

Video Transcript Jennie Boden 4 Key Elements of Governance

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By Jennie Boden

Jennie Boden 00:14

I'm really excited today to tell you about some new findings that are coming out in the 2023 State of Credit Union Governance report that we published in partnership with CUES, Quantum Governance, and the University of North Carolina at Chapel Hill.

Jennie Boden 00:30

We established for the first time a correlation between what we identified as the four key elements of good governance. Those elements are board members fulfilling their roles and responsibilities, accountability, board member engagement, and a leadership culture of trust.

Jennie Boden 00:49

And what we found is, if one of those elements is suffering, it's likely that the other three are suffering, too. Likewise, if you're excelling in one of those elements, chances are you're excelling in the other three elements as well. If you're struggling under the weight of a lack of positive trust within your board, there's now something that we can say tactically, and directly and strategically that you can do. You can work on accountability; you can work on engagement issues; you can work on fulfilling your board member roles and responsibilities; you can work on any one of the other three and your trust will rise.

Jennie Boden 01:45

Likewise, if your engagement is suffering, work on the other three elements, or any one of the other three elements, and your engagement will rise as well. It's not causal. At this point, we can say that it's a causation, but a very, very strong correlation.

Jennie Boden 02:09

You can either start with the easy work, or you can start with the hard work. And it really depends on where your credit union falls. If you have really strong resources and a really strong bench, if you've got an organizational psychologist working with you and you want to tackle the trust question, start there. If you want to focus on roles and responsibilities and organizational structure and just getting your board members engaged, start there. You'll see that the other scores will eventually rise as well.

Jennie Boden 02:50

Listen, you probably have an intrinsic sense already. But to have a really clear sense, to really know where you stand and be able to measure your progress, there are firms like Quantum Governance that

can help do that work for you and with you as a partner. What's really important is that you begin to look at yourself from a governance perspective.

Jennie Boden 03:19

We also found in this study that most credit unions, we looked at for different operating sizes, that most credit unions are not fully satisfied with the effectiveness of their governance. So it's important at each size at each growth threshold that you're evaluating where your governance is and fully taking a look at how you should be positioning your governance for that next level of growth. This study and the studies that we've done in the past can help you fully position your credit union governance for mission success now and into the future.