

Doing a Member Survey In-house? Avoid These 5 Questionnaire-Design Faux Pas

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Our market research shows that about one in three credit unions that conduct member surveys – especially if it is less than \$50

million in assets – utilize their own internal staff resources to do the survey.

For those do-it-yourselfers, we offer some guidance in questionnaire design etiquette, as the reliability of your survey's results – and the appropriateness and effectiveness of the adjustments to your policies, procedures, and marketing and strategic plans that typically come as a result – will only be as good as the original feedback-collection device (i.e., the questionnaire) was to begin with.

We bring you “The top 5 common missteps and oversights that can damage a member survey's value.” While many, if not all of these, can fall into the “it's sort of common sense” category, you might be amazed at how often these missteps rear their ugly heads.

#1: Asking too many open-ended questions. Hey, asking open-ended questions makes questionnaire-design easy. Why not simply ask the question,

If you currently have any loans with providers other than the credit union, please tell us why. _____

While at first glance, going this route may make things easy for you, it will also make things more difficult and time-consuming for your members who are trying to complete this question. “Write in your answer, using a sentence or two”-type questions take greater thought, time, and effort to complete – *on your members'* part – than do “check the box”-type questions. Generally speaking, while 90% to 95% of your members will answer any given “check the box” question, you can assume that no more than about one-half will answer your open-ended questions. It's just human nature... they're already giving you 10 minutes of their time to complete the questionnaire; many will not want to (and you probably shouldn't make them) work *that* hard. You'll lose out on a great deal of valuable and important member feedback in the process.

A “check the box” style for a question will also prove to be easier

for you to categorize, calculate, analyze and come to a conclusion regarding members' primary position on the issue you are examining. Sorting through hundreds of individual comments on a particular issue (in the above instance, why members turned elsewhere for their borrowing needs) and making analytical sense of them can take a lot of time and effort – on *your* part – and leave you scratching your head as you work to identify the one or two primary reasons why members are taking their loan business somewhere else.

Open-ended questions are useful and *can* yield some valuable insights, provided they are used sparingly in the questionnaire and address certain issues that are conducive to those types of questions. Two of the best open-ended questions are,

“What do you like most about the credit union?” and

“What do you like least about the credit union?”

(or “What improvements would you suggest the credit union make to better serve your financial needs?”)

These questions give your members an opportunity to elaborate on a particularly pleasing (or displeasing) aspect of their past experiences



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with the credit union, or bring out issues that were not addressed in the questionnaire. Beyond this, however, the more “check the box” questions you have, the easier it is for both your members and you. A good guideline is to have no more than two or three open-ended questions.

#2: The “double-barreled question.” An oldie but goodie. Most every credit union wants to measure its members’ perceptions of its convenience, rates, etc. But the results you get indicating member dissatisfaction, when asking questions such as “**How do you rate our hours and location?**”, or “**How satisfied are you with our loan and savings rates?**” can leave you wondering... “Is it our hours or is it our location that needs to be addressed?”, or “Is the problem with our savings rates or our loan rates (or both)?” Service and quality factors such as this should be evaluated individually. Instead of the two items, above, you can ask your members to evaluate four items – the credit union’s convenience of hours, its convenience of location, its loan rates, and its savings rates.

#3: The “overlapping question.” We see it a lot in others’ questionnaires:

How long have you been a member of the credit union?

- 2 years or less
- 2 to 5 years
- 5 to 10 years
- 10 to 15 years
- 15 years or more

If I’ve been with the credit union for 5 years, which box, above, am I supposed to check? Response categories that are mutually exclusive avoid this problem.

#4: Starting the questionnaire with personal questions. Keep the questions such as, “How old are you?” and “What is your annual household income?” for the last few questions, once your member has completed the rest of the questionnaire and is comfortable that you’re truly seeking their input in order to help the credit union better meet their financial needs. Starting your survey with these potentially sensitive questions can lead your questionnaire to be filed into the waste basket just seconds after the envelope is opened.

#5: Providing vague/multi-interpretation response categories. Let’s go back to our question from Misstep #1, earlier – the one asking members who have loans elsewhere why they elected to get their loan at one of the credit union’s competitors. Consider this “check the box” version of the question:

If you currently have any loans with providers other than the credit union, please tell us why.

- Obtained the loan before joining CU
- Was turned down for a loan at CU
- More convenient elsewhere
- Loan type was not available at CU
- Approval guidelines were less strict elsewhere
- Never thought to apply at CU
- Was charged less interest elsewhere

It might look like a pretty decent and exhaustive list of the leading types of reasons that could surface. But take a look at the second response in the first column – “More convenient elsewhere.”

“Convenience” can be interpreted

to mean so many different things. If this response turns out to be your #1 reason, what changes will you implement at the credit union to address the “convenience” issue that is costing you loans? You could spend financial, human, operational and other resources – not to mention a lot of time – making adjustments to service aspects that aren’t really problematic at all.

A suggestion? Eliminate “More convenient elsewhere” and, instead, include most or all of the following:

- Other institution was more conveniently located
- Other institution had hours that were more convenient
- Applied for and obtained an auto loan at the car dealer
- Was able to apply for the loan online

Good questionnaire design helps yield good, reliable, and accurate member survey information – member feedback that will provide you some valuable guidance and assist you in your credit union’s efforts to best serve its members and their financial needs.

Your credit union’s success is far too important to base its marketing and strategic direction on faulty or misleading member feedback. Good luck with your survey project!