



EDUCATED INVESTOR®

EDUCATED INVESTOR Q&A

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Q-How did you first get involved with the Educated Investor University?

I was asked to be Air Academy's manager of training and during our internal discussions we decided that the quality of the training available mattered most. Our Human Resources manager, Lisa Passalacqua had met Joe and she asked me to look into it. In fact, it was the only program she handed over because she thought it enhanced our organization. She thought it was a good fit with our departmental goals.

Q-Do you think the benefit will be more sales of investments and retirement products?

Yes, I do, but it wasn't about an either-or. There are simply two benefits to the program, particularly if you consider training as a whole. My focus was to make access to training available, to give employees what they needed. The side benefit may be sales, but our initial thinking was that we owed this to employees. In speaking with my EVP, we decided that if we want CU employees to take an active part in the CU business that we should provide a way to learn what's involved. There is so much information for them to know. When I asked what our priority would be, training employees or sales, he responded: employees first. We are an education credit union ourselves; we have a lot of school districts as member-SEGs and do a great deal of outreach to them. It only seems natural that we stand for that.

That is not a Pollyanna attitude, either, but you can't expect employees to sell something they don't understand. You can't sell what you don't know. We want our employee to develop a relationship with members and if employees are well educated and well versed in financial products and are made to understand just why we choose the products we offer they are more confident and better able to build on that relationship with the member. Finally, if greater sales are a result, great. It's also important not to try to sell the wrong product, so this works from both the business and employee perspective.

Q-How did you start?

Joe asked for my participation in developing the product and I agreed. Myself and Debbie Cronk, one of the trainers, worked on it together and we were on the pilot program and participated in the monthly teleconferences.

Q-How did that go?

I realized that I enjoyed working on it. Part of the reason for that was because things were so open and honest. There was no holding back. We said what we thought and our input was welcomed. That what struck me as so different about this process, it was truly participatory.

Q-Why do you suppose that is?

I think it's because Joe has got the right perspective. He wanted our help in developing a product with users in mind, and that's not always the case. He asked, "What are your needs?" That made it worth taking the time to be involved.

Q-Did you see changes as a result of your suggestions?

Yes, I did. In the content itself there were several things we were involved in that changed. I saw results, for example, in the glossary and terms. I asked that terms in content copy be highlighted so that if someone didn't understand a word they could click and go to the definition in the glossary and then go back to reading. That allows people to learn quickly, without having to lose track of where they are. So I did have an impact and it was heard. I also gave some ideas about the pricing structure.

Q-Do you see an advantage in online learning versus other methods?

I think they go hand-in-hand. The other standard methods are still useful, of course and I think the split we've come up with is good. They seem to offset and compliment one another. We use CUNA classes, and they have a recognition factor, certificates, and the Educated Investor University will do the same. It's about self-development and giving valuable knowledge to employees. That knowledge allows them to serve members better.

Q- How?

Before, maybe they were hesitant about answering a particular question about a financial product or service. But learning can change that hesitancy into confidence. Simply, an educated employee is a more satisfied employee and they will do better in sales and referrals in the long-term.

Q-What did you learn from the process?

I learned that this company really cares about what they do. I've been involved in things like this before, but I was pleasantly surprised this time around. The programmer came out to see us and we sat down for a few hours to talk. It made a big difference. It's a program like no other I've seen.

Q-What did your employees think of the material?

Some employees asked for more modules. They said the material was apprehensible and they said it was worthwhile. When we first asked for volunteers, 11 responded. We told them we wanted honest feedback and they gave it. Actually, whether we bought the program or not was contingent on that feedback. That's why we bought it. We purchased a full license so all our employees can take all the classes. We're rolling it out in early April and hope to start with at least one rep in each our branches.

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EDUCATED INVESTOR®

EDUCATED INVESTOR UNIVERSITY Q&A

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Q- How did you first get involved with the Educated Investor University?

A- I first got involved after meeting JoeSaari at a CUNA HR Training and Development Summit in Palm Springs in March 2005. He had a vendor table with information about the Encyclopedia of Personal Finance, and because I had already been involved in financial education of youth using the National Endowment for Financial Education (NEFE) materials, I was intrigued about this resource for adults.

Q- What strikes you the most about the state of financial literacy?

A- The lack of it. While it is improving, I am still amazed at the number of states that do not have a graduation requirement for students to learn even the basics of finance or how to manage a budget, write checks, use credit wisely, etc. As a result, many adults have had little, if any, education about personal financial literacy topics and skills. It seems to me that there are two things we just don't like to talk about in America: death and money.

Q- Where is the CU involvement?

A-Credit unions are committed to financial education, and that's why I think the Educated Investor University is a great fit. When I spoke with Joe, we talked about how many adults view financial management, investing and saving for retirement as very difficult and complex concepts, and how credit unions are well-positioned to help them understand those topics and are trusted to provide sound information to members. Taking it one step further, we spoke about how credit union employees could be the front line in that effort, but they may lack the knowledge and confidence to do so. If they could learn about those topics, they would be able to help members more effectively.

Around that time I was also asked to be involved with researching online learning vendors at DuTrac. I think there is an information gap in that there is an assumption that CU employees understand finance. If a member asks, 'What's the difference between APR and APY?' for example, or the difference between credit cards and fees, or loan terms. It's true that a credit union employee can know the features and benefits of a product they sell without having the deeper knowledge of what it is and how it works or what alternatives exist.

Q- So, is that what really got you involved, the prospect of educating CU employees?

A- Yes, it is. I believe –and it is our first goal– that if we educate our staff to better their financial literacy, both they AND our members will benefit. The secondary benefit will be increased sales of products and services that better meet members' needs. So when Joe contacted me later and asked me to be involved in the development of the Educated Investor University, I said yes.

What impressed me was his deep passion for credit unions and the willingness to work with credit union people to design and develop this online learning experience.

Q-In your initial research of online learning vendors for DuTrac, did you ever find other options as promising as this one?

A-On topics for personal financial literacy, no, I didn't.

Q-How did you proceed?

A-There were two credit unions and four staff members involved from the outset. Beginning in September 2005, we participated in a one-hour teleconference once a month, and sometimes spoke in-between. We concluded this phase after 16 months, in December of 2006. We helped Joe and the programmers with ideas and suggestions to make the website easier to navigate and manage. The working concept was simply that it had to be flexible and yet deliver sound information in a useable format. We tried to make it as intuitive as possible. Early on we talked about administrative level concerns like setting permissions for who would have access to information about courses taken, and individual scores. We also asked for details like to be able to allow individual users to change the font size of the copy, too, which they incorporated. We also talked about some of the courses being too long and breaking them up into separate parts.

Q- What do you think of the content itself?

A-The content is taken from the Encyclopedia and it is accurate and up-to-date.

Q-How did the CU employees like it?

A-After all of our staff participated in the validation of the questions in the initial assessment, which measured the beginning level of knowledge, we invited people to take up to three selected courses and give feedback on the content, ease of use and so on. Overall, our staff's response was very positive and their specific feedback about the courses and their experience with the online environment was measured by Joe and his team, and reported to us in summary with all other CU results. We have a great staff and they want to improve their knowledge.

Q-How did it go over, the bigger roll out?

A- What a difference it makes when employees have a sense of control over what they can learn. They generally feel much more positive about it; much more confident. And many staff asked to learn more about the personal financial literacy topics!

Q-Where does it stand now?

A-We're going to roll out the entire program soon (in the next month) as available to all employees and later may consider making several courses a requirement.

Q-What is your hope for this program?

A-I'd like to see a Users Group develop so that credit unions subscribed to the Educated Investor University can share best practices and strategies. I sincerely appreciate that CUs practice 'co-opetition' and can help one another avoid repeating mistakes or things that slow progress. I think that says something impressive about how credit unions operate. In addition, I am hopeful that a later phase in the development of the Educated Investor University will include the ability for us to allow our members access to the courses as well.

Q-What was different about working with Joe and the programmers on this?

A- The big difference is that credit union staff were involved on the ground floor of development. Joe and his staff communicate their sincere commitment to personal financial education, and their choice to partner with credit unions on this project speaks well for both his company, Precision Information, and for the commitment credit unions have to member education.

Q- Any predictions?

I'd like to see the Educated Investor University used in credit unions nationwide. It has the potential to impact the financial lives of staff members, and in turn, their ability to impact the financial lives of members in a very positive way.

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EDUCATED INVESTOR UNIVERSITY Q&A

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Q- How did you get involved?

I met Joe at a CUNA HR/Training and Development Council Conference in Palm Springs in 2005. We got to talking and he asked if I was interested in taking part in a pilot program for an online financial education program. I was intrigued, so I agreed.

Q- What do you think the prospects are for it? How will you use it?

I'm very excited about giving our staff this wonderful tool for increasing their knowledge of personal finance. My belief is that with a better understanding of their own personal finance, the better they are able to explain to members the various options and choices they have to manage their lives and improve their financial condition.

I think Joe and his team have created something awesome with the Educated Investor University online. It is simply a great tool. It is easy to maneuver around and it is complete. I mean there are no gaps in the content. It's very thorough and it's accessible. You can find exactly what you need and it is always there at your fingertips. I see it as an ongoing resource for my employees.

Q- How does it compare with other financial education programs?

Interesting question, because I have compared it with other online resources and find it more user friendly than many I've seen.

Q- How about learning online versus other methods; like classes, lectures, books?

One thing I can say is that there's always a place for 'conventional' methods. But for some people, particularly young people, when given a choice between learning from a book or taking an online lesson, they will opt for the online version almost every time.

Q- Did you enjoy being part of the test group?

Yes, and I found it very rewarding.

Q- In what way?

Well, initially, it was because of Joe's passion that we got involved, and then, the excitement of being involved in developing a unique product was interesting. That's especially true because it's designed for credit union people and worked on by credit union people. That made it feel different, I think, and inclusive.

Joe's novel approach of asking questions as we proceeded was very measured and detailed. He asked us what we thought of everything, even what you might think of as minor stuff, like the color of things or the size of a font, where logos might be placed and how big they should be, things like that. But what I realized is that all of those things play a part in how it is used, how readers see it, perceive it and learn from it. It's a total impact kind of thing, I suppose. I'd never realized how much goes into creating something like that.

Then, as we started working together on the teleconference calls, we began to see how deeply they were listening to our ideas and suggestions. I mean, it wasn't just talk about hearing our feedback, they were adopting our changes and really listening to us. That made it very special. We would make a suggestion and Joe would say, "Well, OK, we'll see what we can do about that," and the next time we met, Bam! There it was.

Q- Was it fun working with other credit union people on it?

Oh, Yes, definitely. Our conference calls got bigger and bigger. Now we even have a users group of sorts, and we talk to each other about how things are working, what we think of things and so on. I'm very impressed that Joe and his team are still monitoring their product that way. I think it says a lot about them.

Q- Would you say you were glad to have taken part?

I'm glad I was involved, yes.

Q- When will you roll out the program?

We wanted to have done that already, but had to reschedule for summer. We're in the middle of a merger with another credit union right now and at the same time doing remodeling, so we just can't get to it. But I'm really looking forward to it.

Q- Do you think people are confused about finance and financial planning in general?

Oh yes. It appears to be so complex. There is so much to learn, it's complicated and that can make people fearful of making mistakes, so they may not do anything and their money doesn't work for them as well as it should. And that's not the answer. Education is the answer. That's why I think this program can make a real difference. By helping our credit union's employees to learn, they will, in turn, help our members, and that's the whole point.

Q- Will the program be available to all employees?

Yes. We bought the enterprise license so that all employees will have access to it. To me, it doesn't matter whether you are a front line teller, a financial services consultant, or a vice president, you can always learn. And everyone should have the ability to learn more. And for those who already have financial training, there is always some thing changing, something new to learn.

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