

**Iowa Credit Union League**  
**Virtual Roundtable | Relief, Recovery, Stability with Filene Research Institute**  
**April 24, 2020**  
**1:30 – 2:30 p.m.**

**Relief, Recovery, Stability | George Hofheimer, EVP, Research and Development Officer, Filene Research Institute**

**These resources can be found on the Filene website - <https://filene.org/resourcehub>**

- Exiting the relief phase
  - Take care of employee's health and safety. They should be first and foremost and are your greatest asset.
  - Help define how much you can solve with what resources you have. Our nature is to try and help as many as possible.
- Recovery
  - The operating environment for the foreseeable future is going to be very different.
  - Think about the impact of the short-term relief efforts that are being done. Also, look at the long-term effects (e.g. default rates, charge offs, loan modifications, regulatory considerations, liquidity, business continuity planning).
  - May 7 – Filene is hosting a free webinar about a tool that will model the financial impact on the credit union. How can credit unions get a quick way to assess the financial impact?
  - Think deeply about how you are going to physically work. What will the branching environment look like? Also, what is the branch of the future?
  - How will board governance change? There will probably be turnover on the board.
  - What are the new realities of the members? Develop deep listening techniques. Monitor social media. Ask call center staff to do flash survey style questions to ask members a question. (e.g. What will you do with your stimulus check?)
  - Monitor local economic conditions.
  - Leverage deep knowledge of your local community.
  - Have deep, strategic discussions with your credit union leadership. Map out scenarios.
- Stability
  - Understanding what our reactions should be as we are unsure of our new operating environment.
  - Identify partners of whom to work with. Credit unions cannot do it all themselves. Non-profit, philanthropic, local government, community banks, colleges and universities, etc.

*Information in this document was shared on April 24, 2020.*

*The conversation facilitated by the Iowa Credit Union League and partners should not be constructed as legal services, legal advice, or in any way establishing an attorney-client relationship.*

- Take lessons from Europe and Asia regarding how interest rates survive in low rate/negative environments.
- Collaboration within the credit union system.
- Don't waste a crisis! What is relevant going into the future; add/delete products, delivery channels, how you govern and staffing.
- Looking to long-term values as guidance. "Not for Profit, Not for Charity, But for Service" credit unions perform better during times like this.

## Q&A

- **How can credit unions best impact local communities and local nonprofits?** This needs to align with your strategy and where it will have the most impact. How can you leverage your investment into something more?
- **What are credit unions doing as "branches of the future"?** Look at Coastal Federal CU in Raleigh, NC - they were one of first to use ITMs. The technology lowered their cost because of using less space and less MSRs on the front line. They also offered longer hours of operation and are open 7 days a week from 7am-7pm. Another example is shrinking of the size of the branch and training the members to use more remote channels.
- **What is the importance of communication with your board regarding reality vs. challenges?** Credit union board members' tenure tends to be quite long and there is less innovation because of this. They have their own patterns and reacting face-to-face is what they are comfortable with. Now they have to change to a virtual world. It can be tricky and this is where many may decide to bow out.
- **What would you urge credit unions to do that they are not doing right now?** Focus on relief, recovery, and stability. The most essential thing is to not get so overwhelmed with the situation of what you can control and what you cannot control. Figure out where you can add the most value.

## Other Notes:

Coopera will be hosting a webinar with QCash on May 13. Please check their website for more information. Registration for Coopera webinar:

[https://affiliatesmgt.zoom.us/webinar/register/WN\\_1i1Pe17-SNGJmbLvfxk2Fg](https://affiliatesmgt.zoom.us/webinar/register/WN_1i1Pe17-SNGJmbLvfxk2Fg)

- Next week:
  - Wednesday: Discussion with the NCUA & Iowa Division of Credit Unions
    - Please submit questions as you register or e-mail them to [registrations@iowacreditunions.com](mailto:registrations@iowacreditunions.com).
  - Friday: Legislative Update with PolicyWorks Iowa

*Information in this document was shared on April 24, 2020.*

*The conversation facilitated by the Iowa Credit Union League and partners should not be constructed as legal services, legal advice, or in any way establishing an attorney-client relationship.*

**REMINDER:** Send resources you're willing to share with other credit unions and credit union questions to [covid@iowacreditunions.com](mailto:covid@iowacreditunions.com).

*Information in this document was shared on April 24, 2020.*

*The conversation facilitated by the Iowa Credit Union League and partners should not be constructed as legal services, legal advice, or in any way establishing an attorney-client relationship.*