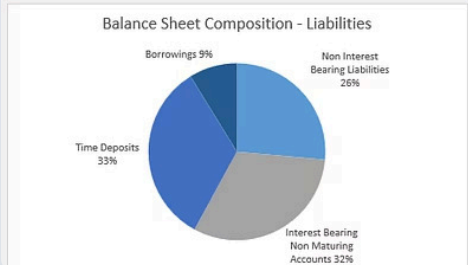
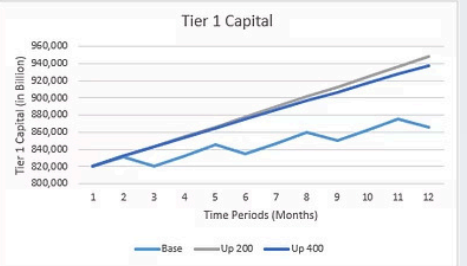
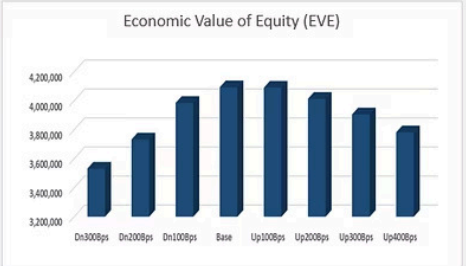
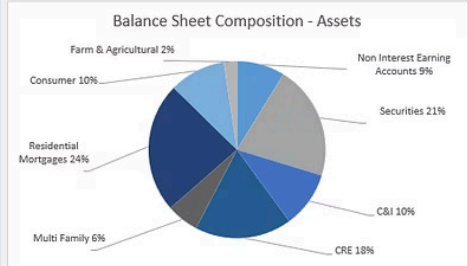
- Best Practice Consideration: Strategic initiatives deserve their own financial projections – not just an expense line item. Model multiple scenarios (base, optimistic, conservative), span both short and long-term horizons, and stress-test assumptions with what-if analysis before committing resources.



# Best Practice: Assess the Risk of Our Strategic Plan

**Best Practice Consideration:**  
Never present a strategic plan without running it through multiple market risk scenarios – rate shocks, credit stress, deposit outflows, and competitive disruption. Understanding your institution's sensitivity to adverse conditions is as important as planning for success.

Executive Interest Rate Risk Dashboard



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### CHAPTER 3

# Finance & Operational Impacts

Finance data doesn't live in a vacuum. When it's connected to operational decisions — product pricing, staffing, capital investment, and member relationships — it becomes one of the most powerful levers available to credit union leadership.

# Execution: Aligning Strategy & Operational Teams

The finance team plays a pivotal role in bridging the gap between high-level strategy and day-to-day execution. By providing tailored data to the teams and individuals who need it most, finance enables **aligned execution** across every functional area.

## Strategy

Strategic initiatives, goals, operating plan, financial plan, risk assessment – the institutional blueprint.

## Finance Team

Provides and leverages profitability, statistical, financial, and operational data tailored to each team and individual.

## Who, What, When, How

Goals, responsibilities, tasks, and metrics that define how each team contributes to institutional performance.

## Execution

Teams and individuals take tactical action – product decisions, sales enablement, risk management, resource allocation.

# Leveraging Member Segmentation: Economic Profit by Customer

## Value Creators (~20%)

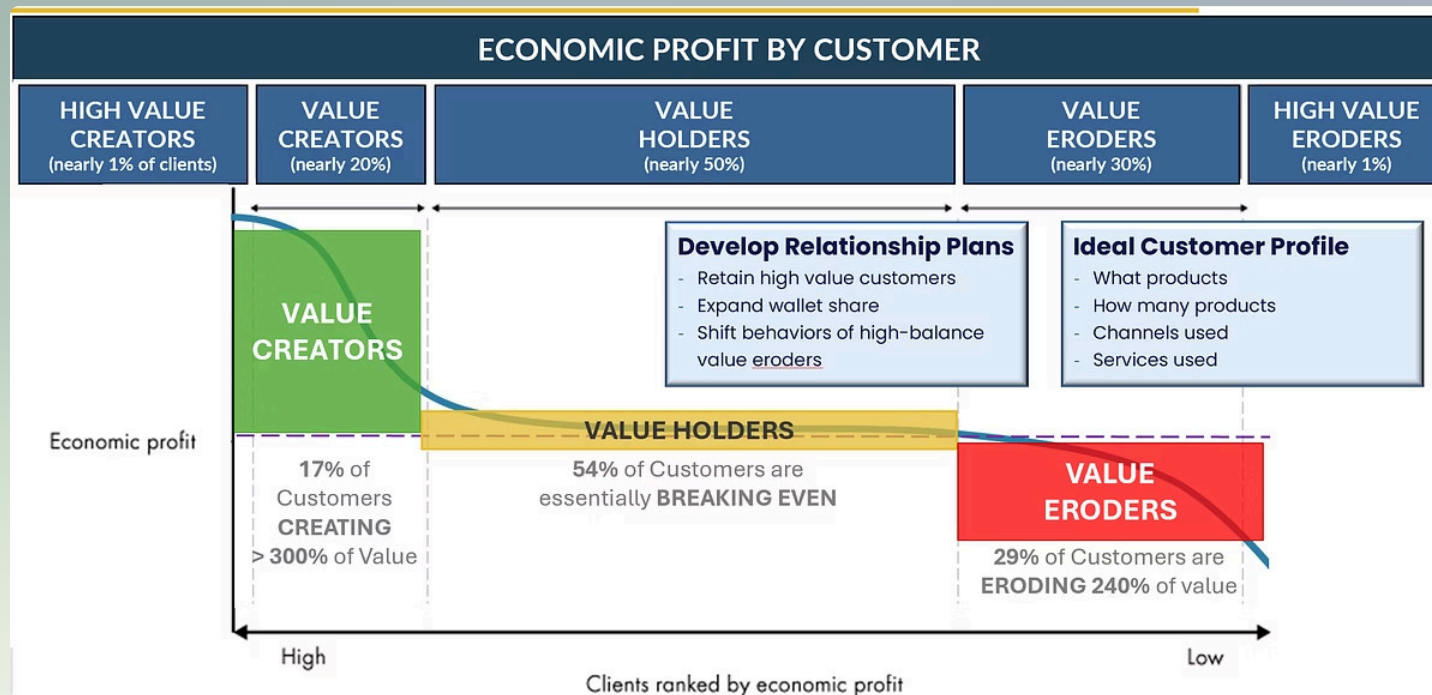
17% of members create over 300% of institutional value. Develop targeted relationship plans to retain them, expand wallet share, and replicate their profile with new members.

## Value Holders (~50%)

54% of members essentially break even. Understanding what shifts these members toward value creation — more products, deeper engagement — is a key growth opportunity.

## Value Eroders (~30%)

29% of members erode 240% of value. Targeted behavioral and pricing strategies can shift high-balance eroders toward profitability without damaging member relationships.



# Personnel & Payroll Planning

Personnel costs are typically the largest single expense line for credit unions. A disciplined approach to forecasting headcount and payroll — at both the GL and employee level — creates the visibility needed to manage costs proactively and support strategic growth decisions.

## GL-Level Planning

- Plan by account or aggregate account
- At institution or department level
- Treat like any other expense account
- Payroll cost analysis by cost center

## Employee-Level Planning

- Plan existing employee costs (salary, benefits, etc.)
- Submit new hire requests with financial impact
- Model transfer and departure scenarios
- Payroll adjustments and headcount analysis
- Roll up to account and department levels



# CapEx & Project-Based Planning

Capital expenditures and major project investments deserve the same rigor as operating expenses. A structured CapEx planning process ensures that large purchase requests are evaluated consistently, approved transparently, and tracked against budget throughout the year.



## Efficiency

Automate the calculation and posting of fixed assets, depreciation, and accumulated depreciation for each approved request — eliminating manual effort and reducing errors.



## Transparency

Give leadership a clear view of all capital needs and requests required to support operational plans and strategic growth — before commitments are made.



## Better Tracking

Compare actual purchases during the year to planned purchases in the approved budget — creating accountability and enabling real-time course correction.



# Key Takeaways

Building a performance planning rhythm is not a one-time initiative — it is an ongoing operating discipline that separates high-performing credit unions from those that react to change rather than lead through it.



## Uncertainty & Volatility

Rates, deposits, competition, member behaviors, the broader economy, and geopolitical conditions will continue to shift. Planning systems must be built for adaptability, not stability.



## Agility

Model and evaluate potential strategies, outcomes, and scenarios continuously — not just at year-end. The ability to respond quickly is a strategic advantage.



## Link Finance & Operations

Quickly evaluate the operational, risk, and performance impacts of each potential strategy. Finance and operations must speak the same language.



## Speed Is Critical

Assess, adapt, execute. The institutions that move faster through the planning cycle with better information will consistently outperform their peers.



## Focus

Direct energy toward the metrics, initiatives, and decisions that actually move the needle on goals and institutional performance.



## Collaboration

Capture both operational and financial inputs from across the institution. The best plans are built with — not just for — the teams responsible for executing them.



FINAL THOUGHT

# Finance Is the Steering Wheel

Your finance organization isn't just about numbers — it's the **steering wheel driving performance**. When finance leads the planning rhythm, the entire institution moves with greater clarity, speed, and confidence.

The Vision-to-Execution cycle — [Vision](#) → [Strategy](#) → [Execution](#) → [Assessment](#) — is not a theoretical framework. It is the operating discipline that allows credit union leaders to navigate uncertainty, make better tradeoffs, and deliver on their promise to members. Build the rhythm. Lead the performance story.

# Thank You!

## Get in Touch

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## Connect on LinkedIn

Follow Empyrean Solutions and Brad Brockman on LinkedIn for ongoing insights on credit union performance planning, FP&A best practices, and finance leadership.

## Questions?

We welcome the conversation. Reach out directly to explore how a structured performance planning rhythm can transform financial and operational outcomes at your credit union.

