

Developing diversity in the idaho central credit union



Abstract

This paper explores the efforts of Idaho Central Credit Union to foster and encourage diversity, as well as some of the practices used in daily business and hiring. It describes some of my experiences working at the credit union and the application of principles found in the assigned reading for this week. Idaho Central Credit Union's Hispanic service initiative began by working with current Hispanic employees to find solutions to better serve members in areas with higher Hispanic populations. Idaho Central Credit Union has also employed pre-employment tests that score the applicant on soft skills, also described as emotional intelligence, to determine their ability to perform the job as opposed to an assessment of their cognitive abilities.

Better for Our Members: Diversity at Idaho Central Credit Union

Idaho Central Credit Union successfully manages diversity by completing initiatives to promote minority membership and employment with the credit union in higher paying positions, as well as consulting with them to find solutions to help their members who are not primarily English speaking. They also used pre-employment testing based on ability to perform the job required rather than testing for cognitive ability. I recently began my career with them last year and saw the effects of their diversity initiatives firsthand.

Idaho Central Credit Union's growth has increased dramatically over the past decade. The Credit Union has branches across Idaho, even in some of the more rural areas. As they opened branches in these areas, they found that the Hispanic populations were much higher than in the more metropolitan areas of Boise and Pocatello. The executive team sought out team members
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who were Hispanic or spoke Spanish and consulted with them about how to better serve these members. The most common response that they received was that the company had very few financials service and mortgage officers who were fluent in Spanish and weren't always available to help members in other branches over the phone or online. Seeing the need for more officers who could communicate directly with members, Idaho Central Credit Union designed an initiative to hire more Spanish speakers and promote those already with the company. The executive leadership put a plan into place to have at least one teller and one financial services officer who were Spanish speaking in every branch and as many as needed in branches with a higher Hispanic population. In addition, management also began translating and printing all informational brochures and flyers in Spanish so members could better comprehend the information, even if they were unable to speak with someone fluent in Spanish at that time.

After these changes were put in place, membership skyrocketed in branches located in areas with a higher Hispanic population. These results are not unique, as companies that place a priority on being diverse ethnically are 35% more likely to perform better than competitors who aren't as ethnically diverse (Parsi, 2017). The members were happy to be able to speak directly with team members about their finances as most of them had their young children who were fluent in both languages translating difficult financial terminology. I personally have seen how much members appreciate being able to conduct their business in their native language working as a teller. The success of the Hispanic service initiative resulted in greater diversity within Idaho Central Credit Union, increasing the number of minorities hired

and placed in higher paying positions such as financial service officers, branch managers, and area supervisors. The executive team also started offering courses for employees to become certified in different languages by testing them on financial terminology in other languages, utilizing the diverse backgrounds of all employees of the credit union.

Idaho Central Credit Union is an example of a multicultural organization as outlined in Chapter 2 of the textbook as they made deliberate and intentional efforts to include minorities, specifically Spanish speakers, in positions of leadership company-wide to better serve their members (Luthans, Luthans, Luthans, 2015). Their desire to reach out to their Hispanic team members to get a different perspective on possible solutions and allowed them to leverage the different viewpoints of their employee base (Parsi, 2017). While Idaho is not as ethnically diverse as other states, it is expected that by 2055 the United States will not have a “single racial or ethnic majority” (Verheim, 2018). For companies to hold a competitive advantage, similar initiatives will need to be taken to appeal to other ethnicities, both as customers and employees.

In addition to increasing diversity, Idaho Central Credit Union has also implemented better hiring processes to encourage diversity. Each applicant is required to take a test that measures different aspects of their personality and their ability to do specific aspects of the job, mostly tied to customer service. The test does not measure cognitive ability, instead focusing on traits like positivity, resourcefulness, customer centricity, urgency, and empathy. These traits are tied to emotional intelligence, which is “an array of noncognitive (emotional and social) capabilities, competencies, and skills <https://assignbuster.com/developing-diversity-in-the-idaho-central-credit-union/>

that influence one's ability to succeed in coping with environmental demands and pressures" (Fernandez, 2007). As I applied for Idaho Central Credit Union, I found the test to be more comprehensive than other pre-employment assessments, specifically in measuring my emotional responses to situations presented as opposed to my cognitive responses. Idaho Central Credit Union attributes much of their success, diversity and growth to using these tests. The test helps to increase diversity by not measuring applicants on their cognitive abilities, but by their ability to perform the necessary functions of the job on an emotional and personal level.

Idaho Central Credit Union is a great example of a company that strives to be a multicultural organization through their efforts to promote and manage diversity within their organization and their customer base. They accomplish this through working with employees with diverse backgrounds to find better solutions, as well as using pre-employment tests to find applicants who are right for the job based on their abilities to help members achieve financial success, rather than just their cognitive abilities or skills.

References

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