

Credit Union Case Study

OVERVIEW

Baptist Health South Florida Federal Credit Union is a non-profit, cooperative financial institution providing a wide array of products and services to members. Baptist Health is a single sponsor credit union, devoted entirely to servicing hospitals and hospital employees. The organization was founded in 1961 and currently has \$50 million in assets. They employ 17 people and operate 3 full-service branches. A few of its remote facilities function on a part-time basis.

Objectives

- Increase overall sales and enhance the total member experience.
- Incorporate value-driven principles into the organization's culture.
- Change employee behavior and help employees define their roles.

Challenges

Because Baptist Health South Federal Credit Union is a healthcare credit union, they have a unique set of challenges in reaching their customers. They aren't allowed to promote within a hospital, put up signs or posters, or do any of the traditional outreach and advertising a typical credit union might do. Instead, the majority of their business comes from member-to-member word-of-mouth referrals. Their success depends on people having a great experience, feeling they've gotten value from the relationship, and believing they've been respected and well-treated by the staff.

When Michael Raley joined the credit union as CEO, it was struggling financially and needed to quickly generate revenue.

To turn things around, he knew it would be essential to establish a sales culture focused on building long-term, trusting relationships to increase cross-selling, drive member loyalty and build positive word-of-mouth.

"The program works. I spent a lot of time searching for the appropriate sales model for our team. Integrity Selling® is the only product addressing the core issue of change among all employees—order takers are becoming sales professionals. Because of its effectiveness, our organization has experienced steady growth since inception in 2007. On top of that, our credit union is one of the few institutions not experiencing a decline in loans and deposits."

Michael Raley, President / CEO

Solution

After being introduced to The Member Advantage in 2007, Michael was convinced it was the ideal approach and solution for his credit union. "By 30 minutes into the presentation, I knew," he said. "It was the way Integrity Selling was presented and how it operated. I saw it as the way credit unions should conduct business." The program's emphasis on integrity and needs-based sales, he adds, aligned with what he believed was critical for their success: a sales process that doesn't focus on "pushing something on somebody" but instead helps employees discover what a member really needs and then providing solutions that fulfill that need.

In January of 2007 Baptist Health South Florida Federal Credit Union began working with Integrity Solutions. Every employee, from senior management to front-office staff, takes part in a structured 8-week program that helps participants achieve their sales potential and do their part to develop, reinforce and sustain a culture of integrity. Michael also became certified to facilitate the program since he wanted it to be clear this was a critical, top-level initiative for the credit union, and that it would be a requirement and expectation for everyone who wants to work there.

The goal in 2007 was to integrate the Integrity Selling® customer needs-focused selling process into the credit union's day-to-day operations as a foundation for success. The implementation was designed to create and reinforce member-focused skills, habits and attitudes. Employees also go through a process of self-discovery to gain a better understanding of their abilities, strengths and talents and how those contribute to their sales success.

Additionally, employees learn how to clearly identify what the member needs so they can provide a product to fulfill that need, based on an understanding how value is created for that person—it might be a less-expensive product that saves the member money, or a product that saves them time, or it could be financial advice that builds trust and strengthens the relationship. As Michael points out, "People really want to be listened to. With the AID,Inc.® process you are trained, educated and encouraged to listen to that member. And if you know how to listen, then you can help that member."

"It's not just a way to sell a product," says Michael Raley. "The underlying process builds long-term relationships. You build trust and you build respect. Those two things, with our members, are the most important things to come out of this. Yes, we do a great job of selling our products, but the long-term benefit to us is serving the members and building the trusting relationships."

Impact

- Total loans have increased 139% over the 5-year period of the implementation.
- GAP sales have skyrocketed from 5% to 81% in 2013.
- There has been a steady month-to-month average net increase of 50 members.
- Sales of vehicle warranties have increased substantially. Currently, 36% of cars have a warranty attached to it.
- Employees are able to engage with and add value to members much more quickly.
- Employees have significantly increased their relationship-building effectiveness and overall sales.

Since implementing the Integrity Solutions approach, integrity has become integral to the culture and is viewed as vital to their sales success. Employees now use the AID,Inc.® Process and the Behavior Styles® Model to identify the behavioral characteristics of their members and establish trust, all of which invariably translates into increased earnings. A new incentive plan was introduced to employees to reward their performance, and sales levels have increased significantly.

The impact has been felt internally as well. Employees now understand how to adapt to different Behavioral Styles across the organization for improved collaboration and more effective communication, resulting in an overall uptick in productivity and consistency.

According to Michael, the experience on the whole has been "transformational." Tellers who have always been pleasant and nice are now taking it to a new level by really adding value and helping members. It's a win for the member—who is getting more value out of the interaction—a win for the credit union—which is selling more and increasing revenues—and a win for the teller, who is more effective in the job and immediately sees the change in how members react to them.

Michael says employees' self-confidence has improved as well, with one person moving from the bottom of the selling list to competing for the number one slot on an ongoing basis as a result of the training and coaching. When it comes to cross-selling, he adds, "The top performers today weren't top performers before... We used to have one person who was number one all the time. Then suddenly we had two. Then we had three. One time we had nine people all in the top-performing category."

It all adds up to success, Michael says: "As the individual succeeds, the branch succeeds and our credit union succeeds."