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Meeting addresses Desjardins model, U.S. collaboration

NEW YORK (8/14/09)--Credit union leaders nationwide gathered in New York City for an event last week that focused on Canada's Desjardins cooperative credit union model and the potential of further collaboration within the U.S.

The event was hosted by Stuart Levine and Associates, a strategic planning and merger consulting provider. Lucie Bouchard from the Desjardins Group in Montreal and Stuart Levine, chairman/CEO of Levine and Associates, spoke at the event.

Paul Gentile, New Jersey Credit Union League president/CEO; Tom Sargent, CEO, First Tech CU, Beaverton, Ore.; Tom Dorety, CEO, Suncoast Schools FCU, Tampa, Fla.; and Kirk Kordeleski, president/CEO of Bethpage (N.Y.) FCU, also attended.

The Desjardins model is recognized as more cooperative than the U.S. The discussion centered on understanding the Desjardins model to increase member value and reduce costs to individual credit unions and leagues in the U.S.

The group also discussed standardization, which is a key component of the Desjardins model. In Canada, members can visit any credit union and be treated as they would at their hometown credit union--similar to the shared-branching concept in the U.S. Canada, however, takes this a step further through standardized products with standard pricing, Bouchard said.

The current financial crisis will drive consolidation, Bouchard added. Attendees agreed that the current global crisis should and will facilitate the merger of credit unions that will succeed in the economic climate.

In order to fully represent each credit union, its members and board, an independent arbitrator can facilitate the merger process to ensure that the strengths of each credit union are evaluated to formulate a new credit union that represents the best for both organizations, Levine said.

He also stressed the importance of collecting data and conducting criteria-based performance evaluations of the board of directors, which is not punitive, to determine board effectiveness.



Credit union representatives recently gathered to discuss Canada's Desjardins credit union model and its applications in the U.S. From left are: Kirk Kordeleski, president/CEO, Bethpage FCU; Tom Dorety, CEO, Suncoast Schools FCU; Paul Gentile, president, New Jersey Credit Union League; Kelly Bloss, senior consultant, Stuart Levine and Associates; Tom Sargent, CEO, First Tech CU; Lucie Bouchard, Desjardins Group; and Stuart Levine, chairman/CEO, Stuart Levine and Associates. (Photo provided by the New Jersey Credit Union League)

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