

Corporate Award of Merit

Salmon Arm Savings & Credit Union



*Leadership is
the art of
getting results
through people.*

*-Michael Wagner,
CEO Salmon Arm
Savings & Credit
Union*

Introduction

In May of 2015, Human Synergistics Canada conducted an Organizational Culture Inventory™ Report of Salmon Arms Savings & Credit Union (SASCU). The results were phenomenal (see graph on next page) with high scores in all four of the Constructive styles. *How did they do it?* And more importantly, **did it make a difference?**

Company Background

Salmon Arm is a small city in the Shuswap area of British Columbia, nestled against the Shuswap Lake. Its primary industries are tourism and forestry. SASCU has two branches in Salmon Arm and one each in the neighbouring towns of Sorrento and Sicamous. SASCU is a full-service credit union offering lending, Wealth Management, Commercial Banking and Insurance.

Culture Description

Overall, the culture of SASCU is very Constructive. Their primary style is *Humanistic-Encouraging*—scoring at the 86th percentile. (SASCU's culture is

more Humanistic-Encouraging than 86 percent of all organizations.) This is followed by *Achievement* (80%), *Affiliative* (78%) and *Self-Actualizing* (70%). Compare this to their highest Defensive styles of Approval at 59% and Conventional at 53%

Basically, this means that SASCU is **a great place to work**—a place where people are encouraged to do their best, grow and develop on the job, take ownership, cooperate and think “outside of the box”.

Outcomes

All of the “Big Five” banks have operations in Salmon Arm. Credit Unions across Canada have approximately a 10% market share. SASCU has a whopping 40% share in their market. (40% of the population has SASCU as their primary financial institution.) On top of that, seven out of ten adults have some sort of relationship with them.

SASCU employees who have worked in other financial institutions report they are “blown away” by the way they are treated by the organization.

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Outcomes *Continued*

Everyone—from the CEO down—talks about SASCU as being; “more than just a place to work”.

Perhaps the biggest result of this fantastic culture is the financial returns to its members. Members of credit unions are all shareholders, meaning that they receive dividends each year. In the past 19 years, SASCU has given out \$45 million in member rebates. So, if you had a mortgage with SASCU you would have received approximately 10% back—or one month free mortgage payment in each of the past 19 years.

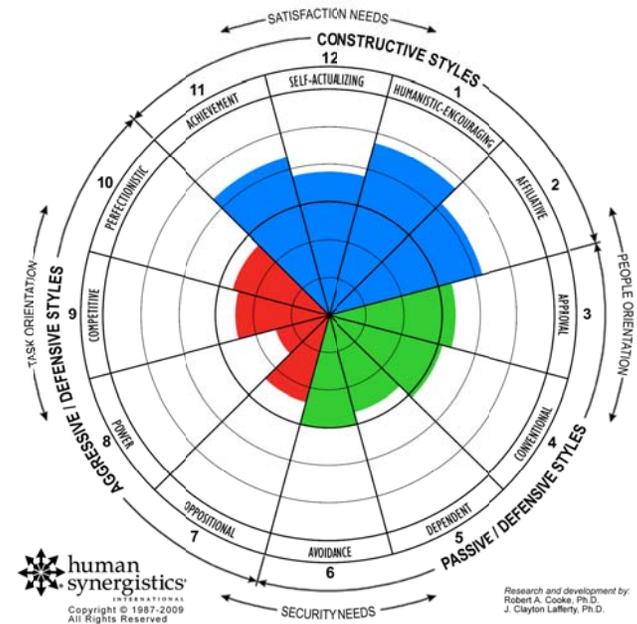
Causes

It all starts with the company’s extensive orientation program (2 weeks) which includes a “visit” from the CEO who talks about the company’s philosophies and values. CEO of 19 years, Michael Wagner, starts his speech to every new hire with this rhetorical question: “Have you ever worked for another company that when your morning alarm went off, you woke up dreading having to go to work?” He follows with; “I have—and I vowed that if I ever got the chance, I would create a culture where no one felt like that.” Here are some other things the company does:

- New and potential managers receive 36 hours of classroom leadership training each year for three years.
- Front line employees are given the skills and permission to satisfy their members.
- Michael Wagner early in his tenure as CEO consciously decided to measure and grow the culture at SASCU.

The Employee Guiding principle in SASCU’s strategic plan is, “*We attract talent by offering a work environment where employees can develop to their full potential, be engaged and work together to achieve shared goals.*” SASCU measures the following indices annually: Work Life Effectiveness, Communication, Personal Growth and Development, Camaraderie and Pride and Engagement.

SASCU’s Culture Circumplex



Explanation

Culture is the consciously held notions that most directly influence members’ attitudes, values, beliefs and behaviours. Human Synergistics measures culture along twelve styles that are grouped together in three clusters—Constructive (blue), Passive-Defensive (green), and Aggressive-Defensive (red).

Organizations with Constructive Cultures place a high value on service and product quality, goal attainment, and the development of their people—where quality is valued over quantity; creativity is valued over conformity; and cooperation is believed to lead to better results than competition. Through individual initiative, effective teamwork, and cooperation; the products and services offered by Constructive organizations tend to be of the highest quality.

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Anecdotes, Stories and Quotes—from conversations with Michael Wagner, CEO; Sheri Hamilton, AVP Human Resources and Barb Elgin, Manager, Training and Development.

SASCU Leadership Academy

- The program is a three-year cycle of training for current and emerging leaders.
- The leadership theme is to not give people direction—but engaging employees.
- Two courses per quarter, averaging 36 hours of classroom training per year, plus follow-up work.
- It is all linked with organizational culture.

Stories from Employees and their Managers:

- There are several staff at our branch who have a concrete understanding of what to look for in order to make decisions regarding member (customer) requests while the member is with them. These decisions are then supported by their manager.
- Once, the son of a member (customer) came in with 2 cheques payable to his elderly parents who were in Arizona. The father was elderly and only gave his son his member card number and not the account number. Even though it is against policy, the Cash Service Representative made a “judgement call” to go ahead and deposit the cheques into the account rather than inconvenience the son and the member. Afterward, the employee communicated her rationale to her supervisor, and the Supervisor supported and praised the CSR for making that decision.
- The organization works with employees to go beyond simply what is expected of them, and offers cross training opportunities in areas that interest them.
- Each employee is given the power to make appointments with the sales person they feel would best help their member.
- The organization makes a concerted (and successful) effort to teach and guide young people, new to financial services, to send them on the right path to achieve their goals, both short- and long- term.
- I felt empowered and supported when I made the decision to release an “ATM hold” early for a good member (customer) so they didn’t have to dip into their Line of Credit.

Quotes from Michael Wagner, CEO:

- “Leadership is the art of getting results through people”.
- “Management always has to remember that clients see the front line people—not the CEO”
- “I didn’t do this (achieve stellar market share and profits). It’s the culture of the organization that contributes to profit—because employees just want to do it.”
- All front-line employees have the discretion to reverse any service charges up to \$25.00. “If you can’t trust a \$40,000 per year employee with \$25, then you are in the wrong business.”