THE TERRAIN IS CHANGING

How Credit Union Leaders Can Navigate What Comes Next

75 Years NCUMA INC

ncuma.com


CHANGE IS CONSTANT
CHAOS IS A CHOICE


AGE OF
DISRUPTION
SPEED OF
CHANGE

”

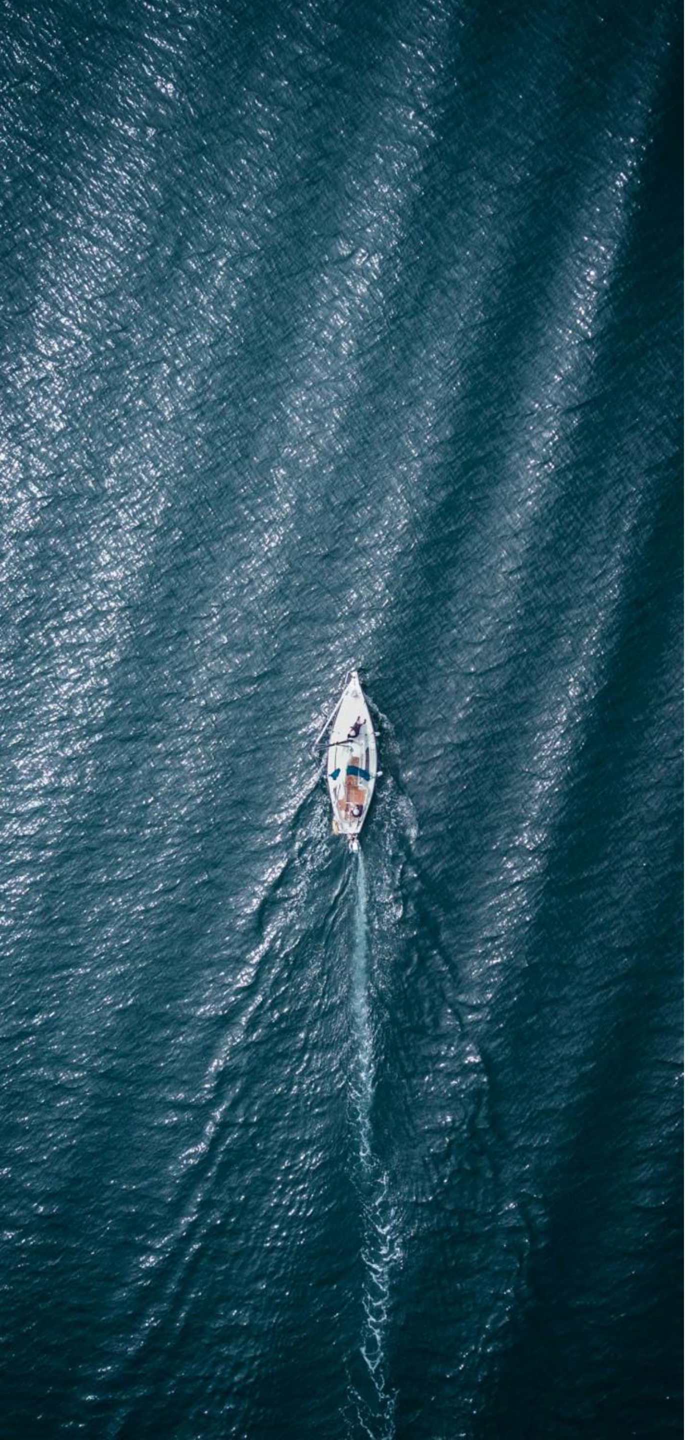
The last decade rewarded efficiency. The next will reward adaptability.

CONSISTENCY VS COMPLACENCY

THE MAP
VS.
THE TERRAIN

IN FINANCIAL SERVICES, **THE MAP STILL MATTERS.** BUT LEADERS MUST ALSO NAVIGATE **CHANGING CONDITIONS IN REAL TIME.**

ORGANIZATIONS THAT WILL THRIVE COMBINE **DISCIPLINED PLANNING** WITH THE ABILITY TO **ADAPT TOGETHER.**



FIVE FORCES RESHAPING CREDIT UNIONS

1. AI
2. Member expectations
3. Fintech/embedded finance
4. Economic pressure
5. Trust/regulatory complexity

FORCE 1

AI IS RESHAPING SERVICE AND PRODUCTIVITY

AI will reshape service, underwriting, fraud, advice, and employee productivity.

49%

of global consumers had used AI to support savings or investment decisions in the previous six months

21%

had used AI agents for financial product recommendations

EY, Second Global AI Sentiment Survey, April 2026

FORCE 2

MEMBER EXPECTATIONS ARE NOW CROSS-INDUSTRY

Members compare the experience to the best experience in their lives, not just another financial institution.

EXPERIENCE IS NOW A STRATEGIC TRUST AND LOYALTY ISSUE, NOT A SERVICE DEPARTMENT ISSUE.

FORCE 3

COMPETITION MOVES OUTSIDE THE CATEGORY

The new competitive arena is not banking. It is the member's digital life.

COMPETITORS DO NOT NEED TO BECOME CREDIT UNIONS TO **OWN THE MEMBER RELATIONSHIP.**

Fintech Partnerships
AI Enablement
Digital Experience Optimization
Data Analytics
Cybersecurity

FORCE 4

FINANCIAL PRESSURE CHANGES MEMBER NEEDS

Financial pressure changes what members need, when they need it, and how much support they expect. Financial stress creates both risk and relevance.

Only 63% of adults could cover a hypothetical $400 emergency expense...

Members need more guidance, flexibility, and resilience…

Federal Reserve Board, Economic Well-Being of U.S. Households in 2025

As affordability **pressure** and **unexpected** expenses shape daily financial decisions

FORCE 5

TRUST BECOMES MORE VALUABLE AND MORE FRAGILE

As AI and digital risk expand, trust must be governed as a strategic asset, not treated as a brand promise.


THE
STRATEGIC
PLANNING
TRAP


STRATEGIC PLANNING
IS NOT…


2026-2029
Strategic Pl

MAP

PLAN
GOALS
BUDGET
INITIATIVES

TERRAIN

MEMBERS
COMPETITORS
TECHNOLOGY
REGULATION
ECONOMY

THE MAP VS. THE TERRAIN

Strategic plans don’t age evenly; they decay assumption by assumption

ASSUMPTION DECAY

The question is not whether the plan is still "right." The question is which assumptions are still true.

Decay speed	Assumption type	Review cadence
Fast-decaying	Funding, demand, technology, policy, talent availability	Monthly or quarterly
Moderate-decaying	Partnerships, competitive positioning, stakeholder alignment, operating model	Quarterly or semiannually
Slow-decaying	Mission, values, long-term aspiration, core identity	Annually or during major inflection points

POWERPLAY™

TERRAIN SCANNING

Boards should not chase every signal, but they should notice which signals are becoming structural.

Weak Signals – Subtle or anecdotal signs or data points that may point to future disruption.

Signals – Consistent early indicators of change with potential to scale or accelerate.

Trends – Long-term directional shifts shaping markets, behaviors, or demand.

THE BOARD'S CHANGING ROLE

Good governance is not operational interference; it is disciplined attention to strategic assumptions.

LEADER’S INTENT

No plan of operations extends with certainty beyond the first encounter with the enemy's main strength. [no plan survives first contact]

Field-Marshal Count Helmuth von Moltke

POWERPLAY™

DECLARE YOUR INTENT

SUCCESS to me looks like ________.

OUTCOMES OVER OUTPUTS

Outcome = End State

Output = Deliverable

If you can’t name the outcome, it’s not innovation — it’s activity.

STRATEGIC PLANNING OUTLINE

Outcomes are what the end result looks like when everything is complete.

Goals are what we need to accomplish to make that outcome a reality.

Initiatives are the projects, actions, etc., that need to be completed to accomplish each individual goal.

It's all a system that feeds from the bottom up to get you to the outcome.

TYPICAL GOAL…

Grow loans by 5%.

WHAT IF SUCCESS LOOKED LIKE…

Our members come to us as the primary financial partner, navigating their major life transitions.

MEMBERSHIP GROWTH & DIVERSIFICATION

YEAR 1

OUTCOME:

Members consistently share that their friends and family recommended our Credit Union to them.

GOALS:

1. Increase Net Account Average by Branch to XXX
2. Increase Product per Member (PPM) Average above the peer average (Callahan report)
3. New members from referrals at or above 50%
4. By XXX date, deepen understanding of products, members, and market wants
5. The Credit Union Product Portfolio has been optimized for small business products by XXXX date

YEAR 3

OUTCOME:

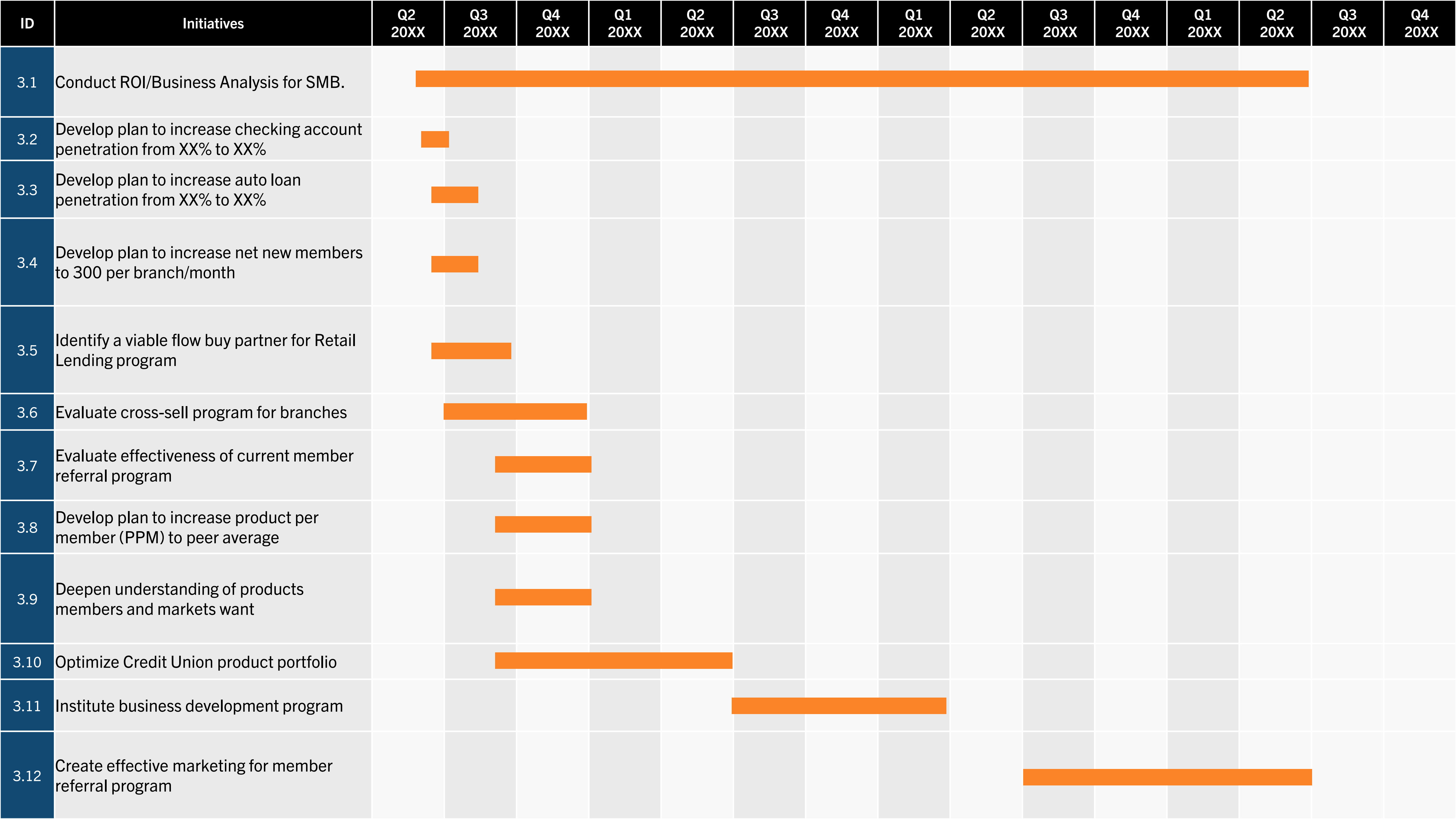
The Credit Union is the largest in membership in XX market.

GOALS:

1. Achieve a Net Account Average by Branch of XXX
2. Achieve a PPM Average of XX
3. Achieve a loan production base of $XXM monthly
4. Credit Union established as a key business services credit union
5. Achieve profitability from small business banking program to include treasury services and small business loans

MEMBERSHIP GROWTH & DIVERSIFICATION Initiatives

ID	Initiative	Start	Finish	Owner
3.1	Conduct ROI/Business Analysis for SMB.	5/1/20XX	9/30/20XX	John Doe
3.2	Develop plan to increase checking account penetration from XX% to XX%	5/15/20XX	6/30/20XX	John Doe
3.3	Develop plan to increase auto loan penetration from XX% to XX%	6/1/20XX	7/31/20XX	John Doe
3.4	Develop plan to increase net new members to XXX per branch/month	6/1/20XX	7/31/20XX	John Doe
3.5	Identify a viable flow buy partner for Retail Lending program	6/1/20XX	9/30/20XX	Janet Smith
3.6	Evaluate the cross-sell program for branches	7/1/20XX	12/31/20XX	John Doe
3.7	Evaluate effectiveness of current member referral program	9/1/20XX	12/31/20XX	John Doe
3.8	Develop plan to increase product per member (PPM) to peer average	9/1/20XX	12/31/20XX	Janet Smith
3.9	Deepen understanding of products members and markets want	09/01/20XX	13/31/20XX	Janet Smith
3.10	Optimize Credit Union product portfolio	9/1/20XX	6/30/20XX	Janet Smith
3.11	Institute business development program	3/31/20XX	6/30/20XX	Adam Jackson
3.12	Create effective marketing for member referral program	6/30/20XX	6/30/20XX	Adam Jackson


ID
Initiatives
Q2 20XX
Q3 20XX
Q4 20XX
Q1 20XX
Q2 20XX
Q3 20XX
Q4 20XX
Q1 20XX
Q2 20XX
Q3 20XX
Q4 20XX
Q1 20XX
Q2 20XX
Q3 20XX
Q4 20XX
3.1 Conduct ROI/Business Analysis for SMB.
3.2 Develop plan to increase checking account penetration from XX% to XX%
3.3 Develop plan to increase auto loan penetration from XX% to XX%
3.4 Develop plan to increase net new members to 300 per branch/month
3.5 Identify a viable flow buy partner for Retail Lending program
3.6 Evaluate cross-sell program for branches
3.7 Evaluate effectiveness of current member referral program
3.8 Develop plan to increase product per member (PPM) to peer average
3.9 Deepen understanding of products members and markets want
3.10 Optimize Credit Union product portfolio
3.11 Institute business development program
3.12 Create effective marketing for member referral program

PEOPLE
EXAMPLE

APPLYING INTENT TO DEVELOP AN EMPLOYEE…

GOAL

Take a branch management class by June 30, 20XX.

OUTCOME

Success is that by June 30, 20XX, you can lead this branch without my involvement unless there is a critical personnel or customer relationship issue.

YOU KNOW YOU'VE CREATED A GOOD DESIRED OUTCOME WHEN...

1

It describes *exactly* what will be different from today.

Avoid phrases like "more streamlined" or "more effective.”

2

It does not describe actions or tasks.

It doesn’t solution—only describes success.

3

It focuses on <u>one</u> aspect of the future state.

It’s not a Christmas list.

4

Achievement is observable.

You can either measure or observe the difference.

5

It inspires the team!

It’s a motivating vision.

INTENT INCREASES

IF YOU COULD COMMUNICATE ONLY ONE DEFINITION OF SUCCESS FOR THE NEXT THREE YEARS, WHAT WOULD IT BE?

STRATEGIC AGILITY IS DISCIPLINED ADAPTATION

Agility is not abandoning the plan; it is shortening the distance between learning and action.

FOUR-PART NAVIGATION RHYTHM

This is the leadership system that keeps the plan alive.

See → Align → Decide → Adapt

FROM YEARLY PLANNING TO STRATEGIC CADENCE

Annual planning still matters, but quarterly assumption reviews and decision thresholds matter more.

QUESTIONS LEADERS SHOULD ASK NOW...

What assumptions are most vulnerable?

What signals are we underweighting?

Where are we mistaking activity for progress?

THE BEST LEADERS DO NOT PREDICT THE FUTURE; ***THEY BUILD ORGANIZATIONS THAT CAN ADAPT TO IT.***

LET'S CONNECT!

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