

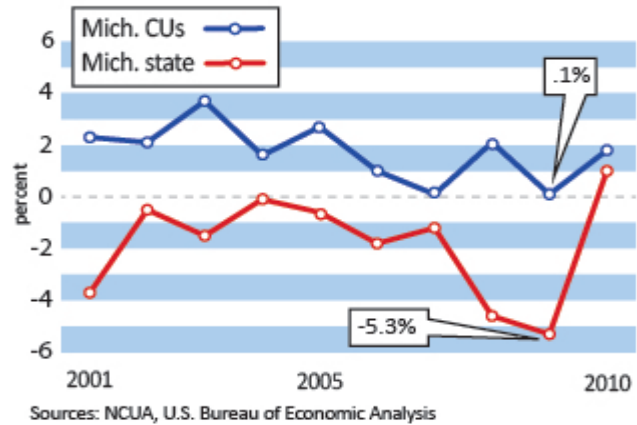
Economics and Research: CUs Add Employees in Face of State's Decline

As the national economy looks to regain the eight million jobs lost in the housing bust, Michigan credit unions are doing their part.

Michigan credit unions have managed to add a combination of full- and part-time jobs in each of the past 10 years. What is even more impressive, they have done so in a state that has lost jobs for nine years in a row beginning in 2001 and ending finally in December of 2009. During the last 10 years, Michigan credit unions have experienced an annual average job increase of 1.6 percent compared to an average annual state-wide decrease of 1.8 percent for nonfarm jobs. Since the beginning of the recession in late 2007, Michigan credit unions have added 364 jobs, a 2.9 percent increase.

CUs Increase Employment Despite Downturn

While Michigan lost jobs for nine consecutive years, the state's credit unions have added positions each year.



In each of the last 10 years, compensation and benefits for credit union employees have increased on average 3.7 percent compared to 2.4 percent for the rest of the state. This gap has closed recently with credit union compensation and benefits increasing on average 1.7 percent over the last three years compared with 1.5 percent for the rest of the state.

The April 2011 cover story of Credit Union Magazine reported that employers are operating at much lower staffing levels than they did before the recession and that many organizations are more accustomed to delivering their core products and services with fewer employees, stretching employees thin. While this may be true for many employers, data for Michigan credit unions suggests otherwise. The growth rates of both full- and part-time employees from 2007 to 2010 outpaced growth in membership, indicating that there were more employees serving the membership in 2010 than there were in 2007.

Every community across the state has credit unions that are local employers totaling 12,814 employees in Michigan as of the end of 2010. Growth in credit union operations is not the only way credit unions are creating jobs in Michigan. With an average annual increase in member business loans of approximately 25 percent over the last five years, Michigan credit unions are also helping to put more of their members to work. All of this underscores the vital role credit unions play in the economy, especially in recessionary times.