



THE LAST WORD

Tracy Ashfield

# It's Time to Embrace Diversity

## *It's the Right Thing to Do, and the Future of Your Business Depends on It*

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When thinking about the theme of this issue, we hit on “Growing the Tree of Diversity” for many interconnected reasons.

Like others, we saw the Black Lives Matter protests that called for racial equality. Subsequently, we became acutely aware of the need for credit unions—long the champion of the underserved—to ensure we are serving our diverse memberships. Diversity speaks to race, ethnicity, socioeconomic status, age, etc.

To accomplish this goal, we then began to understand the urgency in broadening not only the diversity of our credit union staff, but also developing a wider array of mortgage (and other) products and services in order to serve the needs of that diverse membership.

So, yes, growing diversity brings a string of interconnected goals. To achieve them, credit unions need to work on strategies, decide what's most important, and make the necessary changes.

Gail Cox's outstanding article in this issue offers a framework for such a journey. She asks pertinent and important questions—some quite pointed—to encourage discussion and consideration. She offers specific plans for reaching goals along the way.

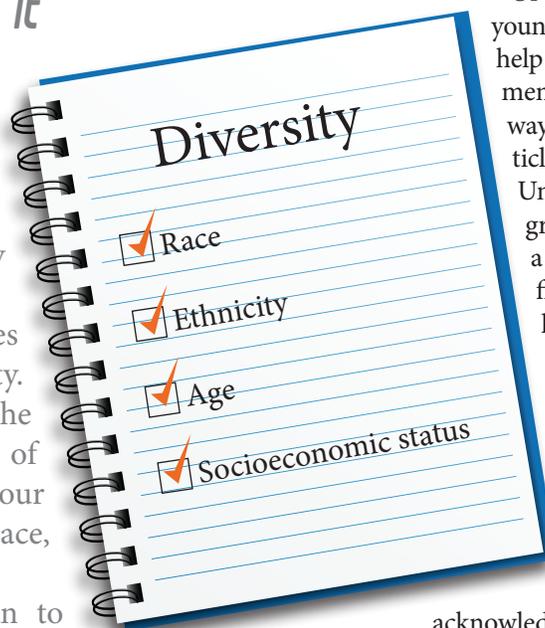
Other contributors talk about dealing with language barriers, tools to attract a diverse group of employees, marketing outreach ideas, understanding minority

cultures, limiting appraisal bias, and more.

It all provides a rich foundation upon which to build. The rest is up to each of us.

But embracing diversity is not only the right thing to do, it is a requirement for future success. As more than one article in this issue points out, the majority of new home purchases is coming from members of minority groups, a trend that is only expected to accelerate.

And the refi boom is pretty much over: a recent Mortgage Bankers Association study noted that refinance loans made up 60% of the U.S. market. We know that percentage was higher at many credit unions. But the MBA now



forecasts that by late 2021, refis will make up 30% or less of the market.

Will you be prepared to attract buyers looking for purchase loans with your current staff and products? Will you be ready for intense competition for those loans?

Furthermore, are you attracting younger members—the demographic that's going to be looking for their first homes and then larger homes as their families grow? As a reminder, the average age of a credit union member nationwide now tops 50.

Or are you attracting young workers? That can help bring in younger members in many ways. This issue's article about Ent Credit Union's trainee program points out how a forward-looking financial institution has built strategies to attract a young, diverse workforce on a continuing basis. And you don't have to be a billion-dollar FI to do so.

I'd suggest you acknowledge outreach marketing, make it reflective of your current and potential membership, and especially look to those first-time homebuyers. You need to do this now to keep your volume totals up and attract new business as refis shift to purchase loans. Don't be left behind.

ACUMA can help. Our resources are many, and we are offering multiple opportunities to learn and grow every month.

But in the end, the decision is ours. Can we continue to compete without diversifying membership, staff, products and services? Think about it. ▲

*Tracy Ashfield is the President of ACUMA.*



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