



# 2020 Impact Report

## Callahan & Associates

# Message From The CEO

---

For 35 years, thousands of credit unions have trusted Callahan & Associates to provide comparative analysis and strategic insight. Our 35th year (2020) was nothing like the previous 34, but when I look back on the past 12 months — for both the organization and the movement — I feel inspired. I feel hopeful. I feel proud.

Looking ahead to the challenges we will face as the country recovers from the COVID-19 pandemic, I see credit unions serving as cornerstones of progress. The steadfast focus credit unions hold on improving the lives of their members and communities will prompt them to design and implement innovative solutions. Although it is difficult to predict what the next year will bring, for many people, their financial lives are going to get worse before they get better. Members and communities need partners like credit unions to look out for them as they recover and rebuild.

At Callahan, we talk a great deal about purpose. Our work across the industry has shown that innovation comes easy for organizations that have a clear purpose that everyone understands and on which everyone agrees. Credit unions were formed to help solve challenges posed by the Great Depression. Although today's context is different, the needs of members are just as real. One of the aspirations we hear many credit unions have is to become — or remain — a pillar of their community.

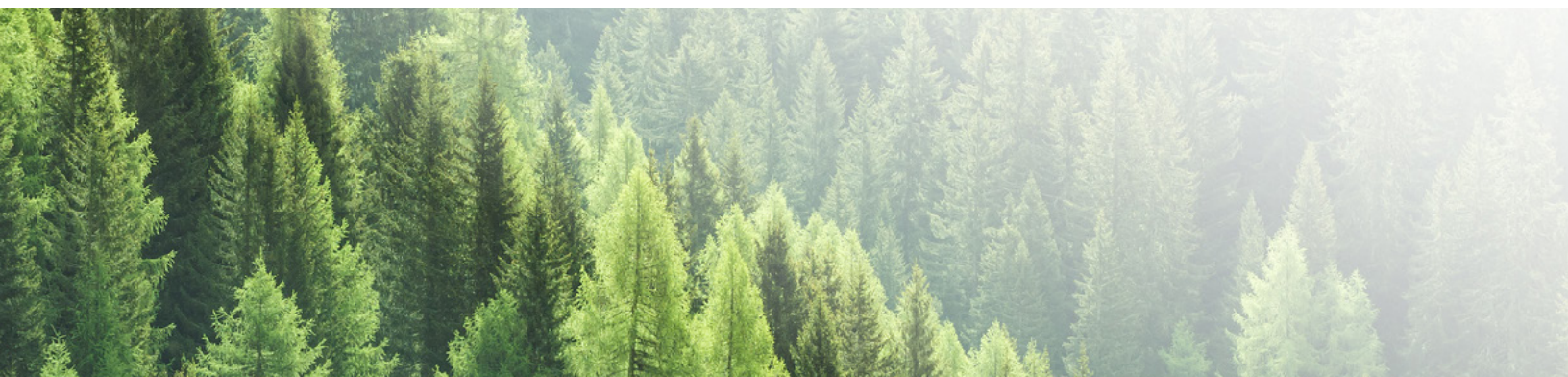
Looking forward, we at Callahan know credit unions will embrace the opportunity to play an important emotional role within the communities they serve. People are looking for hope and validation, both of which are part of the value proposition of our industry.

As I look at the contributions Callahan made to credit unions in 2020, I am amazed at how our team came together. From virtual roundtables and planning sessions to our 2nd Purpose Symposium and the development of impact tracking tools and dashboards, our team tirelessly focused on giving credit unions the context and inspiration to deliver member value.

Finally, as we reflect on what has been a challenging year, I am reminded of a favorite quote from Ed Callahan: “Run with good people, and good things will happen.” I am proud to run with a great team at Callahan and to support the leaders in our movement. I cannot wait to see what big things the future has in store. Members are counting on us!



**Jon Jeffreys, CEO**



# We Are The Credit Union Company

---

Helping credit unions thrive is in our DNA at Callahan & Associates. We combine credit union data and analytics with insight from the industry's best minds to identify market opportunities, solve shared challenges, and discover ways credit unions can better serve their members.

## OUR MISSION

---

WE EMPOWER CREDIT UNIONS  
TO IMPACT THEIR MEMBERS AND  
COMMUNITIES IN MEANINGFUL WAYS.



## OUR VALUES

---

### LEADERSHIP

We lead by inspiring and empowering one another and apply our experience to deliver thought leadership that moves the credit union industry forward.

### INTEGRITY

We always act and interact in an honest, ethical manner.

### COLLABORATION

We foster collaboration — with one another and the industry we serve — to build communities, produce valuable outcomes, and create a winning culture.

### RESOURCEFULNESS

We are curious, hungry for knowledge, and unafraid to roll up our sleeves to find creative solutions that get the job done.

### IMPACT

Our ongoing commitment to excellence creates an enduring effect on our clients, communities, and employee-owners.

# 2020 Highlights

Hosted  
**826**  
 credit union leaders at

**56**  
 virtual Roundtables.

Helped **37**  
 professionals find  
 their purpose through  
*Sustainable Business  
 Strategy with Rebecca  
 Henderson.\**

Investors in the Trust for  
 Credit Unions earned  
**\$16.6 million**  
 more than comparable  
 investments in 2020 —  
 meaning more revenue to  
 return to members.

Facilitated **70**  
 strategic planning and  
 consulting sessions.

Brought together  
**1,300 people**  
 for our Pandemic  
 Response webinar.

Completed **23** custom  
 data projects to help  
 credit unions visualize  
 their performance.

Featured **171** credit unions  
 on award-winning editorial site  
 CreditUnions.com.

\*OFFERED IN COLLABORATION WITH HAVARD BUSINESS SCHOOL ONLINE.

# Navigating An Uncertain Year Together

We simply cannot look back on the past year without reflecting on the unprecedented challenges we faced as a company, industry, and nation. When March 2020 hit, and the pandemic became a global reality, Callahan and credit unions alike jumped to action and quickly pivoted to a remote environment to protect employees and members.

The fear of the unknown was numbing at times. To navigate the crisis, the team at Callahan rallied together to support credit unions where they needed us most.

## BEST PRACTICES & CONTENT GENERATION

We brought together **1,300 industry professionals** for the free industry webinar **"How Credit Unions Are Addressing COVID-19."** During the event, four leaders from across the country shared their perspectives on and plans for the pandemic. Topics included personnel management, travel, disaster recovery, branch services, member impact, and more.

After fielding numerous requests for examples of policy and response plans, we created a free resource for credit unions to share tactical documents or templates. The **Pandemic Response Repository** provided a starting point for policy creation and helped credit unions avoid duplicative administrative work. In just two weeks, we received **60+** submissions ranging from disinfection and return-to-work plans to relief and pandemic assistance loan program outlines.

The **CreditUnions.com** editorial staff vowed to help credit union professionals navigate these new waters. During regular editorial meetings, the team discussed what was top of mind for the industry, then interviewed more than **100 credit unions** and wrote **115 response stories**. Our in-depth features, case studies, and interviews covered a variety of angles, providing advice and practices that credit union leaders can still rely on for



inspiration and guidance. The most popular articles of 2020 included:

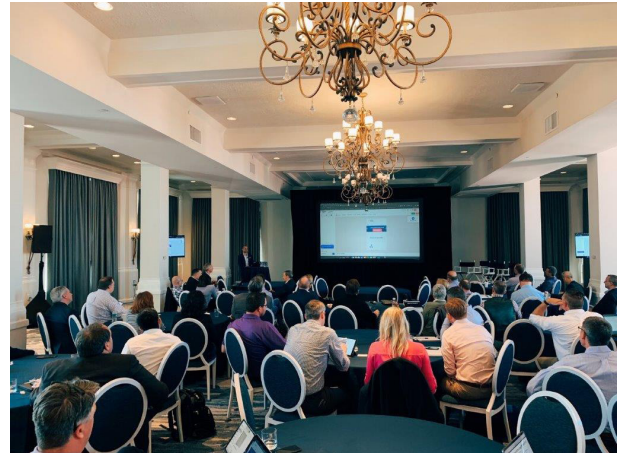
- 10 Best Practices For Working From Home
- 6 Lessons For Remote Leaders
- How The Pandemic Is Reshaping The Future Of Member Service At Tucson FCU
- ACTing With Empathy
- Lending Pros Share Pandemic-Fueled Lending Lessons
- Social Media Dos And Don'ts During COVID-19

## COLLABORATION

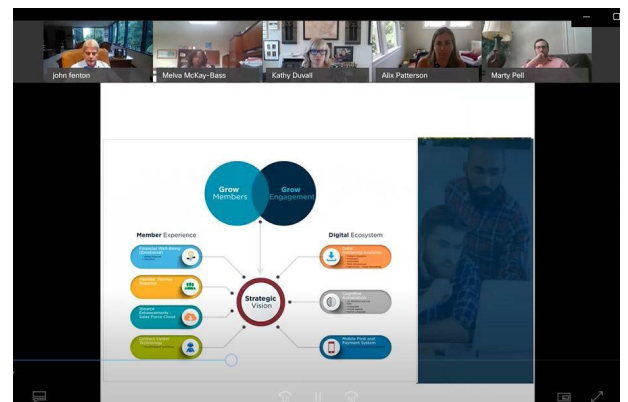
To ensure credit union professionals had the opportunity to learn from and lean on one another during this rapidly changing time, Callahan adapted the format of our traditional **Executive Roundtable events**. Within weeks, we pivoted from **17 in-person events** to an easily accessible, socially distanced remote model. Every four to six weeks, executives came together for 90 minutes to share what was on their minds, ask questions, and discuss how to navigate the evolving challenges of the new environment. This same event model continues into 2021.

By the end of the year, we had hosted more than **55 Roundtables**, bringing together **826 credit union professionals** along the way.

The pandemic did not stop the momentum or innovation of CUFSLP credit unions. The Callahan Credit Union Financial Services Limited Partnership (CUFSLP) — composed of executives from **32 leading credit unions** across the United States — continued to collaborate throughout the year. After kicking off 2020 in-person at a semi-annual meeting in St. Petersburg, FL, CUFSLP pivoted to virtual sessions for the remainder of the year. Online sessions focused on key topics that mattered the most to the partners, including DEI, financial health, impact, mission, the financial effects of the pandemic, the future of work, and much more. The remote environment enabled more executives to participate in these vital discussions and promoted engagement throughout the year.



JANUARY 2020, ST. PETERSBURG, FL



JULY 2020, VIRTUAL

## DATA & INSIGHTS

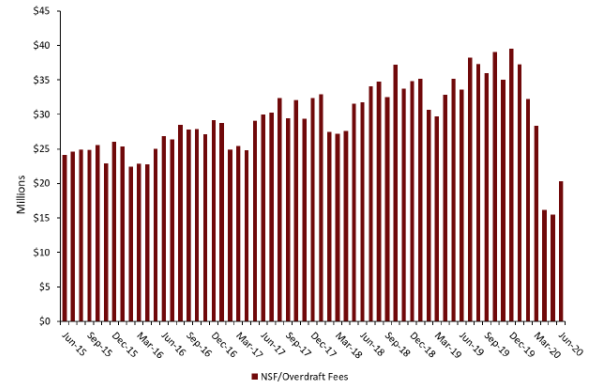
Providing credit unions with accurate, detailed data has always been a core value for Callahan. As times change, so must data analysis. In 2020, our development team rolled out functionality that gives credit unions the ability to upload data outside of the 5300 into Callahan’s analytics platforms. This is the future of performance benchmarking.

Dwindling non-interest income has become a concern for many credit unions. So, we launched detailed data sets that give credit union executives the ability to break down call report metrics into more granular details for the first time ever. **147 credit unions** uploaded and used this data to more effectively benchmark their performance and plan ahead for 2021.

This infrastructure will allow Callahan to augment future datasets in the hopes of better serving the performance benchmarking needs of credit unions for years to come. Next up: a deeper dive into salary and benefits as well as credit union impact.

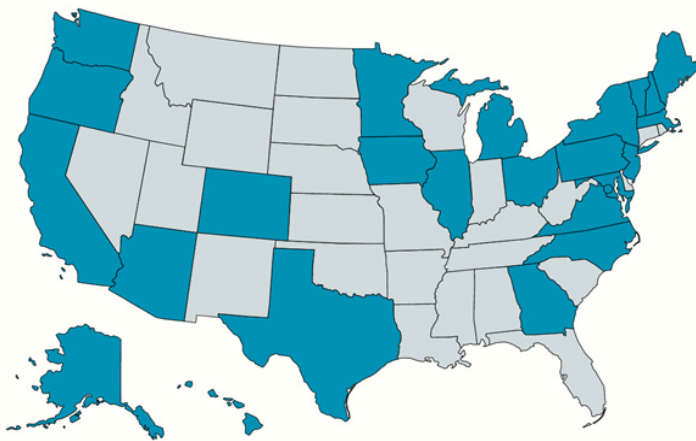
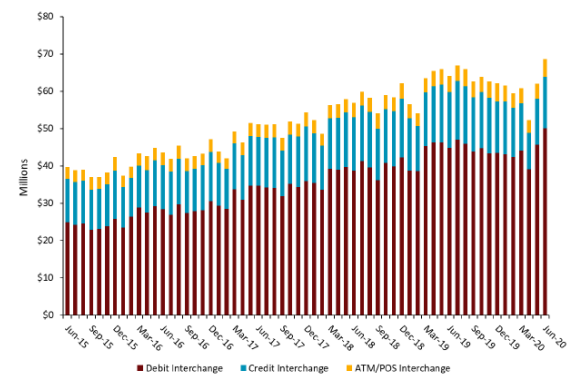
### TOTAL NSF/OVERDRAFT FEES BY MONTH

FOR 112 PARTICIPATING CREDIT UNIONS | DATA AS OF 06.30.20  
SOURCE: CALLAHAN & ASSOCIATES



### TOTAL INTERCHANGE EARNINGS BY MONTH

FOR 112 PARTICIPATING CREDIT UNIONS | DATA AS OF 06.30.20  
SOURCE: CALLAHAN & ASSOCIATES



DURING THE YEAR, WE CONDUCTED 70 CONSULTING SESSIONS FOR CREDIT UNIONS ACROSS THE NATION RANGING FROM \$27 MILLION IN ASSETS TO \$20 BILLION+.

## STRATEGIC GUIDANCE

Strategic planning did not stop because credit unions were unable to meet in person. In fact, the year’s unprecedented challenges meant leaders and boards needed planning as never before. In June, we launched our free “Guide To Virtual Strategic Engagements” to help credit union leaders think through, plan, and execute successful virtual strategic engagements.

During the year, we conducted **70 consulting sessions** for credit unions across the nation ranging from \$27 million in assets to \$20 billion+.

These sessions illustrated just how dedicated credit union executive teams and boards are to serving the evolving needs of members. We are proud of the hard work and progress we continue to see the industry make.

# Helping Credit Unions Find Their Purpose

Many credit unions still push rational attributes — fees, rates, and convenience — as key differentiators rather than promoting how they positively impact the lives of their members. In 2020, Callahan helped credit unions take big strides in making their narrative more purpose-driven.



## LEADING WITH PURPOSE

**70 credit union leaders**, including more than 30 in 2020 alone, completed *Sustainable Business Strategy with Rebecca Henderson*. This online course, offered to the industry in collaboration with Harvard Business School Online, helps credit unions focus on leading with purpose.

*"Sustainable Business Strategy with Rebecca Henderson was a life-changing experience for the leadership team at Interra Credit Union. The course and learning experience made our team think differently about our obligation to serve our members and pushed us to redefine our business model to ensure we don't leave any member behind."* – Amy Sink, CEO, Interra Credit Union

## FINANCIAL WELLBEING & MEMBER ENGAGEMENT

Callahan & Associates and Gallup launched a collaborative program to help credit unions increase engagement through the lens of financial wellbeing.

This program entered its second year in 2020 — with **8 credit unions** leading the force. The consortium refocused in the face of COVID-19 and surveyed members to understand their feelings and fears during the pandemic. The group then used those insights to enable front-line employees to help members during their time of need, thus supporting a rise in financial wellbeing scores.



## LAUNCHING IMPACT INITIATIVE

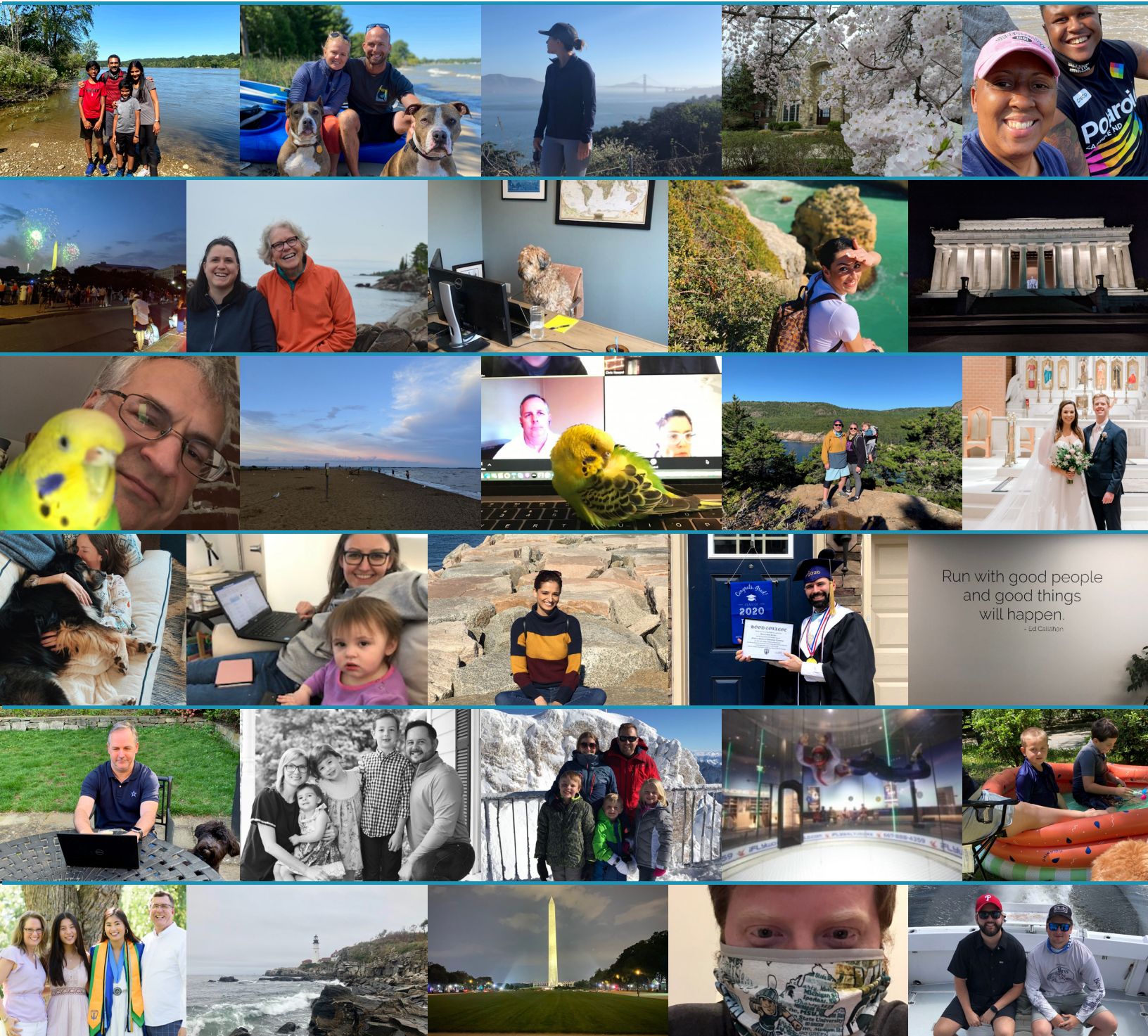
The term "impact" has gained in popularity during the past 12 to 18 months, but there exists little consensus as to what that means or how credit unions should define it or how we can track it as an industry. The goal of Callahan's new initiative, launched in late 2020, is to empower credit unions to better articulate their impact through a mission-focused lens with the help of new metrics, best practices, and advisory services. So far, we have **100+ leading credit unions** raise their hand and say they want to be part of the industry solution.



# The Best Is Yet To Come

2020 was a year to remember. We are proud to be a part of a flourishing industry that exists to improve the financial lives of members across the country.

Let's make 2021 our best year yet.



Run with good people  
and good things  
will happen.

- Ed Callahan