

CASE STUDY



reach out and **COLLABORATE!**

Use your cuasterisk.com network relationships to develop innovative collaboration. The collaborative business model is important and by integrating resources you can increase your credit union's capabilities. Is there something your members are asking for? Could you provide services and opportunities by developing a closer relationship with another credit union? Consider who you have relationships with and what collaboration could do to provide a more vibrant credit union industry.

FIND NEW SOLUTIONS **THROUGH COLLABORATION**

winner of the 2010 callahan collaboration award

DISCUSSION ON JEFF JORGENSEN OF SIOUX EMPIRE FEDERAL CREDIT UNION

Within a competitive financial service industry, credit unions are continuously reaching for ways to stay sharp and innovative. Utilizing CUSOs allows credit unions the opportunity to reach beyond regulatory barriers and financial constraints to provide their members with beyond-the-basic service. President of the Sioux Empire Federal Credit Union, Jeff Jorgensen, took advantage of the offerings through CUSOs to expand his credit union and overcome competitive challenges.

One of the challenges facing Sioux Empire FCU is the over abundance of banks in the surrounding area. Members have many banking opportunities, allowing them to be demanding when it comes to products, services and touch points. Delivering the desired service can become expensive and operating expense ratios can be easily outpaced by competitors. Another issue Sioux Empire FCU faces is with consistent growth and sometimes too sudden asset/deposit growth, keeping capital in-line with asset/deposit growth is challenging.



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about
**SIoux EMPIRE
FEDERAL CREDIT
UNION**

The Sioux Empire Federal Credit Union was chartered in 1938, offered to the employees of the City of Sioux Falls. Over the years Sioux Empire Federal Credit Union's field of membership has grown to provide for anyone within the Minnehaha or Lincoln County. Today the credit union services over 65 million in assets and has 10,000+ members.



Jeff Jorgensen, President

To advance past these issues and obtain status within a competitive field, Jorgensen turned to CUSOs to provide the necessary products and services. It was recognized that Sioux Empire FCU was not going to be able to deliver everything requested by members without assistance. Financial and regulatory constraints weighed heavily, but could be overcome through a collaborative move.

In 2003, Jorgensen began to implement the development of a wholly-owned mortgage origination CUSO, CU Mortgage Direct, LLC. An experienced staff, including loan officers, processors and underwriters, provide on site mortgage capabilities. This allows Sioux Empire to be an attractive choice to members, as they have access to convenient mortgage options through their credit union.

Another collaborative effort of Jorgensen would be the involvement in a multi credit union owned insurance and investment CUSO, Dakota Financial Service, Inc. Involvement in this CUSO provides a one-stop-shop for credit union members, providing them multiple ways to obtain the best insurance coverages and investment services. Members of Sioux Empire FCU are provided personal service and attention concerning insurance and investment needs.

Lastly, Sioux Empire FCU's involvement in the cuasterisk.com network has provided the capability to connect and learn from other credit unions. This collaborative leverage has proven effective in the development of new services and the relationships built through the cuasterisk.com network and Xtend has allowed Jorgensen to consult credit union leaders aiming to gain similar objectives. Sharing knowledge and resources continues to advance the innovation necessary to maintain positive growth.



**“I MAY HAVE BEEN
THE BUS DRIVER
and facilitator, but
it has been and
will continue to be,
successful only if our
whole team is on
this bus!”**

Jeff Jorgensen

CASE STUDIES: The Power of Collaboration

This series of Case Studies demonstrates how CU*Answers credit unions and cuasterisk.com network partners are improving their operations through collaboration. Some are forming CUSOs to take advantage of market opportunities. But, many others are earning their success simply by leveraging the accomplishments of other clients who have shared their ideas. All contributors have agreed to answer your questions. We urge you to contact them.

Tell us about your “great ideas.” Regardless of the size of your project, your contribution may be exactly what some other credit union has been looking for. Just put together the major details and email it to mhaehnel@cuanswers.com.

In November of 2009, CU Mortgage Direct LLC was recognized as one of South Dakota’s top 6 USDA/RD housing lenders. Also, CU Mortgage Direct, LLC has funded over \$5 million in RD loans for the year of 2009. The company has been awarded a top lender every year since its initial development, putting it on the map as an aggressive competitor in the South Dakota mortgage industry.

Also, a recent independent survey recorded that 94% of members rated their satisfaction with Sioux Empire FCU above average. Members commented that the Sioux Empire FCU met their financial needs with a positive and sincere staff. The credit union currently upholds high ratings in friendliness of employees, accuracy in handling their accounts and, if a problem occurs, the staff is sincerely interested in solving it, convenient locations, and getting fast/easy loans.

The lesson learned from Jorgensen’s story is the importance of collaboration and utilizing resources to provide above-and-beyond service for members. As the banking industry becomes more saturated and competitive, it is necessary for credit unions to keep attractive to current and shopping members. The utilizing of new knowledge and resources through CUSOs can be the stepping stone to an expansive success story.