A Cooperative Score initiative
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2012 Cooperative Score Self Assessment

CU*ANSWERS
A Credit Union Service Organization

COLLABREBATE
opportunity inside
In a time when many credit unions seem to have resigned themselves to sticking with “bank-lite” strategies that do little more than copy the guy down the street, perhaps a new index is one way to tweak the mindset. Much more than a marketing campaign to promote the credit union difference, a Cooperative Score could help underscore and reinforce the strategies that drive both institutional design and day-to-day execution.

So what’s your Cooperative Score? And is it anything you can brag about?

See how your credit union stacks up. The Co-operative Alliance has established identifying characteristics of cooperative organizations by listing seven principles that define them. Below are the seven principles as well as some indicators on how well you honor these principles at your credit union.

This is just a self assessment. There could be other programs or activities in your credit union that fulfill these principles.

Read the questions, score yourself, then total points at the end to see how you rate.

How do you stay on track?

- Stakeholder Loyalty
- Solid Foundation
- Voice in Governance
- Strong Community Presence
- Independence
1. Voluntary and Open Membership

While credit unions have defined market demographics for their field of membership, the cooperative principle of Voluntary and Open Membership speaks to the idea that all qualified consumers are welcome, embraced, and valued. You own, by simply participating. Your challenges mirror those of your peers, and your life dreams are welcome here. By pooling the challenges of all members, we can innovate together, building solutions that help everyone succeed.

1. **Do you have automated membership applications on your website, mobile website, and mobile applications?**
   - Yes, it’s an online application, +2 points
   - Yes, it’s a PDF print, +1 points
   - No, we you don’t have one, -2 points

2. **Do you have a “welcome format” when it comes to presenting membership requirements and are they posted in all consumer contact points?**
   - Yes, +2 points
   - No, 0 points

3. **Does your site have a switch kit?**
   - Yes +2 points
   - No, 0 points

4. **Does your website have a refer a friend or referral program?**
   - Yes, +2 points
   - No, 0 points

5. **Do you have a call center membership application process?**
   - Yes, +2 points
   - No, 0 points

6. **Do you post plans or goals for expanding your field of membership and your hopes to build larger communities of co-op members?**
   - Yes, +2 points
   - No, 0 points

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2. Democratic Member Control

Credit union members enjoy equal voting rights, and the men and women who serve as elected representatives are accountable to the membership. The power of ownership is at its strongest when members experience the democratic process and understand that they have a voice in the governance and direction of the credit union.

1. **Do you advertise the election process with the zest you use in advertising loan specials, branch openings, or savings products?**
   - Yes, +2 points
   - No, 0 points

2. **Do you have elections even when there is no contested contest, selling the power to vote every time?**
   - Yes, +2 points
   - No, 0 points

3. **What percentage of your members vote (use a three year average)?**
   - More than 41%, +7 points
   - 21-40%, +5 points
   - 13-20%, +3 points
   - 6-12%, +2 points
   - 0-5%, 0 points

4. **How many ways can your members vote?**
   - More than 3 ways, +5 points
   - 3 ways, +3 points
   - 2 ways, +1 points
   - 1 way, 0 points
5. How many days do the members have to vote?
   More than 1 week, +5 points
   1 week, +2 points
   1 day, +1 point

6. Can members vote online?
   Yes, +2 points
   No, -2 points

7. Do you advertise the power of volunteering as a community positive?
   Yes, +2 points
   No, 0 points

8. Do you spend more than you would for a loan promotion advertising the power of volunteering?
   Yes, +2 points
   No, 0 points

9. Do you advertise a wide open invitation to join our volunteers at the CU?
   Yes, +2 points
   No, 0 points

10. Are your board member processes and job descriptions advertised for all to consider?
    Yes, +2 points
    No, 0 points

Total for this principle

3. **Member Economic Participation**

   Via their elected representatives, members have control over how the cooperative’s capital is used – for developing the cooperative, paying dividends, or supporting any other activities agreed upon by the members. The power of that ownership is amplified when the member owner is paid in dollar and cents. Are you reinforcing the value of ownership by paying a return that clearly defined as an ownership dividend?

1. Do you advertise an ownership dividend beyond classic banking rates on loans and savings?
   Yes, +2 points
   No, 0 points

2. Do you budget an annual ownership dividend?
   Yes, +2 points
   No, 0 points

3. Do you budget and pay special dividends based on patronage appreciation?
   Yes, +2 points
   No, 0 points

4. Do you advertise your charitable donation and community participation as good works by your ownership?
   Yes, +2 points
   No, 0 points

5. Do you advertise the value and the drive of your board to ensure ownership returns?
   Yes, +2 points
   No, 0 points

6. Do you advertise the growing value of your capital as a community asset and a fund that is willed to the future for the future community members?
   Yes, +2 points
   No, 0 points

Total for this principle
4. **Autonomy and Independence**

Cooperatives value the autonomy and independence of their communities and the rights of members to be individuals, unique within the cooperative. The common bond is at its strongest when its members see diversity as strength. “We” are our community and our community values individuals and their dreams.

1. **Do your products and services respect multiple approaches to saving and borrowing?**
   - Yes, +2 points
   - No, 0 points

2. **Can members opt in and opt out of your member marketing, courtesy pay programs, and other services?**
   - Yes, +2 points
   - No, 0 points

3. **Do you have relational pricing that allows members the options to define their returns and fees?**
   - Yes, +2 points
   - No, 0 points

4. **Do you have special programs that aid diverse groups in taking advantage of the credit union?**
   - Yes, +2 points
   - No, -2 points

5. **Does your board have a sustainability program to ensure its ongoing vibrancy and renewal?**
   - Yes, +2 points
   - No, 0 points

6. **Does your board have a succession plan for key team members to ensure sustainability?**
   - Yes, +2 points
   - No, 0 points

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5. **Education, Training and Information**

The power of ownership is the ability to gain insight into how cooperative businesses work, so that members can become better buyers and better owners of cooperative services. Cooperatives – credit unions – educate members to see the value from both sides of the table. Education is a foundation, and life learning for all participants of the cooperative is the goal. Cooperatives educate their members, elected representatives, managers, and employees so that everyone can contribute to making the cooperative stronger. They inform the public – particularly young people and opinion leaders – about the nature and benefits of cooperation.

1. **Does your credit union offer online education and consumer aids?**
   - Yes, +2 points
   - No, 0 points

2. **Does your credit union offer special auditing opportunities for board meetings, and other member governing events?**
   - Yes, +2 points
   - No, 0 points

3. **Does your credit union post its business plan for members to see?**
   - Yes, +2 points
   - No, 0 points

4. **Does your credit union sponsor education within your community?**
   - Yes, +2 points
   - No, 0 points

5. **Does your credit union reward educational achievements?**
   - Yes, +2 points
   - No, 0 points

6. **Does your credit union have a board member/volunteer education program?**
   - Yes, +2 points
   - No, 0 points
6. Cooperation among Cooperatives
Cooperatives can serve their member owners best by working together – locally, regionally, and nationally – and by encouraging all participants to default to collaborative responses when approaching business problems.

1. Does your credit union have a policy to review for Cooperative Solutions in the procurement procedures?
   Yes, +2 points
   No, 0 points

2. Does your credit union participate in partnership with other cooperatives?
   More than 5, +5 points
   3-5, +3 points
   1-2, +1 point

3. Does your credit union participate in Cooperative Trade Associations?
   Yes, +2 points
   No, 0 points

4. Does your credit union participate with non-credit union Cooperative Trade Associations?
   Yes, +2 points
   No, 0 points

5. Does your credit union sponsor the creation of new Cooperatives?
   Yes, +2 points
   No, 0 points

Total for this principle

7. Concern for Community
Communities are not just defined by geography! Today “community” is used to represent a common mindset, affiliation, or any other way in which people identify with each other. This principle speaks to a respect for peers who share common goals, challenges, or opportunities, and who choose to work together toward everyone’s success. Cooperatives wear their community pride for everyone to see!

1. How many communities does your credit union recognize as key to your members’ success?
   More than 100, +10 points
   26-100, +5 points
   11-25, +3 points
   1-10, +1 points

2. Has your credit union added a new community to its business plan in the last year?
   Yes, +2 points
   No, 0 points

3. Does your credit union participate in key community events?
   Yes, +2 points
   No, 0 points

4. Has your credit union been recognized as a positive force by a key community publicly in the last year?
   Yes, +2 points
   No, 0 points

5. Do you have a public relations committee and on-going budgeted tactic?
   Yes, +2 points
   No, 0 points

6. Do you present 3 press releases each month to local, regional, and national groups?
   Yes, +2 points
   No, 0 points

7. Do you support and fund community involvement by staff in your communities?
   Yes, +2 points
   No, 0 points

8. Do you regularly host community leaders and have your board/volunteers participate?
   Yes, +2 points
   No, 0 points

Total for this principle
How Did You Do?
Total up the points from each section and see how you did on the chart below. We recognize there are myriad other activities that qualify for the cooperative principles, so if you have suggestions for additional criteria for a future Cooperative Score Self Assessment, submit them online at http://score.cuanswers.com.

This assessment has a total of 116 possible points.

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Cooperation among Cooperatives
7. Concern for Community

Grand total

<table>
<thead>
<tr>
<th>Your Score</th>
<th>How You Did</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than 104 points</td>
<td>Congratulations, you are a shining example of a true cooperative.</td>
</tr>
<tr>
<td>80-103 points</td>
<td>Not bad, not bad at all. You are doing well.</td>
</tr>
<tr>
<td>58-79 points</td>
<td>Need to work a little more on your core cooperative values. Step 1: find someone who scored higher than you and ask how they did it.</td>
</tr>
<tr>
<td>Less than 58 points</td>
<td>You are a cooperative, right?</td>
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Have other suggestions on how your credit union puts these cooperative principles to work? Submit them at http://score.cuanswers.com/
Learn more about Cooperative Score by watching our video at cuatv.com