



Editorial Perspective:
The Highly Empowered Portfolio Manager



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by Stephen M. Thompson

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An empowered portfolio manager sets the tone as a buck-stops-here manager with "ownership" responsibility not only by managing the bottom line but by working with other senior managers to set expectations and track results across all of the following key areas:

1. Return on assets (ROA)
2. Product pricing and rewards programs
3. Underwriting and credit limit guidelines
4. Ongoing credit line management
5. Promotional activities and promotion response rates
6. Stimulating member usage and increasing 'share of wallet'
7. Fraud and credit loss management activity and results
8. Collection methods and results

Meet Zain Hashmi of ORNL: His Journey to Empowered Portfolio Manager

Zain Hashmi, Manager of the Special Loans Department at ORNL Federal Credit Union of Knoxville, TN has been a client of Advisors **Plus** Marketing Services since Spring 2011. After a decade at ORNL, Zain had just been promoted to his new position and was eager to spread his own enthusiasm about ORNL through new account acquisition programs.

When he first started, Zain had taken over his portfolio duties with a particularly strong background in underwriting but very little experience in marketing. As he and Advisors **Plus** developed a track record of success with structured campaigns however, Zain and his team felt ready by early 2013 to discuss his vision for launching a custom marketing campaign.

And Zain didn't envision just *any* custom campaign, as you will quickly see. With unswerving support, not only from ORNL senior management but from every operational area from branches to contact center, the Special Loans Department developed and executed a custom new account acquisition campaign that has significantly contributed to ORNL's astonishing 43.07% 12-month credit card loan growth!

No detail, from the size of the logo on the direct mail pieces to the specially-scrubbed database of underwriting criteria to the contact center representatives who were personally auditioned for their friendly phone voices, was too small to escape Zain's attention. As he put it, "I tried to run the campaign that I wanted to receive."

Members were told in advance that they would be receiving the direct mail offer and special FAQ phone lines and online access were created. Response rates were scrupulously tracked, because as Zain points out "What does not get measured does not get performed efficiently."

New accounts began to activate immediately and thanks to an ongoing assist from branch marketing, have been building steadily ever since. Zain's most recent promotion, for example, yielded 464 new accounts.

It is probably not literally true that Zain Hashmi knows every ORNL member or credit card holder by name, but it is true that his portfolio knowledge, his ambitious growth goals, and the teamwork and support he has received from all areas of ORNL have worked together to create a paradigm for Empowered Portfolio Management that can inspire us all.

For More Information

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About Advisors Plus Consulting Services Credit Card Consulting

Advisors **Plus** Consulting Services provides comprehensive credit card portfolio services to credit unions including portfolio reviews, and evaluations of products, marketing practices and financial performance.

Credit Card Consulting is designed to provide a credit union's management team with an in-depth view of its portfolio profitability, credit risk and member usage to help it identify and capitalize upon untapped potential in its credit card product line.

An Advisors **Plus** engagement typically begins with a customized portfolio review which normally includes a P&L analysis, credit card products review, comprehensive scan, and assessment of how the credit card products are positioned and marketed through the client credit union. A comprehensive report is delivered in writing and onsite with analysis, recommendations and proposed actions to improve credit card portfolio performance.

In 2012, our average Net Promoter Score was 79 as measured by client surveys.

About Advisors Plus Marketing Services

Since 2005, Advisors **Plus** Marketing Services has provided leading-edge marketing services using marketing intelligence to develop and manage successful marketing campaigns. By employing proven techniques such as data mining, predictive modeling and segmentation analysis, Advisors **Plus** Marketing Services helps credit unions maximize their marketing results by offering the right service at the right time to the right member.

Today, Advisors **Plus** Marketing Services assists over 200 credit unions each year on a customized, targeted basis, as well as structuring semi-annual new account acquisition and activation campaigns for more than 175 credit unions twice per year.

In 2012, Advisors **Plus** Marketing mailed over 3.25 million targeted direct mail pieces on behalf of participating credit unions. Using Advisors **Plus** targeted direct mail practices, modeling and segmentation techniques, credit unions have achieved response rates and average balances well above industry standards. Advisors **Plus** Marketing Services campaigns have helped credit unions achieve phenomenal growth in balances, with credit unions having on average 16% growth in balances and 5% growth in gross active accounts from year to year.



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About Advisors Plus

Advisors **Plus** was established in 2005 to provide consulting and marketing services to credit unions. Our range of services covers the key areas of strategy, credit cards, debit and checking, marketing, contact center, operations, and branch sales.

The experienced consultants at Advisors **Plus** work with a credit union's staff through the entire process from project analysis to implementation and management. Our goal is to ensure that each credit union client achieves sustainable business growth, exceptional member experiences and operational efficiencies.

As of December 31, 2012, Advisors **Plus** has superior NPS Scores of: 79 – Credit; 84 – Debit and Checking; 91 – Contact Center. For more information, please visit AdvisorsPlus.com.