



## **HR Goes On Line**

***Many credit unions are using Web-based tools to enhance their human resource functions.***

By Diane Franklin

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Technology has impacted every aspect of credit union management—from front-line interaction with members to product delivery to back-office administration. So, it should come as no surprise that the human resources function at credit unions has also benefited from the availability of technological solutions. These solutions—many of which are Web-based in nature, have helped increase the efficiency and effectiveness of credit union HR departments. They also have simplified the lives of managers by reducing the time and paperwork required to accomplish employee performance reviews and to process employee feedback.

There is another group that benefits from these HR tools: employees themselves, who typically will find themselves the recipient of more timely performance appraisals as well as more responsiveness from managers with regard to their feedback.

"We do as much on line as we possibly can," says CUES member LeeAnne Giblin, SVP/human resources for \$1.3 billion [Technology Credit Union](#), which serves 77,000 members in the San Francisco Bay area. The technological solutions range from job applicant tracking and employee appraisals to employee recognition and career pathing.

### **A Better Appraisal System**

As might be expected from an organization that has "technology" in its name, the credit union developed some of its own HR solutions rather than purchasing an existing application. A prime example is the credit union's employee appraisal application, which has expedited monthly employee/employer dialogs and annual performance reviews for the organization's 270 employees.

"We had been using a performance evaluation system as part of a package that we had purchased," Giblin explains, "but we wanted something that would be more customizable to what we wanted to accomplish. We outsourced a lot of the development. Our goal was to get away from cookie-cutter performance evaluations. Employees are not being evaluated on irrelevant criteria."

In developing this Web-based performance evaluation application, Technology CU placed strong emphasis on making it easy to use. "We have about 50 managers using the software, and it also features self-appraisals that all employees do, so it had to be very user-friendly," Giblin reports.

As an example, the Technology CU application has made it so that personnel can use the same password during login as they use for their Windows applications. "If they change their Windows password, it automatically resets in the performance evaluation application as well," Giblin explains. "This is a big improvement over the previous application we used, when we would get

50 phone calls at review time from people asking for their password. It is much more self-managed now."

The fact that the evaluations themselves are done electronically is faster, easier and more secure than using a data-processing application, Giblin adds. "It has dramatically changed the process by freeing up both HR's time and the manager's time."

Technology CU has been using this performance evaluation application for close to two years. Giblin anticipates it will take approximately three years to recoup the cost of the software development, so the CU is nearly two-thirds of the way there. "We paid the costs up front," Giblin says. "We don't have to pay an annual maintenance fee. The only cost we have now is when we add in an occasional enhancement. For instance, we recently added spell check."

### **Applicant Tracking**

Another HR application Technology CU built for its own use is its job applicant tracking system. "We hire about 50 people a year on average, and to get those 50 hires, we're probably looking at about 9,600 applicants," Giblin observes. "If we had gone with an outside application to manage this function, it would cost about \$600 per month."

Giblin adds that this application eliminates a lot of paperwork. "It also enhances security. If someone is sick and I need to check the status of an applicant, I don't have to go searching through [the sick employee's] desk drawers. I can gain access on line and immediately find out such information as the source of the application (i.e., CareerBuilder or Monster), where we stand on the background check, how the applicant was rated and whether we are ready to make an offer."

Technology CU also uses a Web-based solution for its employee suggestion program, which routes suggestions to the appropriate person in senior management. "Employees can watch the status of their suggestions and know that they're going to get feedback," Giblin says. "They don't feel like their suggestions get lost in a black hole."

### **A Great Enhancement**

CUES member Colleen Katz, administrative services manager at \$60 million/14,000-member [Central Florida HealthCare Federal Credit Union](#) in Orlando, Fla., sees Web-based tools as greatly enhancing the HR function. The credit union has a total of 48 employees and, in the case of employee evaluations, technology has been a positive for managers who often feel bogged down by the need to do performance reviews.

"I've been with the credit union for close to 20 years, and we've had many evaluation tools in that time," says Katz. "When we had paper versions, we had difficulty getting managers to consistently do the evaluations. For the past two years, we've been using Performance Pro from [HRN Management Group](#), Salt Lake City, and that has made the process much more time-efficient and manageable."

According to Katz, this performance appraisal system was very easy to set up, because there was no software to install. "It's also very easy to use. It's a point-and-click type service to evaluate employees on a scale of one to five. What used to take a long time is now shorter. The managers also get e-mail alerts to remind them when the evaluations are due."

One of the advantages that Katz likes about this browser-based product is that it can be customized to fit the needs of a specific type of organization. "There are employee evaluation models that have been created for teachers, police and also credit unions," she says. "For the credit union model, they use the term member service. It's nice to see that they understand credit

unions. We're also able to customize evaluations. For instance, the evaluation criteria are different for a teller vs. a loan officer. With Performance Pro, they are being evaluated on criteria that fit their job type."

The paperless aspect of Performance Pro is enhanced by the new electronic signature capability, which is accomplished by the use of an online password.

Katz concedes there is a cost factor involved in going with a Web-based employee evaluation tool. However, the time-savings of managers and employees offset that initial cost. Organizations pay a licensing fee, based on the number of members. Therefore, a small credit union will not pay as much as a larger one. "A small credit union may only need 10 to 15 licenses," she explains.

Performance Pro is just one of several HR tools Central Florida HealthCare FCU is using. The credit union also uses Omnia Profiles by the [Omnia Group](#), Tampa, Fla., for hiring and promotion decisions, as well as HR Essentials affiliated with [Benefits Essentials](#), Stamford, Conn., to cover HR policy and compliance issues. All these tools have made the credit union more time-efficient, Katz explains.

### **Facilitating Feedback**

There are also Web-based HR tools that help to facilitate employee input and feedback. [Cyprus Credit Union](#) of Salt Lake City is utilizing a Web-based tool to give employees an effective way to express their opinions to management. The tool is called EmployeeVoice from CUES Supplier member [Allegiance](#), South Jordan, Utah.

"Employee Voice is a Web-based tool that allows employees to log on and pose questions, or express concerns, complaints or compliments—pretty much anything they want," reports Mike Walters, director/human resources at Cyprus CU, which has \$500 million in assets and 68,000 members. "They can do so anonymously or not anonymously—whatever their preference—and their comment will be routed to the appropriate person on our executive management team. The matter raised by the employee can then be resolved through an online dialog."

Walters adds that Allegiance hosts this dialog on its server, which ensures the conversation is confidential, with the level of anonymity the employee desires. "EmployeeVoice serves a couple of important roles for us," he says. "One is that it lets employees all the way down to the entry level have a voice with top management. It also gives senior management the opportunity to address situations that they would otherwise not be aware of and devise policies and programs in response to that."

As an example, Walters cites the circumstances of a Cyprus CU employee who was in the military reserves. He used EmployeeVoice to inquire whether the credit union would supplement his pay in the event that he was mobilized. "This directly led to the creation of a new policy on this subject," Walters reports. "This was something we would have never considered if it hadn't been brought to management's attention through EmployeeVoice."

Cyprus CU has 250 employees spread across 15 branches in a geographical spread of about 50 miles throughout the Salt Lake Valley. This makes EmployeeVoice a valuable tool for those employees who are not close to corporate headquarters. However, Walters adds, "Even the employees who work at the branch inside our corporate office still use it. Some just find it a more comfortable option than going directly to management with their comments."

Cyprus CU added EmployeeVoice as a means of improving interaction between its employees and senior management. "We have five to 10 submittals per month, but we don't judge the success on how much it is used," Walters says. "We knew through surveys that employees

thought there was a disconnect. This is a tool to address that problem. We still need roundtable and face-to-face discussions. This is just one of several tools in our toolbox.

EmployeeVoice is very easy to use, says Walters. "The employee just clicks on a link and types in his or her user name and e-mail address. The e-mail address is for the purpose of supplying a management response. It is not revealed to the individual answering the question."

The routing is set up so the questions and comments go to the appropriate person. "It's broken into multiple categories," Walters explains. "Branch questions go to the VP/operations/branches, lending questions go to the VP/lending, and so on. About one-third of the feedback we get are compliments. It's not just employees complaining. We've gotten positive feedback about the system from employees who use the system."

EmployeeVoice is just one of many Web-based HR tools in use at Cyprus CU. For employee evaluation, the credit union uses Performance Pro from HRN Management Group. "We've had tremendous success with it," Walters reports. "It's very simple to use, and it's a great storage facility for documentation on employees. So, if managers need to know when a 90-day probationary period is up or about a specific accommodation given to an employee, they can pull up that information themselves rather than call HR. It's a tool that empowers managers while also saving time and reducing paperwork."

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