



WOCCU INTERNATIONAL CREDIT UNION LEADERSHIP PROGRAM

PROFESSIONAL
FELLOWS

- Professional FELLOWS program
 - What is it
- CU Challenges in Guatemala
- MICOOPE
 - Who are they?
 - What do they do?
- COOSAJO CU Visit
- Guadalupeana CU Visit
- Guatemala Cultural Differences
- Other fellow CU ideas



Unidos para dar
vida a tus sueños

WOCCU - International Credit Union Leadership Program



- Group of nine people attended from CU's around the US
- Designed to facilitate idea exchanges, promote foreign language skill development, enhance cultural diversity and improve problem-solving skills as they relate to credit union development and management on a global basis.
- Funded by a grant from the U.S. Department of State, Bureau of Educational and Cultural Affairs, and the Office of Citizen Exchanges.
- Purpose was to better understand how Guatemalan CU's work with underserved populations and support their communities through member education and other special projects.



CU Challenges in Guatemala

CU Challenges in Guatemala

- Non-savings culture.
- Lack of education of credit unions and financial institutions in general.
- Doubt in non-bank channels.
 - Credit unions going BK and members losing their money.
- Guatemalan culture with underserved was to keep money at the house, and not save at banks.
- Powerful competition in the banking sector.
- No regulatory body like NCUA.



ROAD TO MICOOPE

Who is FENACOAC

- Founded in 1963.
- FENACOAC is a **self proclaimed** federation and regulatory body.
- Don't offer products, or servicing to members.
- Only service credit unions.
- Work as liaisons for CU's.
- Train best practices for the various CU's. Including:
 - How to offer loans in the market place.
 - How to hire quality staff through HR.
 - How to find new membership.
- No cost to the CU's
 - Only requirement is a minimum number of accounts.
- Self governed. **Creating regulations** in the CU community.

FENACOAC OFFERINGS

- FENACOAC has four divisions:
 - FONDO DE GUARANTIA
 - FENAFORE
 - SEGUROS COLUMINA
 - COOPERATIVAS MICOOPE

Sistema Cooperativista
MICOOPE



Sistema Cooperativista **MICOOPE**

More than 48 year in
existence

1963

FEDERACIÓN NACIONAL
DE COOPERATIVAS
DE AHORRO Y CRÉDITO
FENACOAC R.L.

1994



2008

NUEVA MARCA
PARA EL SISTEMA



2011



**RESPALDA
MIAHORRO**

FENAFORE

- FENAFORE is FENACOAC's retirement/pension plan for the employees of the credit unions.
- This fund is tax exempt.
- 100% of credit union employees enroll in it.
- 1st two years, 5% of salary is contributed. 8% thereafter.
- Can be used as collateral for loans.
- If employee leaves, they can withdraw the funds without penalties.



- Founded in 1994.
- This is the insurance arm of FENACOAC.
- Offers the following insurance products to the credit unions:
 - Credit life
 - All loans have life insurance (paid by the CU's)
 - Offered as a benefit for being a CU member.
 - Home insurance
 - Auto insurance
 - Agricultural insurance, etc.



- FONDO DE GUARANTIA is their insurance of funds.
 - Created in 2011
 - Guarantee members funds up to \$100,000 quetzales (~\$15,000). This is 5 times more than local banks.
 - Directors of FONDO are the CEO's of the CU's.
 - FONDO regulates that the CEO can't earn more than twice the average income of their Sr. Management team.
 - FONDO can dismiss CEO if miss handling operations



COOPERATIVAS MICOOPE

- FENACOAC created MICOOPE to rebrand credit unions as ONE entity.
- The 25 credit unions together are the 7th largest financial institution in Guatemala.
 - There are over 225 credit unions nationwide. Most small and seg based.
- MICOOPE has 70% of the credit union membership nationwide.
- Largest CU is \$150 million in assets with the smallest being \$3 million.
- Combined have a network of 190 branches.
- Combined, the credit unions are:
 - Over 1 million members strong.
 - ~222,000 members are minors.
 - \$902 million in assets
 - \$718 million in savings
 - \$662 million in loans
 - 5.05% delinquency
 - 275 POS locations which accept credits, debits and purchases.



MICOOPE CREDIT UNIONS COVERING GUATEMALA

Región I

- LA ENCARNACIÓN
- UNIÓN POPULAR
- EL BIENESTAR
- YAMAN KUTX
- ACREDICOM
- COTONEB
- SALCAJÁ
- COSAMI
- COLUA
- SAN PREDRO



Región III

- SAN MIGUEL GUALÁN
- CHIQUIMULJÁ
- COOSANJER
- COOPSAMA
- GUAYACÁN
- COOTECU
- COOAJÓ
- COBÁN

Región II

- GUADALUPANA
- HORIZONTES
- TONANTEL
- MOYUTÁN
- COPECOM
- ECOSABA
- UPA

- How did MICOOPE come to exist?
- Four phase approach
 1. 2006 – Vision of integration of credit unions
 2. 2007 – Vision of integration into one vision
 - a. Once the idea was accepted, now what?
How do you achieve it?
 3. 2008-2011 – Vision of differentiation of market place.
 4. 2012 – Vision of market share

Phase 1 - VISION of MICOOPE



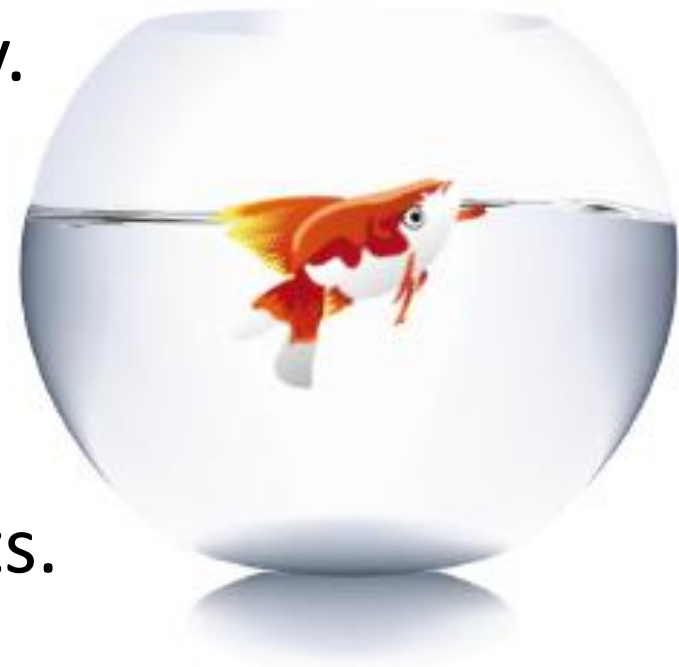
- FENACOAC has a vision of representing credit unions as one entity and creating regulatory body.
- Vision of all credit unions working holistically in the market place.
- Extending reach of each credit union by offering services throughout the nation.
- Dominating market share to underserved population.
- KEY: Get credit union CEO's buying in.

Phase 1 - Vision of integration of credit unions



CEO Concerns

- This can't be done.
- We've always done it this way.
- My board isn't interested.
- It's too difficult to achieve.
- We're fine the way we are.
- The members will have doubts.
- What if it doesn't work?



Biggest concern from the CU's

- How are we going to survive outside of our own world?



FENACOAC's response

- Through creativity and innovation, the credit unions working together can achieve incredible heights.



Overcoming Concerns

- FENACOAC had to protect the CU's. Guide them.
- Show them the power of the combined CU's.
 - CU's can go from 10-15 branches to 190 nationwide
 - Consolidate marketing budgets
 - Become a significant player in banking in Guatemala



Phase 2 - Integration into one vision

- Once the CEO's bought in, second phase was to incorporate all the employees.
 - From cleaning crew to executives
- FENACOAC held a major event for all 2,800 employees to get buy-in and launch brand.
- ALL employees showed up in their new uniforms.



New Branding



COPECOM R.L.
Nuestra Experiencia Financiera... Respalda tu Inversión



En Cooperativa de
Ahorros, Préstamos y Seguros
¡¡¡ Orgullosamente del Pueblo !!!

SAN MIGUEL GUALÁN

es



Unidos para dar
vida a tus Sueños

AHORROS • PRÉSTAMOS • SEGUROS • REMESAS Y MÁS



New Branding



- FENACOAC rebranded the CU's as MICOOPE
 - **Mi** = My
 - **COOPE** = COOPERATIVE (My Cooperative)

Phase 2 – Cont...

- Theme of event was Possible Mission, a play off of the movie Mission Impossible.
- All employees got a Mission Kit.
 - Mission: Each employee to bring in 25 new members; family, friends, coworkers, etc.
 - To help achieve this, they offered prizes and gifts.
- In four months, they achieved 30,000 members.
- In 2008 they had 800,000 members.
- In a span of 1.5 years, they grew over 200,000 members.
- Goal was to achieve 1 million members by 2010

[VIDEO OF EVENT](#)



Phase 2 – Cont...

- Within the community, they offered to paint buildings with the MICOOPE logo.
- Word got out, hype got out, and more and more business were requesting MICOOPE to paint their building.
- Everyone wanted to be part of the movement.



- Local community wanted to become part of the movement.
- Community was requesting MICOOPE paint their businesses.



Phase 2 – Cont...

- During 2010, the world cup took place.
- Promotions were Futbol based
- They promoted the goal of 1 million members within the community.
- Posted achievements vs. goal.
- When goal was met, they held a huge event to 'thank Guatemala' for their support.

Phase 3 - Differentiation of market place

2009 - 2011



Popped the
protective
bubble



Allowed the credit unions to
swim in the ocean of
opportunities



Promoted being a credit
union activist is a good
thing...

- Promote 'siendo cooperatista es bueno'
 - being credit union activist is good.
- Promote that credit unions are sound, no corruption and funds are insured.
- Competition took notice, started to use the 'Mi...'
 - MiBanco es...
 - MiSeguro es...
- MICOOPE fought back saying that "Mi..." is theirs in the marketplace.



Phase 4 – Now...

- MICOOPE wants their logo to be significant in the community. Not just another logo.
- Surpass expectations of the members.
- Survey members based on:
 - Friendliness
 - Efficiency
 - Image (uniforms, cleanliness, etc)
 - Organization.
- Results are shown to each individual CU, but MICOOPE can see all.
- Mystery shopper – Entire branch gets rated by this one visit.
- Goal is to achieve 1,500,000 members. Olympics theme...

So what does MICOOPE do now?

- Support all 25 credit unions.
- Converted all 25 credit union's core banking systems into one banking system.
- Define products and services.
- Fight to set up regulations within credit union space.
- Look for more credit unions to become part of MICOOPE.



COOSAJO R.L.



- Founded in 1966
- Established by 36 members of the church.
 - One of which is still alive at 104.
- Largest credit union within MICOOPE
 - 90,000 members
 - 23,000 (~25%) are minors with \$3.2 million in deposits.
- 11,500 ATM cards
- 90 POS locations
- 10 ATMs
- Own park, Parque Chatun
 - For members only.



BRANCH LOOK AND FEEL



COOSAJO TELLER LINE



COMMUNITY INVOLVEMENT



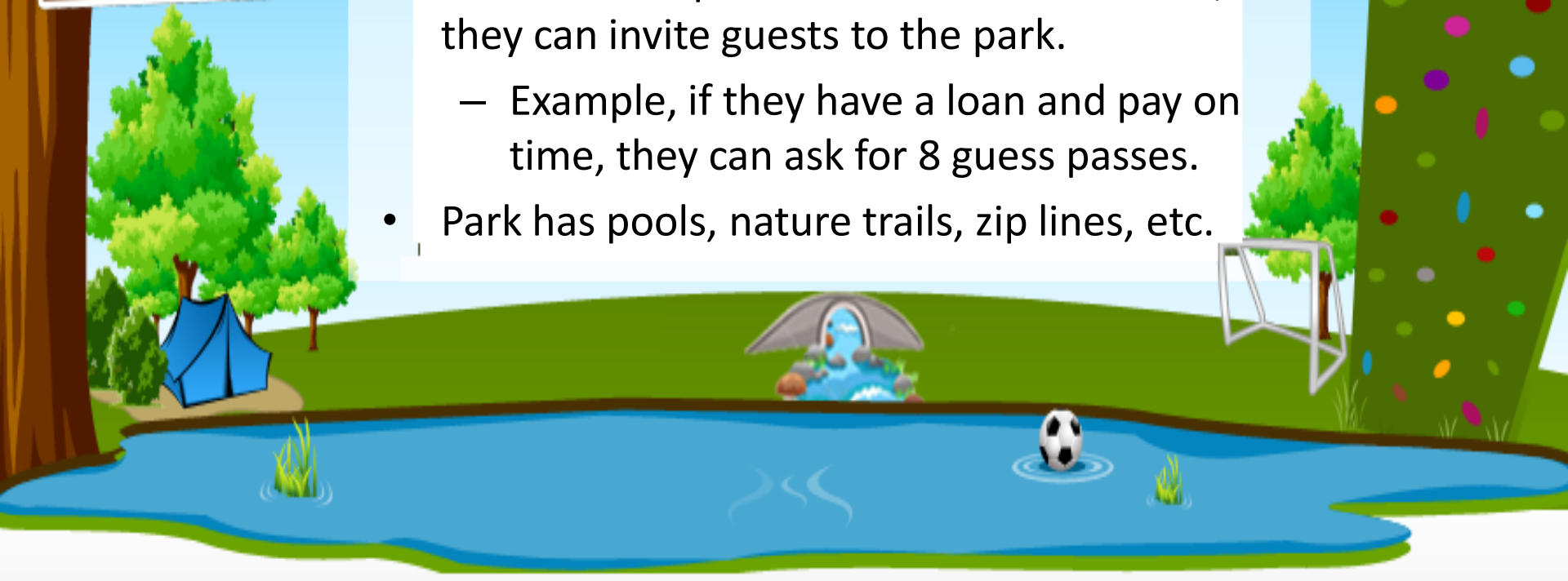
COMMUNITY INVOLVEMENT



Parque Chatun



- 30 acres of land.
- Believe that individually they can't achieve their goal, so they believe working with the community to prosper.
- Based on the products the members have, they can invite guests to the park.
 - Example, if they have a loan and pay on time, they can ask for 8 guess passes.
- Park has pools, nature trails, zip lines, etc.



SOLICÍTALA
YA
¡ES GRATIS!

y obtenga grandes beneficios



COOSAJO R.L.®

es


MICOPE



MOBILE BANKING



MOBILE BANKING VAULT



MOBILE TELLER LINE



MOBILE MEMBER SERVICES



ACCOUNT OPENING AT SCHOOLS



MINOR ACCOUNT OPENING



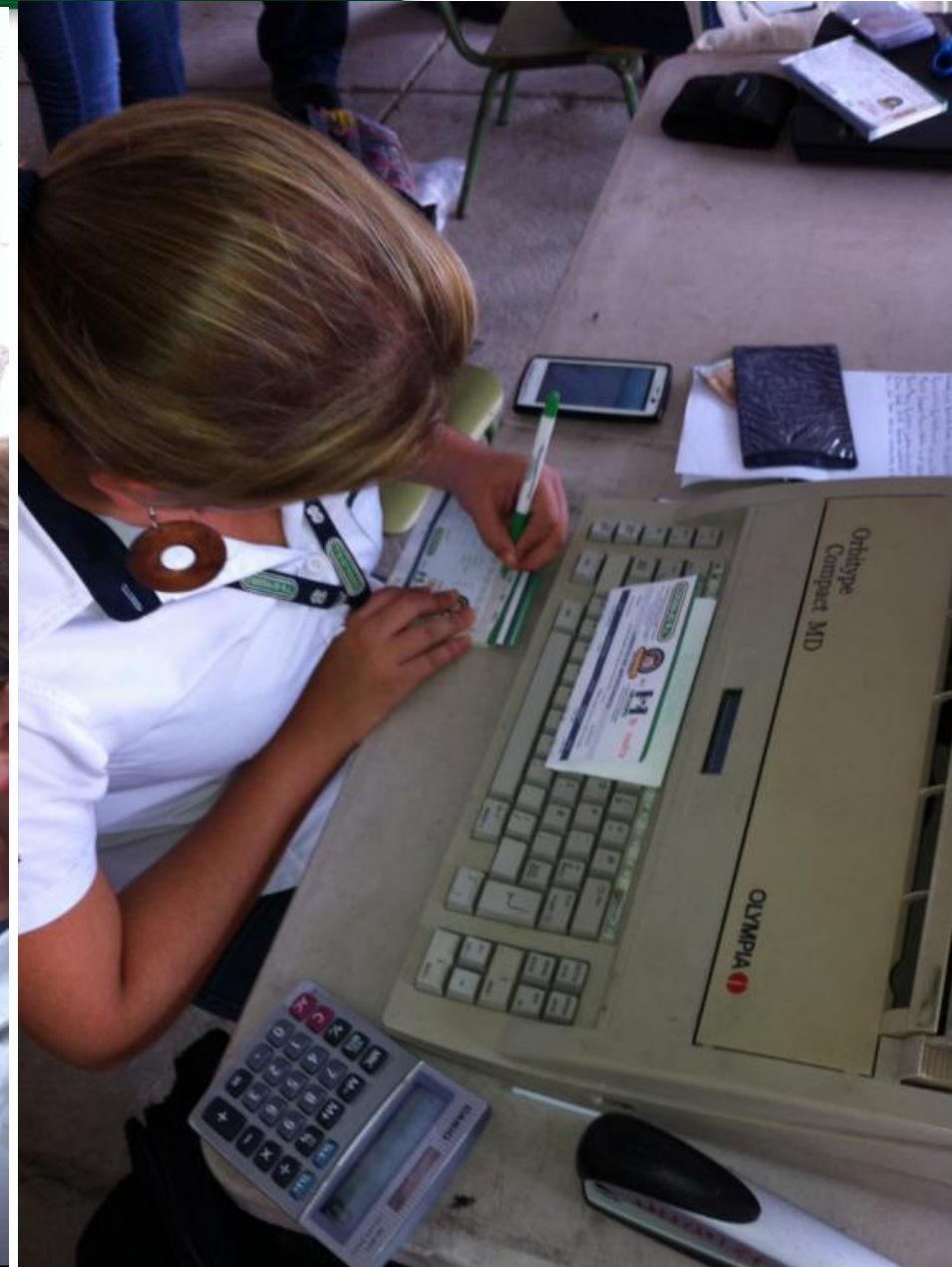
MINOR ACCOUNT ID CARDS



MINOR ACCOUNT PIGGY BANKS



MEMBER DEPOSITING MONEY



GIFTS FOR DEPOSITS



KIDS WAITING FOR TRUCKY



TRUCKY THE MASCOT



TRUCKY PERFORMING



BANKING ON FOOT



ATTENDING COMMERCIAL ACCOUNTS



GUADALUPANA

es



MICOOPE

Unidos para dar
vida a tus Sueños

- Founded in 1965
- Started by a church in Villa de Guadalupe
- Operated in the basement of church
- 9 founders
- 25 members initially
- Board meets once a year to review the financials of the credit union.



NEW ACCOUNT OPENING

- Every week they hold presentations for new members.
 - CU explains their services and products.
 - 15 - 20 persons per session on average.
 - Promote their Services while explaining banking.
- Goal is for members to have at least 5 products per member.
 - The current average is 3.
 - Trying to get to five through telemarketing.

- This year, GUADALUPANA will give a way 6 cars.
- Last year they gave a way 3.

AHORA

VAMOS CON

6!!



INTERESTING PRODUCTS

- CUENTA FEMININA – (Account for women)
 - Designed for house wives
 - Each month they have to deposit into the account
 - If they comply, they can ask for a loan after 6 months



- INSURANCE
 - Each member can purchase medical insurance for \$170 quetzales per year. That's roughly \$22 US.
 - Will cover all medical expenses except medications

GUADALUPANA TELLER LINE

- TELLER LINE FOR KIDS



HUMAN RESOURCES

- One week of training for introduction to credit unions and about the credit union
- Life insurance - \$10,000
- 1 team building excursion annually
- Higher the position, lower the percentage paid of medical insurance.
 - Executives pay 50% of the insurance cost
 - Middle management pay 40% insurance cost
 - Operations pay 30% insurance cost
- If single, the employees can get insurance for the parents.
 - Once married they can only cover their immediate family.
- Employees pay 50% of uniform cost.

HR – VACATION DAYS...

- 15 days of vacation. 1 additional day per year.
- Depending on how you perform in the year, when you take vacation time, the credit union will pay the employee a percentage bonus. Example:
 - 1-2 years 10%
 - 3-5 years 15%
 - 6-10 years 20%
 - 10+ years 30%
- Additional day off for your birthday.
- On birthdays, employees get \$150 quetzales (roughly \$20 US)

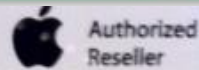
GUATEMALA

Cultural differences...









El nuevo iPad.



- Pantalla Retina de 9.7 pulgadas con Multi-Touch
- Chip A5X de doble núcleo con gráficos de cuatro núcleos
- Cámara iSight de 5 megapíxeles y cámara FaceTime
- Grabación de videos en HD de 1080p
- Hasta 10 horas de duración de batería
- Wi-Fi (802.11a/b/g/n) integrada
- Disponible en negro o blanco
- iOS 5 e iCloud

Wi-Fi	16GB Q5,499	32GB Q6,499	64GB Q7,499
Wi-Fi + 4G <small>Plan de datos se vende por separado.</small>	16GB Q6,999	32GB Q7,999	64GB Q8,999

iShop

32GB = Q6,499
(\$833 US)

In the US, it
Costs \$599

DIVERSE CULTURE









Unidos para dar
vida a tus Sueños

Thank
You