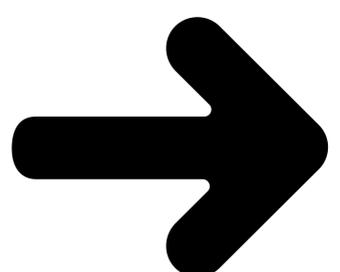


# The Economic Horizon Preparing Your Credit Union and Members for What's Next

Reframe strategy, build resilience, and reconnect with purpose in the face of economic change.



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# Reading The Economic Signals

– What's Changing & Why It Matters

## The Financial Forecast Has Shifted—Is Your Credit Union Built to Withstand What's Next?

In 2008, the financial world stood still. Institutions collapsed, markets reeled, and everyday families paid the price. Credit unions, rooted in community trust, played a stabilizing role when big banks faltered. But fast forward to now—what if the storm brewing isn't a crash, but a slow, structural transformation that demands a different kind of readiness?

We're standing at another inflection point. The global economy is not in crisis, but it is evolving in unpredictable ways: interest rates remain high, inflation is proving stubborn, and members are feeling the strain. According to the Federal Reserve, **40%** of adults say they wouldn't be able to cover a **\$400** emergency. That's not just a personal finance issue—it's a systemic signal.

“

*In uncertain times, the institutions that listen to their members the most will outperform those who only look at the market.*

”

## The Big Picture:

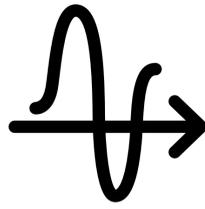
Credit unions can no longer rely on historical norms. The way people save, borrow, and interact with financial institutions is being rewritten in real time. Economic “normal” is no longer a return to the past—but a push into unfamiliar terrain.

## Key macro shifts impacting the industry:



### Persistent Inflation:

Despite rate hikes, inflation remains above target, eating into real returns.



### Rate Volatility:

Longer periods of elevated interest rates pressure lending and deposit pricing strategies.



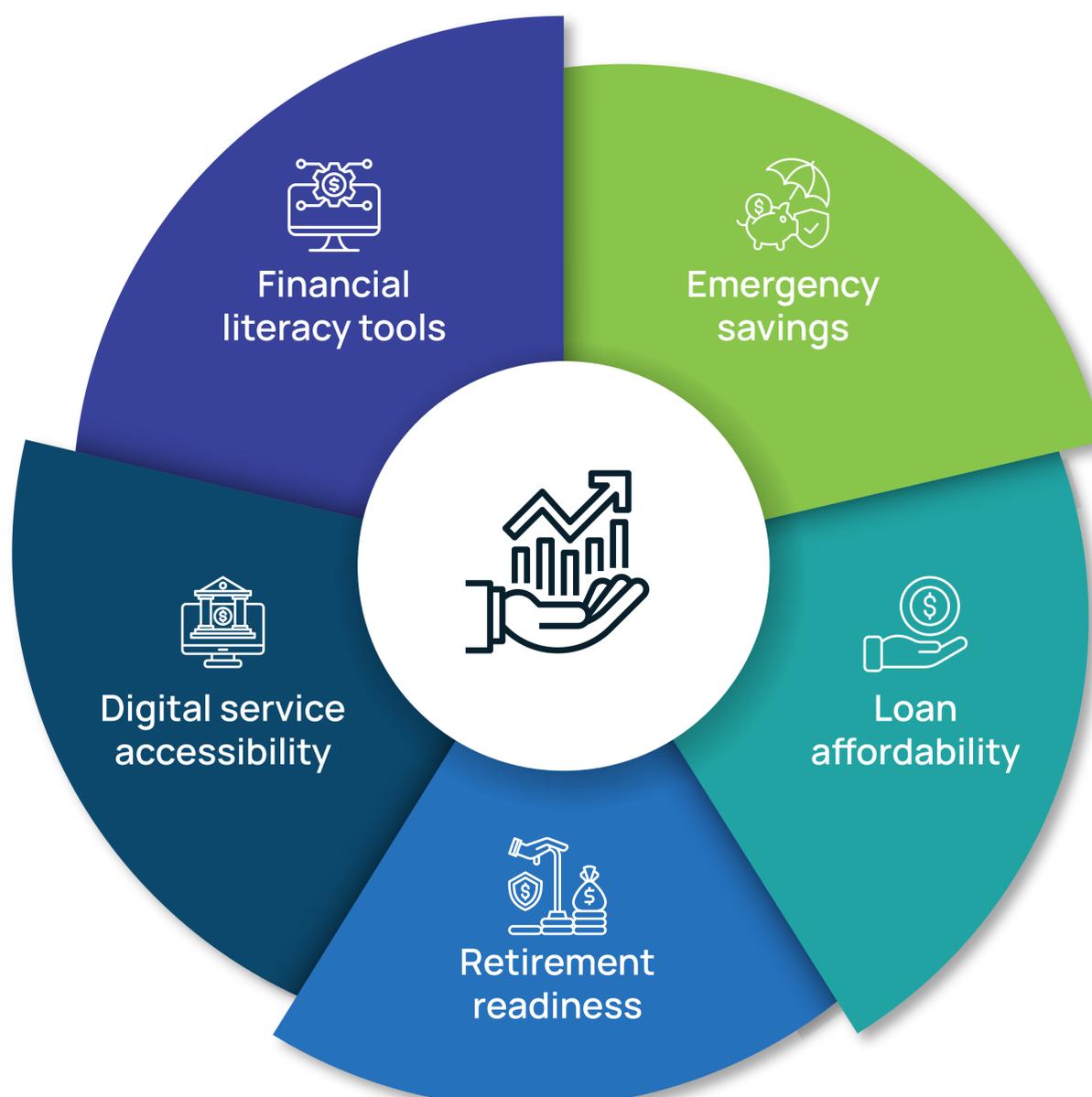
### Digital Disruption:

Fintechs are offering tailored experiences, forcing credit unions to rethink how they show up for members.

Yet amidst this flux, opportunity is emerging. Credit unions that can read the signals and act early—those who lean into data, digital agility, and member empathy—can define the next chapter in cooperative banking.

## Top Member Financial Concerns

(Based on credit union surveys)



# REFLECTION

## Leadership Reflection: Are You Prepared for the Next Economic Chapter?

Use these questions to guide internal conversations, board meetings, or strategic planning sessions:

**What economic assumptions are we still operating under that may no longer hold true?**

- Use these questions to guide internal conversations, board meetings, or strategic planning sessions:

**How well do we understand the current financial realities of our members—not just historically, but right now?**

- Are we using real-time data to adapt our products and services?

**Do we have the tools and insights to detect early signs of member financial stress?**

- Are we proactive or reactive in offering support?

**How resilient is our lending portfolio in an environment of prolonged rate volatility?**

- Are we rebalancing risk while remaining member-friendly?

**Have we assessed how our digital experience compares to fintechs and major banks?**

- What do our members expect that we're not yet delivering?

**Are we structured for speed and agility—or for tradition and hierarchy?**

- Can we pivot quickly when external conditions shift?

**Are we aligning economic strategy with member well-being—at scale?**

- Can we prove that our financial success grows with our members, not at their expense?

# Rethinking The Member Relationship In A Shifting Economy

## From Product-Centric to People-Centric

In the past, member relationships were largely transactional—built around loans, checking accounts, and savings rates. But that model no longer fits today's environment. Economic stress, digital disruption, and changing life priorities have redefined what members expect from their credit unions. It's no longer about having the best rate; it's about offering real-life financial solutions.

Research from Filene Research Institute shows that **60% of credit union members say they want more proactive financial guidance**—yet only a small percentage feel they're receiving it. That gap is your opportunity. Credit unions that understand the context of their members' lives—and respond accordingly—are more likely to retain loyalty and trust during economic uncertainty.

“

*The strength of a credit union lies not in its assets, but in its ability to adapt to member needs.*

”

## What Today's Members Actually Expect

**Real-time support**  
that's relevant to their  
financial situation.



**Intuitive digital experiences**  
that match the ease of  
consumer tech.



**Proactive outreach**  
when life events or  
financial shifts occur.



**Guidance-first culture**  
that prioritizes coaching  
over selling.



A member struggling with rising rent, supporting aging parents, or managing gig income needs more than a credit card offer—they need a financial ally. When credit unions take time to map services to these life moments, they move from provider to partner.

## The Shift from Service to Stewardship

True differentiation won't come from offering another credit card or adjusting your rate. It will come from showing up as a financial partner in a time of uncertainty.

Can you anticipate  
needs based on data?

Can you help a  
member reduce debt,  
not just issue another  
loan?

Are your frontline staff  
empowered to act as  
coaches—not just  
service reps?

## Real-World Examples

# 1

A regional CU launched a “**LifeStage Lending**” model—tailoring product bundles around common life milestones, resulting in a 27% increase in member engagement.

# 2

One West Coast CU embedded **financial wellness dashboards** into their mobile app, seeing a 35% uptick in app usage and a 14% increase in loan growth from financially healthier members.

# 3

Another CU shifted its contact center KPIs from “call time” to “financial impact,” changing both member satisfaction and internal morale.

## Deepening Member Loyalty Through Value Alignment

More than ever, members want to feel aligned with their financial institutions. It’s not just about “what you do”—it’s about “why you do it.”

Credit unions that communicate values of community support, ethical banking, and financial empowerment are better positioned to stand out in a saturated market. When your mission resonates with their reality, loyalty becomes organic.

- 72% of Gen Z and Millennials say they are more likely to stick with a brand that shares their values (Source: Deloitte 2024).
- Credit unions have a unique trust advantage—but maintaining it will require active, ongoing demonstration of purpose.

This is a call to leadership to lean into that differentiator—not only through marketing, but through product design, staff training, and service delivery.

## Insight in Action: Leadership Questions for Deeper Member Connection

- Are we still measuring success by product volume—or by member impact?
- What data or behavior can we act on to anticipate member needs?
- Where are we being reactive instead of relational?
- How well do our values align with what our members care about most?

The background of the top half of the page is a dark, blue-toned image of a laptop. Overlaid on the laptop screen are several data visualization elements: a bar chart with blue bars, a line graph with a blue line, and several red warning triangles with exclamation marks. The overall aesthetic is futuristic and data-driven.

# Economic Signals That Credit Unions Can't Afford To Ignore

## Anticipating Shifts, Strengthening Strategy

Over the past few years, credit unions have navigated turbulent economic terrain—from inflation spikes and interest rate volatility to rapid digital acceleration and evolving member expectations. What lies ahead isn't just more change, but more complexity. According to a 2025 report by Deloitte, 62% of financial institution leaders believe the pace of economic disruption will intensify over the next five years, yet only 28% feel adequately prepared.

“

*The greatest opportunity for financial institutions lies in their ability to connect macroeconomic trends with the unique needs of their members.”*

”

To lead effectively, CU leadership must develop a radar for subtle and significant signals—shifts in consumer confidence, employment trends, regulatory tightening, and even technological adoption curves. These trends don't exist in isolation; they are part of an interconnected economic horizon that will shape lending strategies, risk tolerance, product innovation, and member engagement models.

## Key Economic Indicators Credit Unions Should Monitor

Indicator	Why It Matters	How It Impacts Credit Unions
Consumer Confidence Index	Signals members' willingness to spend or borrow.	Influences loan demand and deposit behavior.
Unemployment Rate	Reflects broader financial stability of your member base.	Impacts delinquencies, loan performance, and product needs.
Interest Rate Outlook (Fed Policy)	Directly affects borrowing, savings, and investment decisions.	Requires agile pricing strategies and communication with members.
Regulatory Policy Updates	Tighter or looser policy can shift compliance obligations and service design.	Determines operational focus and resource allocation.
Technology Adoption in Finance	Indicates competitive pressure and evolving member preferences.	Guides digital transformation, product innovation, and partnerships.

## From Indicators to Insights: Localizing the Economic Picture

National data offers a high-level view—but local trends drive actual member behavior. A sudden rise in layoffs in a regional industry or shifts in housing demand in your community can shape how members borrow, save, and spend. Credit unions should augment macroeconomic analysis with real-time, local intelligence to stay agile.

**Action Tip:** Build local economic dashboards using data partnerships with municipalities, chambers of commerce, and local employers to track what matters most to your members.

## Diagnostic Framework: Linking Economic Signals to Strategy

It's not just about what the data says—it's about how your institution responds.

### Member Education:

Are we helping members interpret these changes and take action to safeguard their financial well-being?



### Lending Strategy:

Are we adjusting underwriting criteria in response to job market fluctuations?

### Risk Mitigation:

Are we stress-testing our portfolio against various interest rate or economic downturn scenarios?

### Product Relevance:

Are savings and investment products aligned with changing inflation expectations?

## Reflection Questions for Credit Union Leaders

- ◆ Are we consistently reviewing both national and local indicators to inform decisions?
- ◆ Do our teams know how to translate economic data into product strategy and member conversations?
- ◆ Are we investing enough in forward-looking tools like predictive analytics and scenario modeling?
- ◆ How resilient is our current operating model in the face of prolonged economic stress?

## Organizational Task: Create an Economic Watch Group

Form a cross-functional “Economic Watch” task force inside your credit union. This team—comprising strategy, lending, compliance, and marketing—should meet monthly to:

- ◆ Review and interpret economic indicators.
- ◆ Align business plans and product pipelines.
- ◆ Identify member risks and opportunities.
- ◆ Share insights organization-wide to drive informed decision-making.



# Reimagining Financial Resilience For A Changing Member Base

## Building Institutional Strength for Member-Centric Stability

The notion of resilience is evolving. For credit unions, it's no longer enough to simply weather downturns. True resilience now means building a flexible, responsive institution—capable of protecting members from volatility while creating long-term financial empowerment.

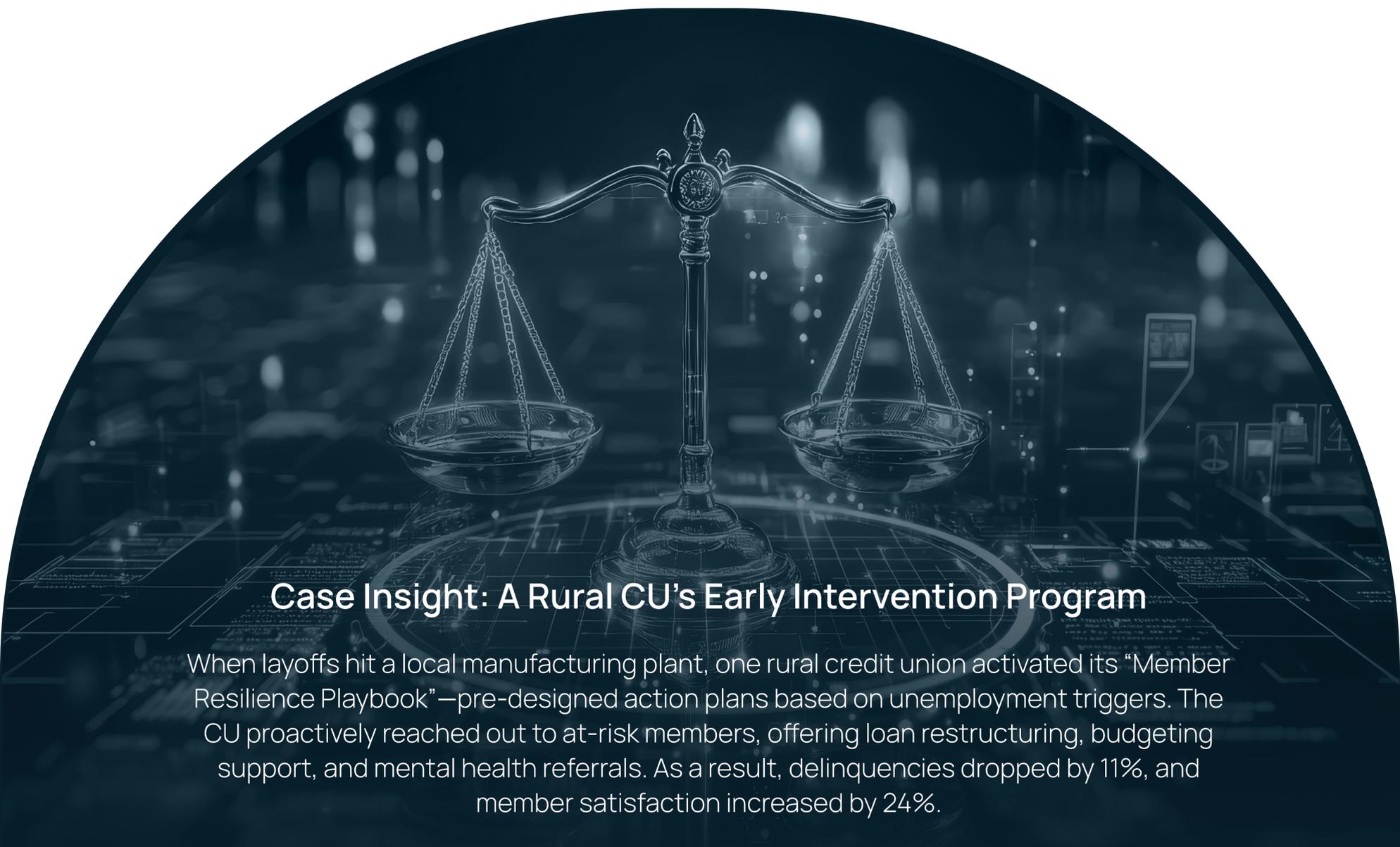
Resilient credit unions don't just survive—they adapt in real-time, anticipate needs, and remain mission-aligned under pressure. They create structures that allow both the organization and its members to thrive—financially, emotionally, and digitally.

***Building  
resilience  
means  
transforming  
crises into  
opportunities  
for connection,  
support, and  
long-term  
growth for  
your members.***

## Rethinking What Resilience Looks Like

Modern financial resilience is shaped by more than liquidity ratios and loan-to-deposit numbers. It's about institutional behaviors and member outcomes.

Old Definition	New Definition
Strong capital buffers	Capital + agility + community insights
Surviving economic shocks	Evolving and growing during disruption
Risk-averse operations	Risk-informed innovation
Member support in crises	Member partnership before, during, and after crises
Siloed financial metrics	Integrated member wellbeing and operational performance

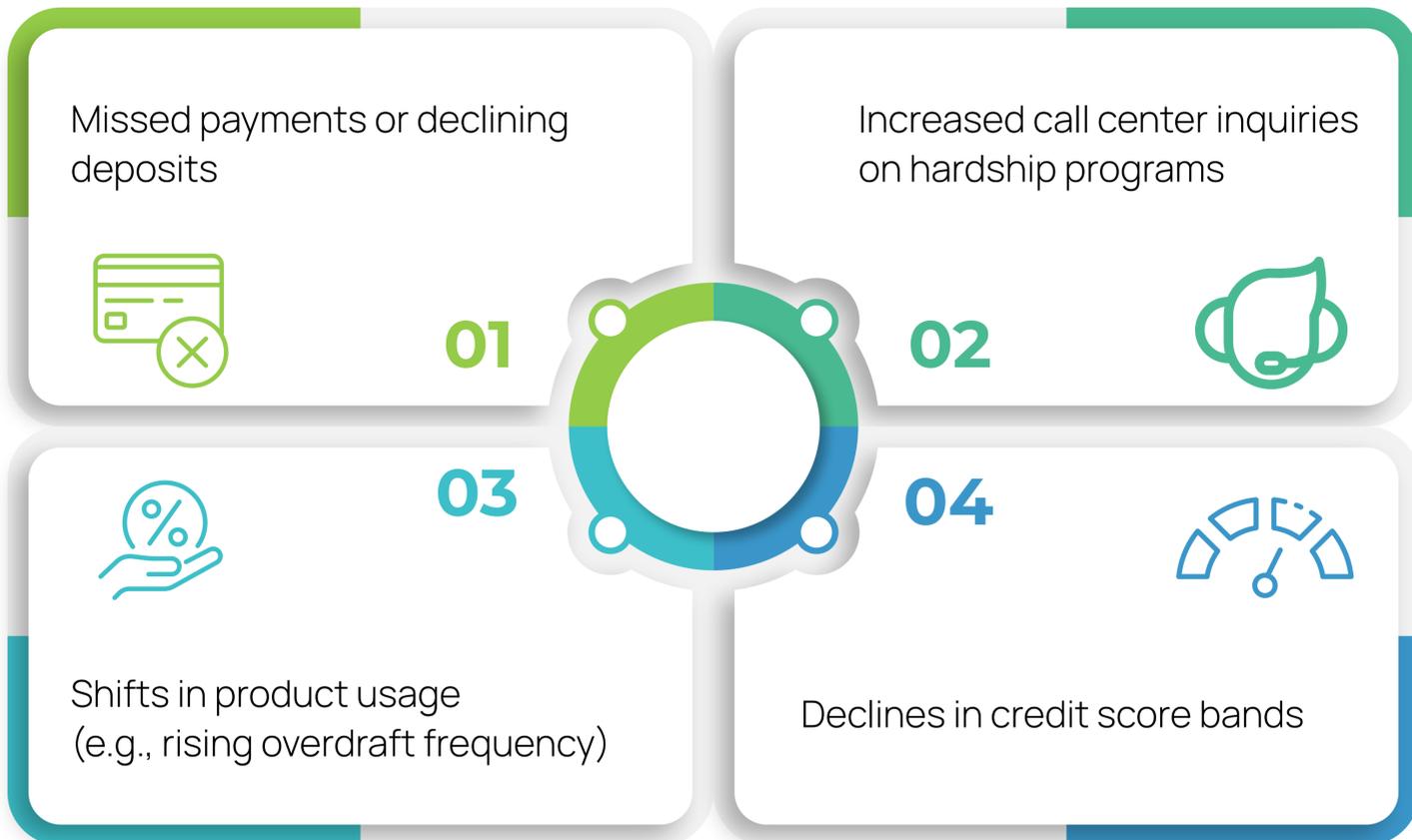


**Case Insight: A Rural CU's Early Intervention Program**

When layoffs hit a local manufacturing plant, one rural credit union activated its "Member Resilience Playbook"—pre-designed action plans based on unemployment triggers. The CU proactively reached out to at-risk members, offering loan restructuring, budgeting support, and mental health referrals. As a result, delinquencies dropped by 11%, and member satisfaction increased by 24%.

## Member Resilience Tracker: A New Toolset for CUs

Credit unions can build internal dashboards that track signals like:



These signals allow you to intervene early, personalize support, and keep financial stress from escalating.

### Leadership Reflection

- Are we building resilience only at the institutional level—or are we enabling member resilience too?
- Do we have a defined response plan for economic stress in key member segments (e.g., gig workers, retirees)?
- How can we measure resilience more holistically—not just in dollars, but in outcomes?

### Task for Teams: Build a Member Resilience Scorecard

Collaborate across departments to define what resilience looks like for your members. Include indicators like:

- % of members with emergency savings
- % enrolled in financial wellness programs
- % who improved their credit score in the past year
- % accessing your digital tools regularly

**Use this to align internal KPIs with actual member wellbeing.**





# Designing The Future Of Credit Union Leadership

## From Stability to Agility—Redefining Leadership for a Changing Economic Landscape

The credit union movement has always been rooted in values—cooperation, trust, and people helping people. But in an economy defined by rapid shifts, rising member expectations, and digital disruption, leadership can't simply be about maintaining stability. Today's leaders must design for agility, build cultures of experimentation, and develop teams that can respond—not just react.

Leadership in the next decade will be measured not by how well we preserve legacy systems, but by how boldly we evolve them.

“

***Effective leadership today requires a shift from top-down decision-making to transparent, collaborative strategies that empower every level of the organization.***

”

## Characteristics of Future-Ready CU Leadership

Legacy Leadership	Future-Ready Leadership
Operates within defined roles	Embraces cross-functional influence
Prioritizes efficiency	Prioritizes adaptability
Top-down decision-making	Distributed, transparent decision-making
Avoids risk	Manages and learns from calculated risks
Focus on compliance	Compliance + innovation mindset
Measures success in asset size	Measures success in member outcomes

## Leading Through Complexity: What It Takes Now



### Human-Centered Decision Making

Member impact should be at the center of every major choice—from product design to branch strategy.

### Empowered Middle Management

Equip managers to lead change, not just manage tasks. This is where transformation either scales or stalls.

### Fostering a Learning Culture

Build space for experimentation and “safe-to-fail” pilots that encourage innovation and responsiveness.

### Leadership Visibility in Crisis

Presence matters. Whether through video updates, town halls, or personal outreach—leaders must be seen, heard, & trusted.

### Data as a Leadership Tool

Use real-time member and operational data not just to track performance—but to shape direction.

A hand holding a white stylus is drawing a glowing, wireframe globe on a tablet. The globe is surrounded by various icons: a dollar sign, a bank building, a shopping cart, a magnifying glass, and a line graph. The background is dark with blue and white light effects.

# Conclusion: Building The Credit Union Of The Future —Starting Today

**The horizon is shifting—but the mission remains.**

Credit unions were built to serve, to uplift, and to empower. That purpose is more critical now than ever before. What's changing is how we do it. Economic uncertainty, evolving member expectations, digital acceleration, and regulatory complexity all demand one thing: intentional, future-ready transformation.

**This isn't about  
catching up.  
It's about leading  
forward.**



## Take the First Step

Start with a conversation. Bring this eBook to your next leadership roundtable. Reflect together. Debate openly. Decide where you'll act next. And then—act.

**Because the future of credit unions isn't something to watch unfold. It's something to design.**

# Redesign Leadership from the Inside Out

True innovation starts at the top. Now is the moment to redesign how leadership shows up in your credit union—not just in meetings, but in moments that matter to your teams and members.

**Lead with purpose. Operate with agility. And build a culture ready for anything.**

## Looking to spark that transformation?

**Contact TechWish** to explore how we can support your credit union's leadership evolution—through insights, tools, and strategies built for the future of member-focused finance.



## Delivering tomorrow's business solutions today

**TechWish** delivers smart, future-ready solutions that help businesses overcome challenges, improve efficiency, and drive growth. We empower organizations to adapt to change, seize new opportunities, and stay competitive in an evolving market. Our expertise simplifies complex processes, enabling businesses to work smarter and achieve sustainable success.

With a focus on innovation and strategic problem-solving, we provide the tools and insights needed to optimize operations and unlock potential. Whether you're looking to streamline workflows, enhance productivity, or build for the future, TechWish is here to help

*Let's transform your business. Contact us today to get started.*



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