



Q&A with Patrick Jury

Russian Credit Unions Have Lessons to Teach

By Mike Muckian



Patrick Jury

In September, Patrick Jury, CEO of the Iowa Credit Union League, spoke at WOCCU's Eastern European Technical Congress in Moscow. It was the second visit to Russia for Jury, whose league serves 150 Iowa credit unions. Along with other participants, Jury met with members of the Russian Credit Union League to address diverse issues facing Russia's credit unions.

Credit Union World: What surprised you most during this visit to Russia?

Patrick Jury: Russian credit unions are very sophisticated from the standpoint of technology, but that technology is often decentralized. Many of the larger institutions have their own data processing systems, leaving smaller ones to work with what is often homegrown software. That software sometimes isn't compatible with other accounting systems, particularly those of the regulators. That makes effective oversight challenging.

CUW: Are there issues with credit union oversight, given that Russia was formerly part of a totalitarian regime?

PJ: The government is trying to figure out how to regulate its credit unions. Many of the institutions are very small and Russia is geographically very large. Is it worth sending an examiner 6,000 miles to examine a \$2 million credit union? Some regulators would like to see more involvement by the trade associations in facilitating oversight, but [as trade associations] we never think that's a good idea.

Credit union advocacy is a challenge facing Russian credit unions. They wanted to know how to effectively solicit the government to make positive changes on behalf of the institutions, and we spoke at length about the lobbying and representational tools we use. However, when Russian regulators spoke to the Congress, local participants weren't afraid to pepper them with questions. It was a perfect example of grassroots lobbying.

CUW: What are the key challenges Russian credit unions face?

PJ: What's surprising is how similar the challenges are between Russian and U.S. credit unions. In Russia, credit unions are concerned about marketing and branding, how to recruit effective board members, and how to take advantage of technology. In Russia, there are also questions about how to transition from volunteer leadership to professional management. Russian credit unions are a lot like U.S. credit unions were in the early days of the movement.

CUW: What can we learn from the Russians?

PJ: At everyone's top of mind [in Russia] is how they can improve the lives of their members. That's the reason all credit unions exist and it's good for us here to remember that obligation.

—Mike Muckian is communications manager for WOCCU. He can be reached at mmuckian@woccu.org.