

## **Fusion CEO-CIO Symposium 2009**

### **The CEO-CIO Relationship *Navigating Unprecedented Uncertainty***

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## **Discussion Topics**

- **What kept us awake 4 years ago?**
  - What did we do to address these concerns?
- **What keeps us awake today? (How things have changed!)**
  - How are we responding to/navigating the crisis?
- **Q&A**
- **Closing comments**

## CUNA Mutual History

- **Founded in 1935 by Credit Union pioneers**
  - World leader in credit insurance since 1937
  - Still a credit insurance leader today
- **Grown with Credit Union industry; today CUNA Mutual is a Fortune 750 company**
- **Market share leadership in Credit Union market**
  - 60-95% on nearly all core products
- **Good (but not great) financial results**
- **New CEO View (2005)**
  - Strong company heritage
  - But – like many market leaders – CUNA Mutual's leadership role was at risk

# 4 Years Ago ...

## What kept us awake 4 years ago?

### • CEO Perspective

- CU Marketplace
- Growth
- Diversification
- Operating Efficiency
- Corporate Culture

### • CIO Perspective

- CU Marketplace
- Growth
- Diversification
- Operating Efficiency
- IT Talent Management

## What did we do?

### • Launched 3-Year Transformation

- Operations & Service
- Sales & Marketing
- Investment Optimization
- Corporate Governance
- Product Reinvention
- Leadership, Values, Culture

## What were our results?

- **2005 Baseline:**
  - Revenue-\$2.0 billion
  - Operating Gain- \$112 million
- **3-Year Average with Transformation**
  - Revenue Growth: 8.3% annual average
  - \$2.81 billion in operating revenue in 2008
  - Achieved without acquisition of other companies
  - Operating Gain: \$172 million 3-year average (without raising rates)
  - Delivered \$300 million in transformation benefits to company
  - \$50 million in ongoing, annual benefits
  - Increased benefits to customers by more than \$700 million in same time frame

## What did we learn?

- **Change is hard**
- **In order to successfully change, leaders must be committed to the change**
- **Start with an outside-in view of change; transition to an inside-out view**
- **Measurement – change in a controllable fashion**
- **Business process changes are all about people**
- **Technology projects are all about people**
- **Impossible to over-communicate**

## Issues Today

*(How the times have changed!)*

## What keeps us awake today?

*[Besides early morning and late night news for latest on economy]*

### • CEO Perspective

- Economic crisis
- Pressure on balance sheet
- Pressure on primary customer group
- Economy's impact on customers, products, partners, and employees

### • CIO Perspective

- Agility in unprecedented and dynamic business environment
- Constraining project demand to match business realities
- Management decision information (aka BI)

## Navigating the Crisis

### • CEO Priorities

- Capital & operating results/expense management
- Financial forecasting
- Customer retention
- Opportunistic expansion
- Communication

### • CIO Priorities

- It's all about the CEO's priorities, stupid!!

## Navigating the Crisis

### CIO Priorities

- Capital & operating results → Partnerships, contracts, M&A
- Financial forecasting → Planning Made Easy
- Customer retention → Business Intelligence
- Opportunistic expansion → Project portfolio management
- Communication → Collaboration Tools

# Open Dialogue

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