

**Filene** Research Institute 

# WHAT'S THE BOTTOM LINE? CREDIT UNION DEI SURVEY READ-OUT

October 14, 2021

WELCOME

# TODAY'S AGENDA

- **Review of Filene's Inaugural Survey on DEI Policies & Practices at Credit Unions**
  - Research Questions & Relevance
- **Findings: Emergence of DEI Practice Bundles**
  - Read Out by the Researchers
  - Relevance & Implications for Credit Unions
- **Q&A**



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WELCOME

# INTRODUCTIONS



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**University of Pennsylvania**



# **ABOUT THE DEI PRACTICES & POLICIES SURVEY**

# RELEVANCE OF THE RESEARCH

## Measuring DEI

- **Baselining and benchmarking the industry**  
Begin to measure and track credit union system adoption of DEI policies and practices
- **Deepening our understanding across industries**  
Analysis will examine effects and relationships between DEI policies and practices and organizational performance

## Outcomes

- **Industry-wide view** of the reach of evidence-based DEI policies and practices
- **Data and insights** into the value of DEI for credit unions, including strategic guidance on policies and practices that are most likely to drive firm performance
- **Individualized scorecard** for participating credit unions
- **Complement to and support** for ongoing efforts by other credit union system partners

# ABOUT THE SURVEY

## What the survey asked about

- **Existing practices** relating to DEI and when they were implemented
- **Internal and market-facing written policies, plans, goals, metrics, benefits,** and development opportunities relating to DEI
- **Presence of senior-level official** or council to oversee DEI programs/initiatives
- **Presence of data tracking** and collection relating to DEI
- **Level of leadership commitment** to DEI
- **Organizational NPS score**

## What the survey did not ask about

- **Workforce demographics**
- **Measures of workplace inclusivity** or specific DEI outcomes
- **Individual perceptions**



# RESEARCH METHODOLOGY & SAMPLE

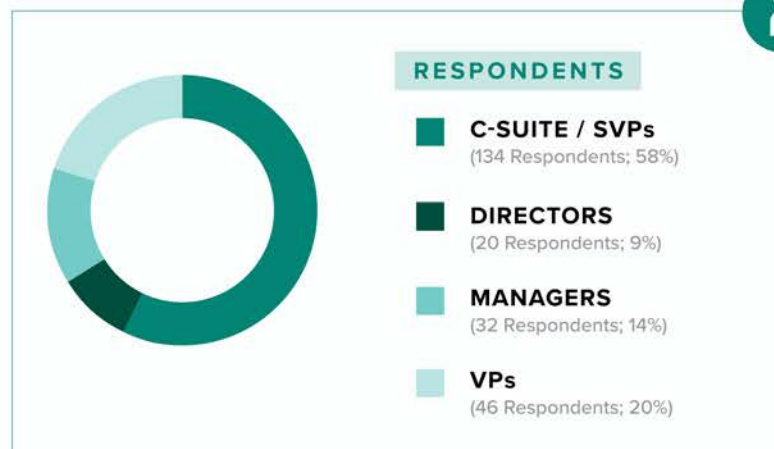


## SAMPLE

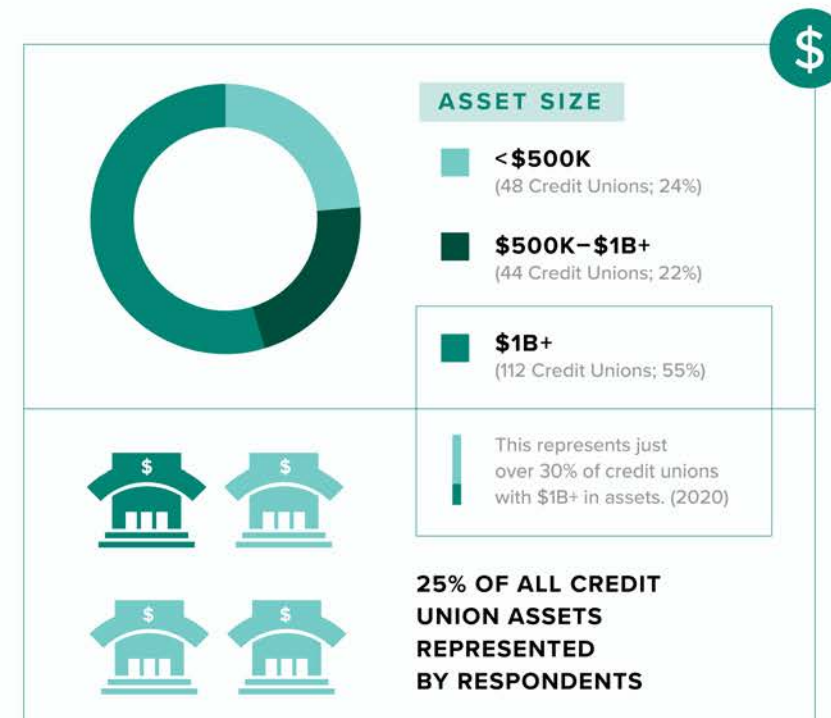
232 TOTAL RESPONSES

204 UNIQUE CREDIT UNION RESPONSES

4% INDUSTRY  
RESPONSE  
RATE



ORGANIZATIONS REPORTED AN  
AVERAGE LEADERSHIP COMMITMENT OF 78.  
(Out of 100)



56% OF RESPONDING CREDIT UNIONS  
WERE LOW-INCOME DESIGNATED

# RESEARCH METHODOLOGY & SAMPLE



## SAMPLE

### CREDIT UNION CHARACTERISTICS



**FIRM AGE:**  
**M=74.98 YEARS**



**ASSETS:**  
**M=\$1.9B**



**BRANCHES:**  
**M=15.21**



**FULL-TIME EMPLOYEES: M=319**  
**PART-TIME EMPLOYEES: M=21**



**15% COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION**



**6% MINORITY MEMBER SERVING INSTITUTIONS**



### CREDIT UNION PERFORMANCE

**NET INCOME: M=\$17.5M**

**ROA: M=.85 (SD=.37)**

**NON-INTEREST REVENUE: M=\$24.6M**



# DEI PRACTICES & POLICIES SURVEY FINDINGS

# DEI PRACTICE REACH

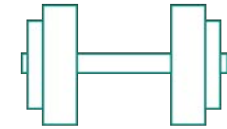
## Implemented by at least 75% of Survey Respondents



Advertise job opportunities  
in targeted outlets



Structured interview  
processes



Diversity training

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## Implemented by less than 25% of Survey Respondents



DEI in performance  
evaluation processes



DEI goals linked  
to compensation



Outreach to, and registration  
for, women- & minority-owned businesses

# PRACTICE BUNDLES



# PRACTICE BUNDLES



## DEI Tracking

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*“Please indicate if your CU collects data for each of the following items:”*

- Fairness
- Employee opportunities
- Hiring underrepresented
- Equitable practices
- Engagement
- Inclusion
- Retention



## DEI Goals

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*“Please indicate if your CU sets goals for each of the following items:”*

- Fairness
- Employee opportunities
- Hiring underrepresented
- Equitable practices
- Engagement
- Inclusion
- Retention



## DEI Strategy

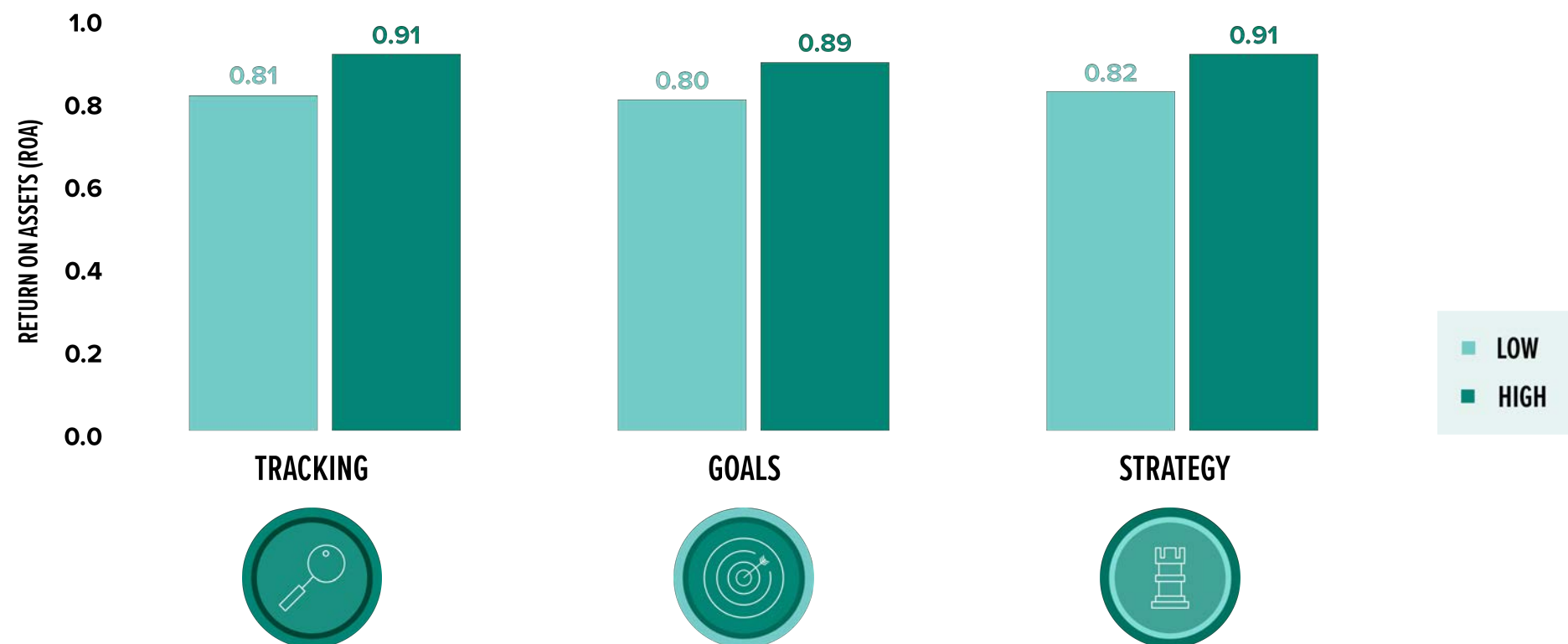
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*“Please indicate if your CU has implemented the following practices:”*

- Chief Diversity Officer (CDO)
- DEI committee
- Written DEI policy
- DEI strategic plan
- Align DEI with business activities

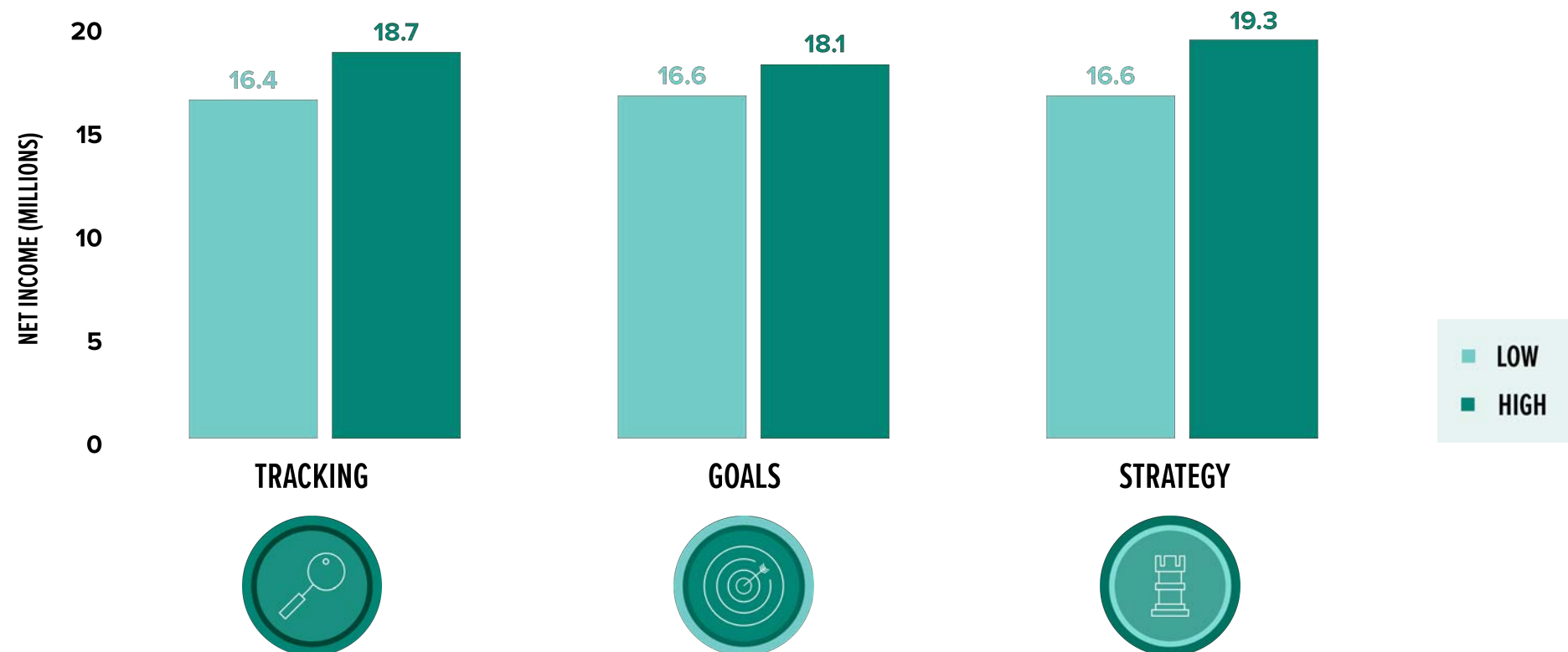
# DEI PRACTICE BUNDLES

ROA BY BUNDLES OF DEI PRACTICES



# DEI PRACTICE BUNDLES

NET INCOME BY BUNDLES OF DEI PRACTICES



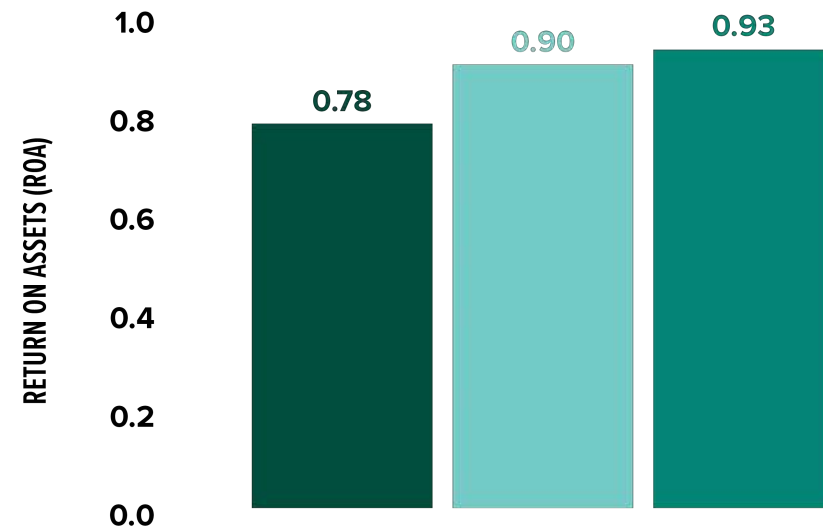
# IDENTIFYING CREDIT UNION CLUSTERS

To examine if firms with more DEI practices outperform those with fewer DEI practices, we grouped credit unions based on the DEI practices that they have implemented.

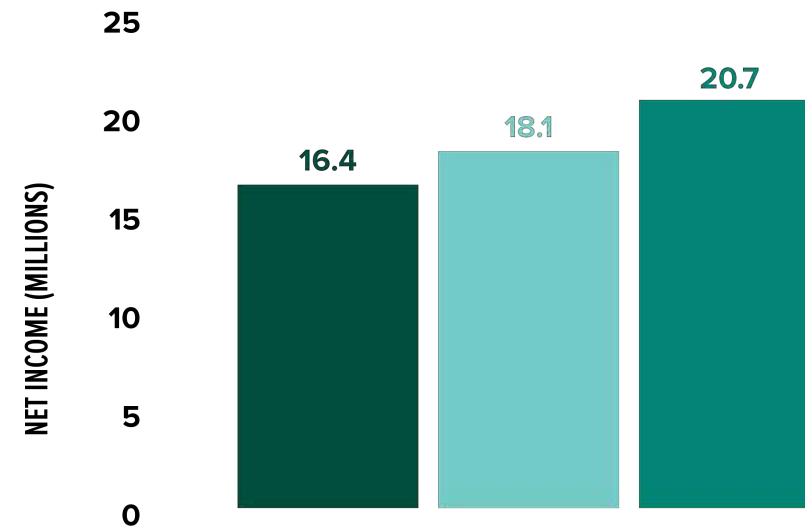
		CLUSTER 1 Credit Unions with No DEI Practices	CLUSTER 2 Credit Unions with Tactical DEI Practices	CLUSTER 3 Credit Unions with Strategic + Tactical DEI Practices
PRACTICES	TRACKING	Low	High	High
	GOALS	Low	High	High
	STRATEGY	Low	Low	High

# DEI PRACTICE BUNDLES & FIRM PERFORMANCE

ROA BY FIRM CLUSTERS



NET INCOME BY FIRM CLUSTERS



■ NO DEI PRACTICES

■ TACTICAL DEI PRACTICES (GOALS + TRACKING)

■ STRATEGIC & TACTICAL DEI PRACTICES (ALL PRACTICES)



# QUESTIONS & ANSWERS

THANK YOU

# ACKNOWLEDGMENTS

Filene thanks its strategic partners supporting the Center for Diversity, Equity and Inclusion for helping to make this research possible.



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