Can Credit Union Leaders Translate Today's Business Designs into Success for Our Industry?

The NACUSO Certification Program Might Be a Start

Over the twenty years I've been in the credit union industry, I have reconciled myself to the fact that our industry is best defined as "fast followers" of the ideas that our competitors and general marketplace business designers bring forward.

This is not to say I believe our industry is short on innovators. But I would contend that our innovators tend to bend outside ideas to fit our non-profit, cooperative mold, with a great deal of constraint. In general, as credit union leaders we tend to run our businesses, choosing to modify our operations around consumer trends. If banks are offering checking rewards, we offer checking rewards. If banks offer mobile phone banking, we're going to find a way to offer it, too.

What we don't typically give ourselves permission to do is to radically reconfigure our business processes, organizational charts, or standalone operating templates. We will follow our competition down the consolidation path. We constantly talk about the fact that mergers and other tactics for gaining scale are the only way to go. But we have not been able to translate new organizational designs—such as holding companies, operational alliances, process franchising, and other network business formats—into new designs for credit union core operations.

Even CUSOs seem to work only *between* standalone credit unions, as aids to the classic model of one Board, one membership, one operation. Our industry has yet to challenge this design with any intensity or perseverance to deliver a solution that is truly a *credit union translation* of network architectures.

I believe we must remove these self-imposed constraints. We must be as diligent in responding to new business designs as we are in responding to new consumer trends. Ideas about mass collaboration, Web 2.0, and Enterprise 2.0, as introduced in Don Tapscott's book, *Wikinomics: How Mass Collaboration Changes Everything*, need to be considered, and yes, *translated* into our industry's narrative. We must blend these ideas into the very architecture of our credit union firms, our CUSOs, our trade organizations, and even our regulatory interactions. The promise of a network response deserves a credit union translation.

Consider the concept of peer production, where, according to Tapscott, "People...self-organize to design goods or services, create knowledge, or simply produce dynamic, shared experiences." What could be more in line with credit union tradition than this? We are an industry where the owners are peers and designers of our own solutions. Yet the networked world is more enthralled with the ideas of new business designs around this concept than we are.

We must translate this into new designs for peer network businesses. We can use this design to aggregate opportunity, aggregate memberships, and create aggregate operations—where we translate what our competition calls "consolidated scale" into opportunity alliances with far greater reach, less risk, and more robust careers for those who participate.

Translate is the key word in all of this. For our industry *is* different. Our competitive advantage is inherent in our beliefs and our charter. It comes from defining ownership through participation and setting goals outside of what our competitors use to drive their business. This competitive advantage means that we have to be ready to constantly translate the catalysts of our competition into equally powerful motivators for our own success.

This is why I am a supporter of the NACUSO Certification Program on Collaboration & Business Networks. This program boldly identifies credit union participants who consider themselves *business designers,* architects who are empowered to redefine credit union and CUSO businesses. NACUSO's program is about starting these leaders on the path to translating what network business designs might mean to our industry. These leaders will consider how to modify what they have learned about leading quality standalone organizations, to include the concepts of competitive collaboration and network participation. NACUSO intends for this working group to be the future catalyst for new designs and credit union marketplace response.

These are big goals. Check out www.nacuso.org to better understand the Certification Program, the participants, curriculum, and projects.