

Board Development

Benefits Snapshot:

- Creates trust between the Board and CEO
- Unifies your Board and CEO around how each party complements the other and contributes toward the organization's desired results
- Builds strong trust, by improving the "messages" each party sends through their actions
- Enables Directors to relax and focus, having clear definition of their roles and clear knowledge of the CEO's roles and accountabilities
- Unites your Board and CEO around precisely how the Board works and exactly what the organization expects of its Directors and the CEO
- Assures the high quality contributions of current and future Directors

Definition:

Effective Board development results in the successful performance of the board's primary directive: "The Board shall have the general direction and control of the affairs of the credit union and shall be responsible for performing all duties customarily performed by Boards of Directors."

"All that is valuable in human society depends upon the opportunity for development accorded the individual"

Albert Einstein

"The perfecting of one's self is the fundamental base of all progress and all moral development."

Confucius

"Income seldom exceeds personal development."

Jim Rohn

Overview:

There is a great need within credit unions for strong Board governance, including acquiring and developing high-quality Directors who execute the Board role effectively. Effective Boards own their role, which is strategic and doesn't extend into the tactics.

Investing in your Board's effectiveness may be the greatest single investment you can make in the future of your credit union. Because Directors are volunteers, they are often greatly benefited by focused, customized development.

Nice Approach:

Nice's Board Development process equips your Directors with a clear understanding about their roles and responsibilities and where they should focus their time in Board meetings in order to best serve the credit union. It gives your Board the necessary information and tools to become truly strategic leaders that employ the principles found in your credit union bylaws and to deliver their unique contribution as member-owner representatives.

Board Education

Benefits Snapshot:

- Creates Board role clarity
- Removes unproductive types of interactions and "time sinks" from the Board-CEO relationship

- Unifies your Board and CEO around how each party complements the other and contributes toward the organization's desired results
- Builds strong trust by improving the "messages" each party sends through their actions
- Enables Directors to relax and focus by having a clear definition of their role and a clear knowledge of the CEO's role and accountabilities

Definition:

Board Education is the process of equipping your Directors with a clear understanding of their role and responsibilities.

Overview:

By directly comparing and contrasting the ideal roles of the Board and CEO, the Board will solidify a clear understanding of what they will directly contribute to leading the credit union and what they will delegate to the CEO to achieve.

Nice Approach:

Through Board Education, Nice Enterprises, Inc. will systematically guide your Board of Directors through creating the logical connections that make their appropriate strategic role clear and memorable. Beginning with the Board-focused definitions found in your credit union bylaws, the Board will discover its right role. Based on examples drawn from other, progressive credit unions, the Board will determine the key focuses that will enable them, as Directors, to devote a limited number of hours to Board functions, while simultaneously assuring they fulfill their fiduciary responsibilities and position the credit union for maximum success.

Governance Policy Development

Benefits Snapshot:

- Takes the guessing, "remembering" and disagreements out of implementing Board policies, processes and meetings, enabling more time to be invested in future-focused governance
- Enables new Directors to get "up to speed" more quickly
- Removes exorbitant Board administrative burdens by centralizing all Board commitments, forms, etc.
- Eliminates actual and perceived micromanagement by the Board

Definition:

The Board Governance Policy Handbook is the tool for implementing your entire range of Board policies and processes and housing them in one easy to administrate set of documents.

Overview:

The Board Governance Policy Handbook combines the best practices of numerous progressive credit unions with the policies unique to your credit union in order to create clear direction and agreements for all of your Directors, both new and veteran.

The Board Governance Policy Handbook uniquely builds a governance foundation based on modern Board governance theory including that of John Carver. It combines leading theory with the pragmatic requirements that are unique to the credit union industry, in order to make your Board's policies and procedures robust, relevant and easy to use.

Nice Approach:

In developing your custom Board Governance Policy Handbook, Nice Enterprises, Inc. will introduce best practices that move your Board toward better governance. By uncovering the existing commitments and needs of your Board, the group interactively customizes the handbook so it's tailored to your organization.

The Board Governance Policy Handbook solidifies the agreement of all Directors around how they implement their role as well as expands their thinking and actions.

Your organization's final Board Governance Policy Handbook will be a document developed through facilitated interaction and comprehensive review by your Directors and CEO. You will gain clarity about how your Board does its job and what it expects from the CEO.

CEO Compensation

Benefits Snapshot:

- Higher performing CEO
- Greater motivation
- Retention of top talent

Definition:

CEO compensation is how top executives are paid. This term includes salary, bonuses, options and other company benefits, including retirement.

Overview:

CEO compensation is an outflow from effective strategic Board policy governance. It is the ultimate example of the Board "speaking with one voice," which is the central act the Board takes in setting credit union direction. One of a successful Board's top focuses should be to "hire, retain and motivate a focused CEO." This is the single most important directive that a Board has, because it is what enables all of the other Board and credit union outcomes to be productive.

CEO compensation is an essential building block that the Board has at its disposal to promote organizational success and to model doing the "right thing" for the credit union as a whole. As the Board navigates best practices, avoids excuses and builds a highly effective CEO compensation program, they will be fulfilling an essential part of the Board's responsibility in serving the membership and providing for the best possible future for the organization.

When it comes to setting compensation for the CEO, many volunteers have difficulty looking beyond their own employment experiences and expectations. In comparison to for-profit financial institutions, credit union CEO salaries have stagnated. In fact, the average CEO compensation package is anywhere from 15% to 25% below that of their for-profit counterpart, running the exact same type of organization. In some cases, the chasm is even larger. We strongly believe that this must change in order for an organization to reach its full potential. Underpaying the CEO and other key executives will ultimately undermine a credit union's long term success.

Boards that pay their CEO at, or well above the 75 percentile in total compensation rarely, if ever, are disappointed in the results that their CEO and organization produce.

Nice Approach:

Using a step by step process Nice will help your entire Board understand the reasons, principles, processes and most common mistakes that are involved with determining CEO compensation. Nice will help you properly and fairly compensate your CEO for the work that he or she is doing which will, in turn, positively impact your entire organization.

Assessment System

Benefits Snapshot:

- Brings the Board together around its key development needs and focuses
- Sparks stronger communication among and between Directors
- Interactively addresses the issues, concerns or differing perceptions that the Board needs to discuss
- Takes the guess work out of determining how the Board can improve its results
- Increases the understanding and pace of growth within the Board, giving it more capacity to effectively govern the growing and increasingly complex credit union

Definition:

A tool that empowers Directors with the insight needed in order to develop.

Overview:

The Board Assessment System & Counsel uncovers the Board's (and/or Supervisory Committee's) key growth and improvement opportunities. Through detailed peer assessment of each Director and the Board as a whole, each individual and the group will gain clarity around where to focus their development in order to better serve the membership. Through optional facilitated counsel, the Board will establish its detailed improvement steps for becoming an even stronger Board.

From the Board Assessment System & Counsel your Board will gain clear understanding of its strengths, weaknesses and current limitations. It will also build stronger trust, openness and communication between Directors that will enable stronger results going forward.

Nice Approach:

The Board Assessment System & Counsel will empower the Board with clarity on which categories and specific areas are strong and which require additional development. The specific, 26 question assessment survey is completed by each Director for themselves and for each of the other members of the Board. The scores are compiled and scored on the proprietary Nice Enterprises, Inc. software and the results provide ideal direct input for enabling each Director to tailor their development to best serve the membership.

Most importantly, the assessment results will launch the priceless conversations that your Board needs to have about its perceptions, strengths and weaknesses. This process can be facilitated by the Board Chairperson or by Nice Enterprises, Inc.