



Why Do Today's Credit Union Thought Leadership Topics Create Doubt About the Future?

by Randy Karnes

UNDERGROUND COLLISION

An all too common conversation or email these days: "Randy, I have officially entered the frantic zone! I am overwhelmed by the sense that the future is so complex, moving further and further ahead of where we are today, and just too big for us to face. Every meeting with a consultant, every review by a regulator, every time my staff or board members tell me what they learned at their last industry event, and every time I look up and down the road, I feel defeated and ready to drive my credit union directly into the waiting arms of a merger partner. And somehow it feels like that was the design. The industry is herding me, and the thought leadership themes all seem to be the same melody."

No doubt today's overall marketplace environment can be overwhelming and push both consumers and business leaders into the "frantic zone". Social and business connections are so fine tuned to reach us all, and the content so diversified and attention grabbing that it seems the whole point is to make us panic about everything.

On one level you can just write it off as "life in the modern world." Hype is the game, and we all must find our way through it without losing our balance and connection to the work needed. We push through the hype to face the changing realities and find success for our communities. But that is easier to type than to accomplish sometimes.

It's life today... we all know... so what?

What if our credit union industry's thought leaders all stopped and took responsibility for the impact of our work: We are the drivers of the sense of frantic resign of so many CU leaders and owners. Is that our goal?



Problem One: Identify our thought leaders and our goals.

Impossible – everyone believes they (including me) are a thought leader, so to get everyone in a room and brainstorm on our goals and impact is tough. But what if we could urge credit unions to stay in the game? "Instigating frantic fear of the future is a marketing ploy, not a theme for leadership. We get it."



Problem Two: Frantic fear of future regulation and compliance themes.

When will regulators wake up and avoid creating regulatory or compliance fear that lines the pockets of vendors and discourages the heck out of stressed or crisis junkies in our industry? Feels as though more money has been spent on the fear of CECL than all the money to ever be saved by its execution. Where is the leadership to calm the credit union stakeholders that regulatory fear years ahead of regulatory realities is irrational and industry defeating?



Problem Three: Frantic fear of technology differentials.

Almost a psychosis where CEOs are dead certain that every tech trend rumor is the competitive requirement for every CU that hopes to have a future. A complete disregard for the hype cycles during the build out of solutions, and the difference between the calls for capital to build solutions and the calls for customers and distributors to implement solutions. We are encouraged to jump in too early by the hype cycle that teases us with the hopes we will own tech and corner an advantage to avoid being left out. A tease we fall for over and over so we can lead the pack.

The anxiety of not conforming pushes another frantic round of “I will never reach the stars without merging for scale.” What stars, tech stars? I thought we were worried about the agenda of our members and their aspirations? Why buy into tech at the edge? Tech has a “frantic lure” for consumers and business leaders alike – our thought leaders should see the responsibility to help all of us rethink our affinity for falling for the disappointment over and over.



Problem Four: Frantic fear from the dubious best practice declarations of peers and vendors yet executed in your organization.

From your best peers: “If I have invested in this practice, you should too! If our CU does this every CU should as well! Trust us, we have done so much research about your situation, that we know this will be winner for everyone.” And generally, the vendors of best practices are even worse (for profit vendors and our regulatory vendor endorsers) and they have more dubious reasons to influence teams than your best friends. But year after year credit union leaders become more and more panicked about the list of things they must implement to keep up with the pack.

Why write this now... hasn't it been the same deal for 20 years or more?

Because the world is more anxious right now and credit union leaders are more likely to capitulate to the nature of the times and just give it up. Because the group think of the industry is “scale is a safe”. Because so many of us as commenters seem unaware that we are adding to the frantic nature of our industry's operators.

As thought leaders, we may have lost some sense of our responsibility to downplay the fear as the most important theme of this era for credit unions. To encourage the self-confidence of credit union consumer-owners as the capital that we all count on for safety and soundness. And to most importantly separate our day jobs from the bigger themes we throw out to the cosmos for credit unions to ponder.

In fairness I should not judge our motivations too harshly. But on some days, it seems that like a Halloween haunted house, our best thought leaders are simply selling tickets to scare the hell out of everyday credit union managers. And I fear far too many times over my career I have let myself down as a thought leader too – we all deserve better from those who should lift us up.

Here are the questions I was asked to consider in preparation for the Underground Collision with Money20/20. How would you respond?

- 1. Why would the Underground Collision be colliding at Money20/20? What does it have to do with credit unions?**
- 2. How can credit union leaders feel less overwhelmed by the constant pressure to up their digital game?**
- 3. What happens to credit unions if we don't speed up our innovation toward the future of #CUMoney?**



CU*ANSWERS
A CREDIT UNION SERVICE ORGANIZATION

Randy Karnes

CEO of CU*Answers
rkarnes@cuanswers.com