

# Why Credit Unions Need To Benchmark

and

## How To Avoid Pitfalls



### Why Benchmark?

5 Reasons To Start Today

#1

Gain a better understanding of the market.



#2

Monitor progress toward accomplishing goals.



#3

Identify performance pitfalls.



#4

Identify and understand patterns.



#5

Provide actionable and meaningful information to your team.



## Benchmarking Pitfalls



### Peer Group Selection



Think beyond geography and asset size. Create a more accurate comparison by including factors such as charter type, FOM, and vendor relationships.

Take It Further: To challenge yourself, compare the credit union against institutions with slightly larger assets or market leaders in areas you want to capture.



### Frequency

The barometer for credit union success is constantly shifting. Don't get caught behind the ball, visit your benchmarks at least once a quarter.

Take It Further: Raise the bar, pick two or three benchmarks and track them monthly.

### Non-Traditional Peers



Don't limit your benchmarking to the credit union industry. Compare the credit union against banks in certain circumstances such as market share or asset growth.

Take It Further: Don't limit comparisons to the financial services industry. Look at nearby companies to track region-specific metrics, such as wage and employment growth.