

# Capturing The Market's Imagination



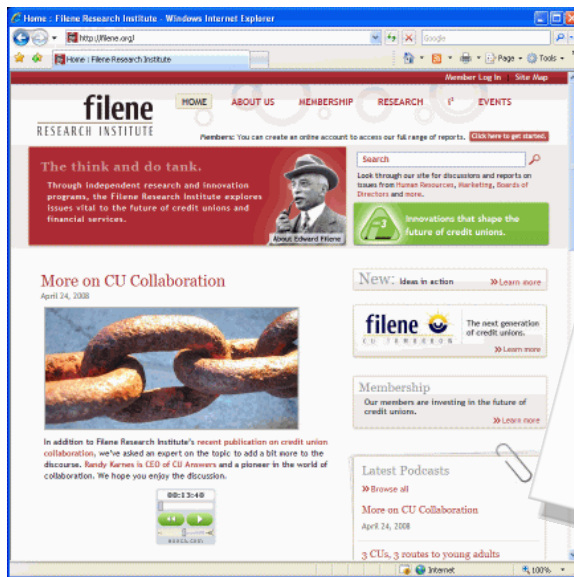
Will Network Business Design  
Capture the Imagination of Future  
Credit Union Leaders?

**NACUSO 2008 Annual Conference**  
**April 27-30, 2008**

Randy Karnes, CEO  
CU\*Answers

# The Network Buzz

Nothing is trendier in today's marketplace than talking about collaboration, alliances, and building networks to achieve success

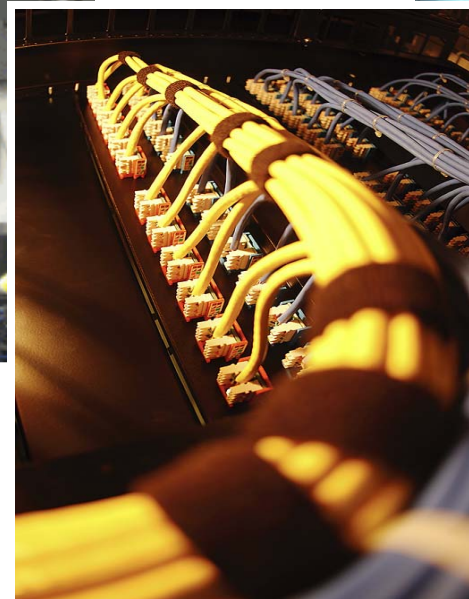


[www.filene.org](http://www.filene.org)



But...

# Is this the kind of network they're talking about?



I doubt it...technology is not the point

# Is it network businesses they're talking about?

twitter

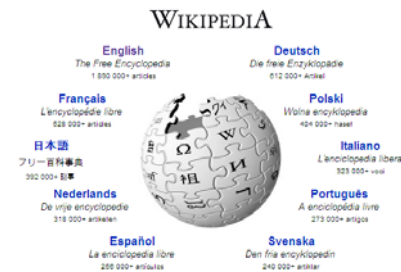
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facebook

I think we're getting closer



# Network Business Design

- The point is...people are beginning to wonder, what are the drivers behind building successful businesses in a networked world?
- Can business designers bring network principles into their models for success and gain an advantage?
- Can credit unions? Can CUSO?
- Could we be successful as a networked model?

First as CUSOs, then as credit unions, then as the ultimate financial service solution for the everyday consumer

# Dump the Movement, Start a Network

- We've even started selling the concept to credit unions as a good marketing program for consumers
  - The network advantage, direct to members
- **“Movement”** ...what does that say to members?
- **“Industry”** ...what does that say to members?
- **“Network”** ...what does that say to members?



We think there is more to this than simply marketing to consumers

But consumers are beginning to see the power in networks



# More Than Marketing

- There are design principles and questions for the business architect — CUSO or CU — to ask themselves
- How could their model evolve into a network, or fit better in a network?
- Consider these functions:
  - Marketing
  - Operations
  - Leadership and Vision
  - Human Resources
  - Generating Profits

A decorative header image on the left side of the slide. It features a glowing yellow lightbulb on the left and a glowing yellow orb on the right, both set against a dark background. The overall color scheme of the header is yellow and black.

## Using Business Network Design To:

- Play where members play
  - Re-map your business processes to reach members
- Focus inside-out and outside-in simultaneously
  - Re-map your business processes to distribute work
- Respond to vested external innovators
  - Re-map your business processes to drive innovation
- Expand your HR pool by leveraging peers
  - Re-map your business processes to capture the power of talent
- Consider a new set of network pricing concepts
  - Re-map your business processes for earning engines



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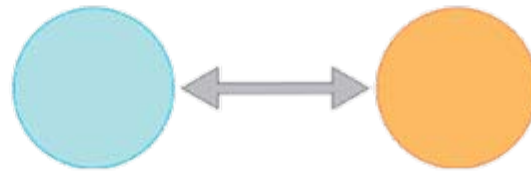
# It's Working for CU\*Answers

- Capturing the benefits of scale
- Projecting a larger persona than a standalone organization
- Challenging us to diversify our focus
- Enabling us to participate in more initiatives
- Inspiring a competitive advantage
- Amplifying the cooperative effect and aligning with our market

We believe it can work for every  
CUSO's business plan

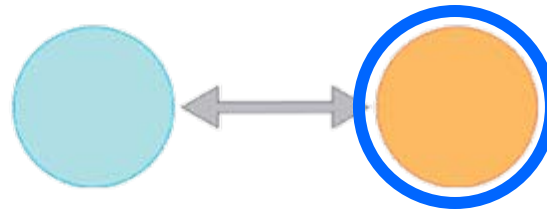
If so, it will set an example for  
the entire CU industry

# CUSOs: The Hubs of an Industry



Point to Point

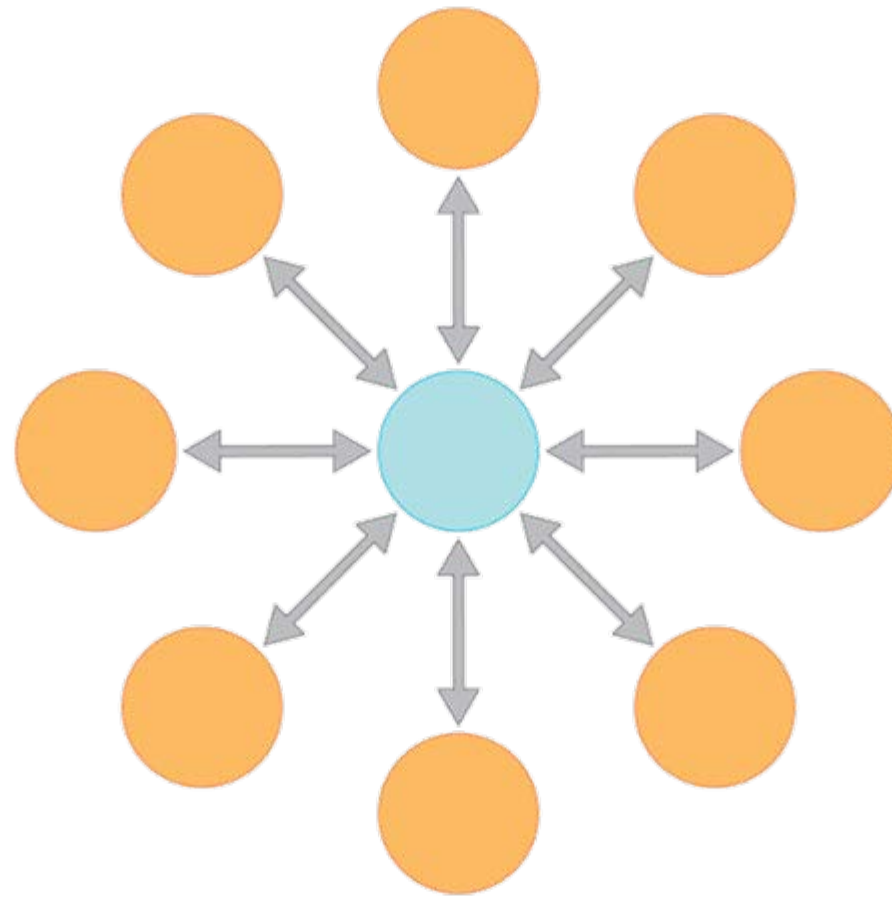
# CUSOs: The Hubs of an Industry



What is the opportunity, and where is it focused?

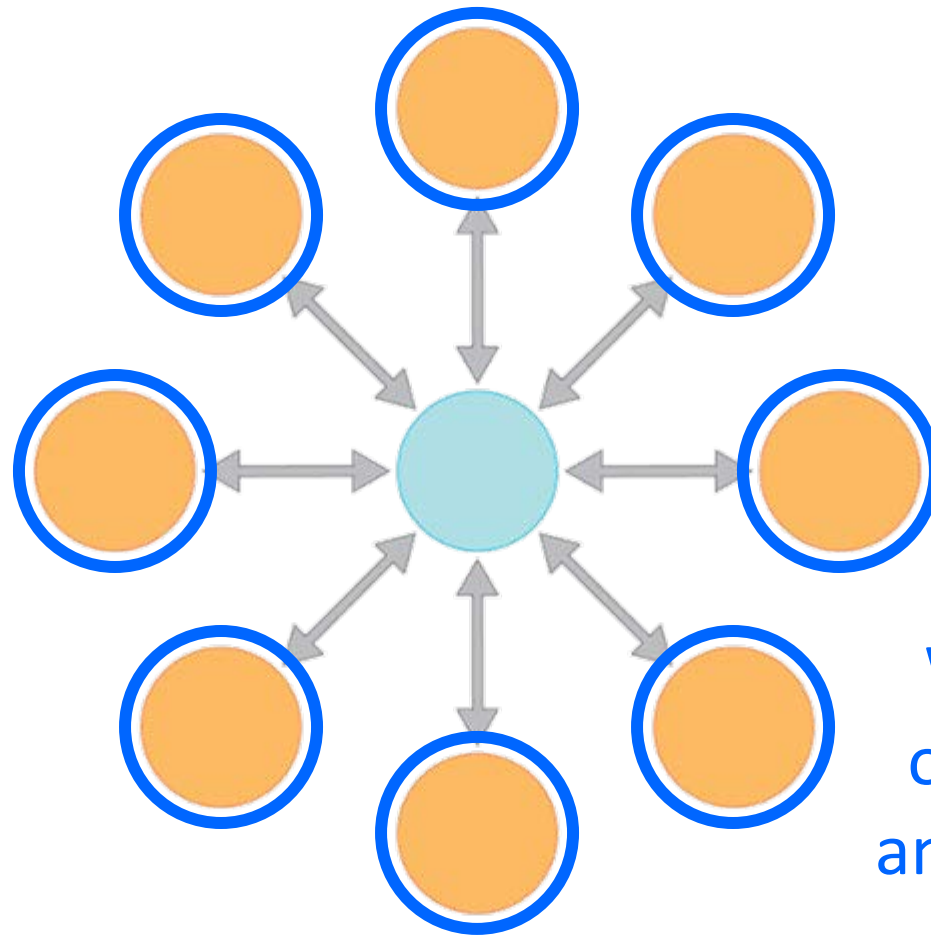
Point to Point

# CUSOs: The Hubs of an Industry



A Hub

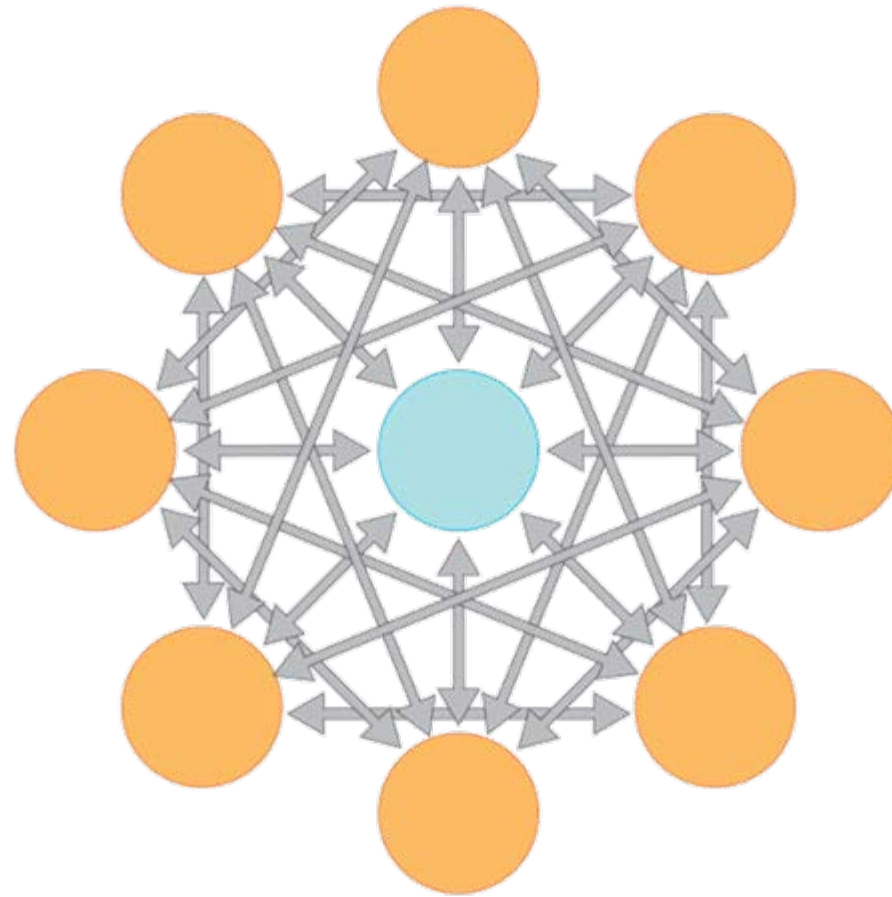
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A Hub

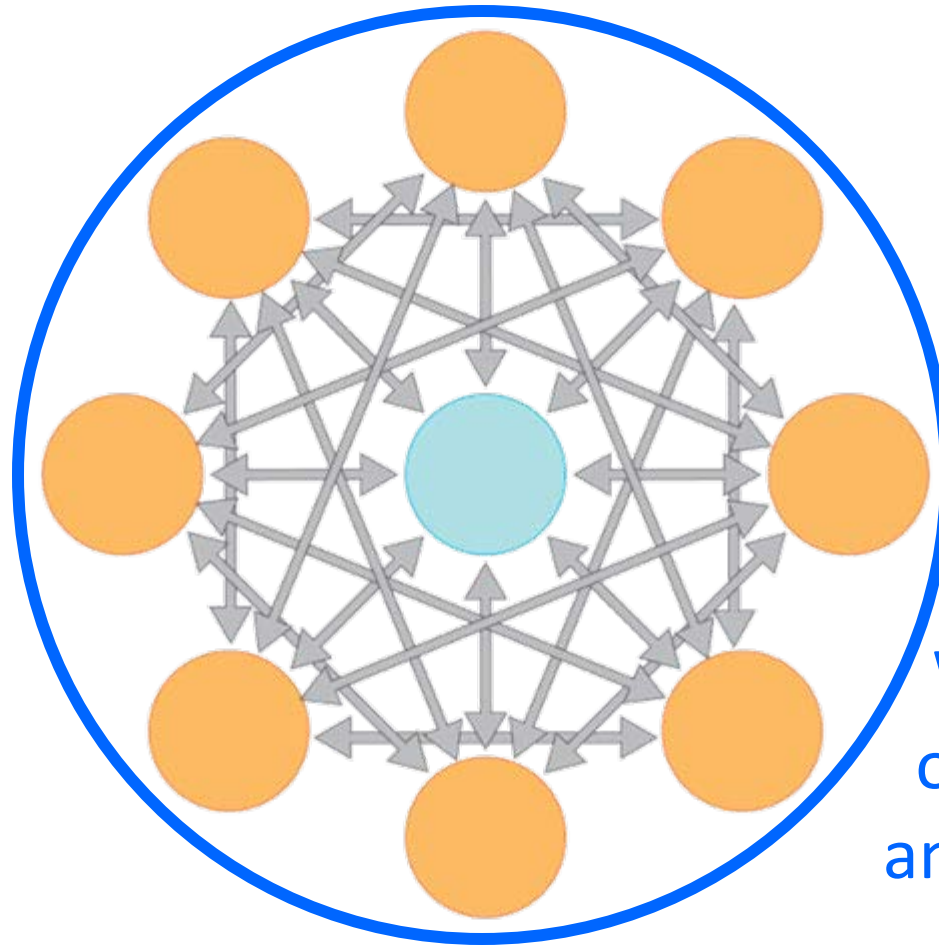
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# CUSOs: The Hubs of an Industry



A Network

# CUSOs: The Hubs of an Industry



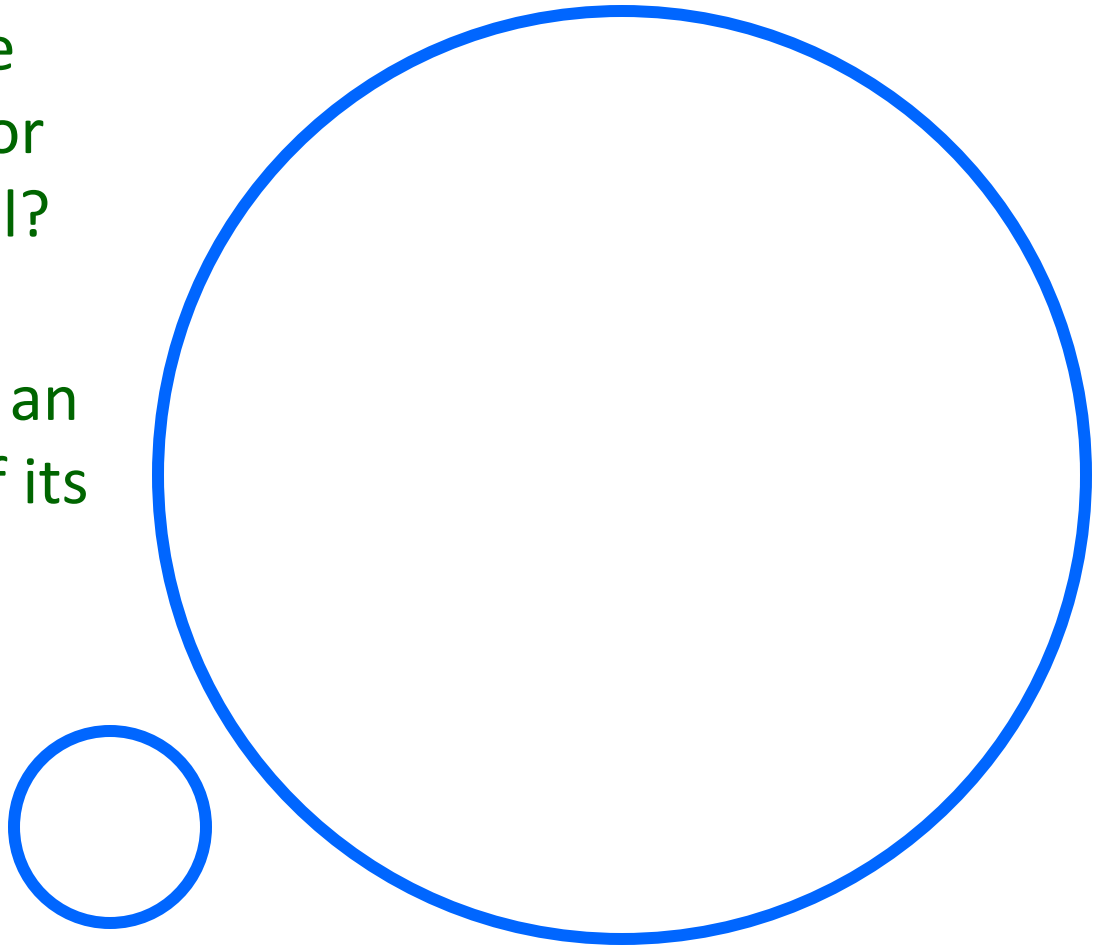
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A Network

A decorative header with a green background. On the left, there is a vertical strip containing two images: a glowing yellow lightbulb and a glowing yellow orb. To the right of this strip, the title "CUSOs: The Hubs of an Industry" is written in a bold, green, sans-serif font.

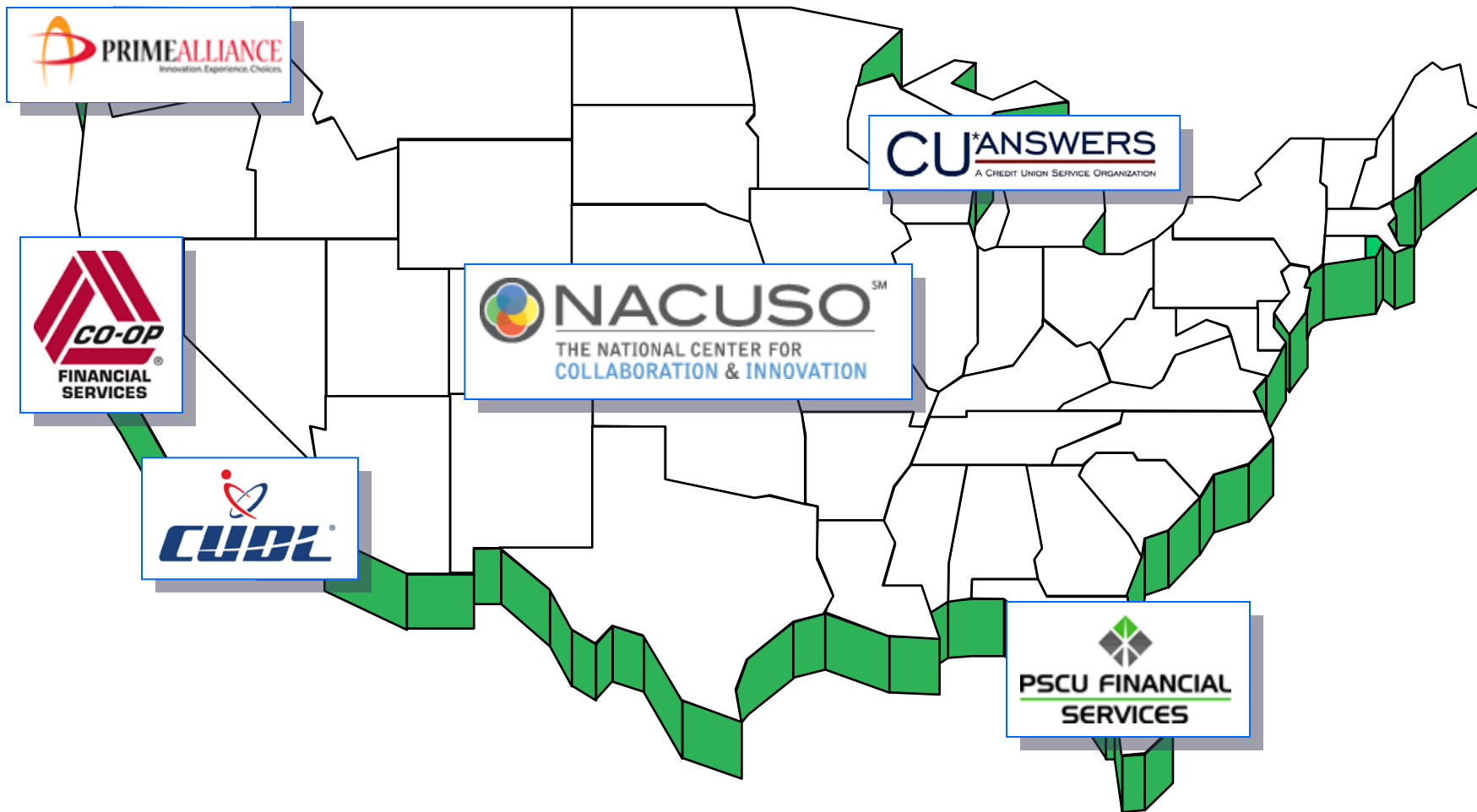
# CUSOs: The Hubs of an Industry

- Which is bigger? The opportunity of one, or the opportunity of all?
- A network multiplies the work of one into an opportunity for all of its participants

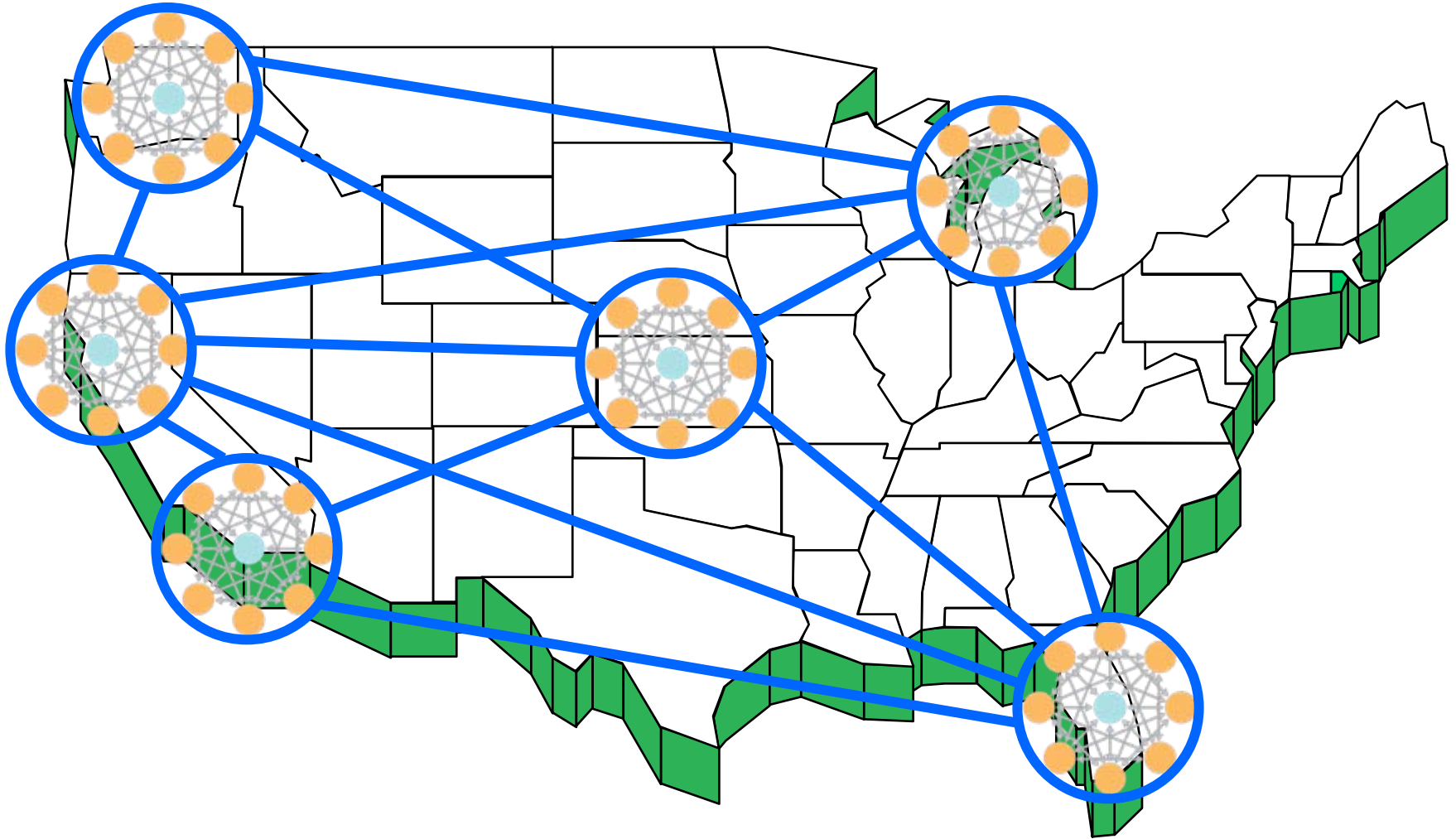




# Some powerful networks: What more could be done with them?



# What is the potential?





# Capturing the Market's Imagination

Before we get to credit unions, we should ask ourselves:

- Could network designs capture the imagination of CUSO leaders?
- What work do we need to do to be at the foundation of a networked credit union industry?
- Where might NACUSO fit?
  
- Let's ask the panel...