

Video Transcript: Building Resilience Through Collaborative Leadership

A Conversation with Sean Kaley, CEO, Kauai Federal Credit Union

FULL TRANSCRIPT:

Heather McKissick

Hi, there. It's Heather McKissick, CEO of CUES, and I am super excited to be with you today talking to an amazing leader.

Sean Kaley

Hi, thank you.

Heather

It's a pleasure sitting down and talking. I'm so happy to be here with you, and I'm so happy to be here on the beautiful island of Kauai. It's such a beautiful and special place. How long have you been on the island?

Sean

I've been here about 20 years.

Heather

And you've been in credit unions for about 20 years?

Sean

Yes, actually. My first job here when I moved to Hawaii was at a credit union here as a teller.

Heather

And you're now CEO for Kauai Federal Credit Union. And how long have you been in that seat?

Sean

Less than a year. So, this is definitely an exciting new journey for me. I've been with this credit union for seven years. I was the Chief Operations Officer, and then in June of last year I was delegated to my current role.

Heather

Well, congratulations again. That's great. So, you've been in credit unions for 20 years. You've been on this island for 20 years, and that means you've seen a lot as a member of the movement, as a member of the community, and as a leader in the movement. And I'm just curious. I'm sure there's been a lot of ups and downs over the course of that 20 years, what are you seeing right now? What's really pertinent and on your mind as a leader in the system?

Sean

I think that credit unions have always had this spirit of really wanting to have impact in a meaningful relationship with our members, right? We don't want to only provide financial services. We need to do that. We need to do it well. But that does that doesn't define who we are as an industry. And particularly in the last number of years, we have seen a lot of things that have highlighted the challenges that our community is having. And I can see this happening all over, but I'm familiar with what's happening here, of course, and we've seen things from natural disasters to economic difficulties. We had COVID. We've had a lot of things that have really tested the resilience of our community. It really made it challenging for people to continue to live here and raise their families here and thrive here. And so, we have to look as an industry and as a credit union and say, "What can we do to really have an impact on our community and help these people?"

Heather

So, you're really leading with "Mission First," in so many ways, knowing that it's a credit union, it's a financial institution, it's a safe and sound place for people to house their money and do their business. But you're leading with that credit union heart and really the spirit of the people, helping people all components. That's amazing. What is that skill that you have as a leader that helps you do that? Tell us a little bit about you as a leader—what your leadership philosophy is that allows you to lead with "Mission First."

Sean

I think this is something that has developed over time. I'd say when I started out in my career, and really focused on what I can do and what I can control and what I can contribute, and then kind of expanding upon that, and what can my team do, what can my credit union do? And what really has come out of that is a realization that we're not going to solve these problems by ourselves. And so, it really is a matter of collaborating and working with the community, working with our partners, to solve these big problems.

Sean

One of the things that we've decided to do to really drive that impact and create something that can be meaningful in our community, is to create an ecosystem where those collaborations can happen. So, a couple of years ago, we decided that we were going to open a new office, expand our footprint. And we looked at a number of different options, but there was this old furniture store on the highway, 20,000 square feet, which is so much more building than we needed as a small credit union. And we kind of passed it up a couple of times and looked at other spaces. And as we were having these conversations about, how do we enter? How do we create something that is meaningful for the community? We decided that we're not going to just open a branch.

Sean

I think the best way is to re-look at that old furniture store, look at that 20,000 square feet, and decide, how can we create a center there? How can we create a place where we can drive impact, help promote resilience in our community and provide a range of services. Yes, people need help

with their financial situation. They need financial services. They need what the credit union can offer. And we always plan to be a huge part of that, but they need more. And so, we're working with community partners. We're working with people that promote food sustainability. We're working with people that are looking at climate resilience. We're working with people that are promoting the culture, right? It's important for us to honor the place, so we've opened up Kalukalu at 1624. It was important for us to have, for this place, to have an identity that was connected to yet separate from the credit union, to really drive home this idea that this is a cooperative effort. We are approaching this with the community. The community is being a part of this, the community is driving what we're doing here.

Heather

There's so little ego involved in that, right? I mean, that's probably a story about leading with community first and not putting yourselves at the epicenter of it at the same time. It wouldn't be happening without the credit union or without your leadership?

Sean

Yeah, in fact, we battle this ego question internally a lot for little things when it comes to what color to paint the building, what signage do we put on the building? How much should it reflect the credit union, and how much should it reflect and where's the overlap, but where are the differences? And we haven't quite figured that out, but we really go back to this idea that this is a collaboration, this is a project by Kauai Federal Credit Union, but it is not just Kauai.

Heather

So, tell me about Kalukalu.

Sean

Kalukalu is an endemic grass to Kauai, and one of the core elements of this space. So kalukalu was thought to have gone extinct. The area that Kapa'a is located in was considered the bread basket. It was a very lush place. This is where the royalty lived in historic times. There was a lot of agriculture, there was actually a wetland. A lot of it was a wetland. And as things changed, as sugar came in to be the predominant form of agriculture, the watershed wasn't managed the same way it was in the past. And so, a lot of the water was diverted. These wetlands dried up, and a lot of the endemic plant species like kalukalu disappeared. And we thought it was extinct, but it turns out it's not. And so, the fact that it was gone, but it is returning, represents the resilience that we want to capture with the community. And also, this grass is wispy, but when you weave it together, it becomes very strong. And so, we want to create a net. We want something that's very strong for our community.

Heather

And again, you're the ones doing the weaving in so many ways, and you're a part of it as well, but what a great role for the credit union to play on behalf of its members, but also the communities that you serve. And what is the response of these other community agencies that are now coming

under this 20,000 square foot roof with you. What's that collaboration like?

Sean

It's been a really great response. In fact, we have a lot of people knocking on our door and saying, "Hey, tell us more about what you're doing here and how we can contribute."

Heather

I know you've been getting a lot of attention for these efforts. How does that feel?

Sean

It's interesting. I'm not the type of person that likes a lot of attention, but I'm learning that it's important, and so I have to be able to graciously manage that.

Heather

So, Kauai Federal is a small credit union.

Sean

That's right.

Heather

Where are you now in assets?

Sean

We're just under 200 million

Heather

Okay, so you're a credit union of under \$200 million; how many staff?

Sean

42

Heather

How many members?

Sean

7,800

Heather

Okay, so when you think about that, and you think about the scale of the results that you

are creating, right, there are a lot of people that are really impressed by the way that you are leveraging your resources. And I just think that's an amazing story about the power of collaboration. If you can achieve that kind of scale with those kinds of resources, imagine what so many of the rest of us can do. So, I'm curious if you've got advice for any other credit union of any size, any other leader that really wants to learn from what you have learned and begin to take a more collaborative approach to making an impact in their community. What's your piece of advice for them?

Sean

Well, first of all, I would say it's possible. This seemed very daunting to us at first, and it is, in a lot of ways, because some of what we're doing hasn't been done exactly the way we're doing it. There are some models out there, and I hope that we can be another one of those models where a credit union leader can go back to his or her community and tailor it to what those folks need and work with the community. Ask them. Ask the people that are already doing the making and the shaking in their community, already solving the problems. What do they need? And how can we facilitate those things to happen?

Heather

Nice, so you're not solving a problem, you're facilitating a solution. And in a way that is member centric, community centric. It's sort of unparalleled in a lot of licenses. I'm so excited to see what happens next. I'm really grateful that you took time to talk to us today.

Sean

Well, thank you for sharing the story. I know you have a lot of great stories to tell. There's a lot of credit unions out there for communities.

Heather

And you're one of the best. Thanks again.