



Case Study: Credit Union Growth & Stress Analytics

Using multi-year call report data to identify deterioration patterns, prioritize merger and growth targets, and translate analytics into actionable outreach messaging.

The Challenge

The client wanted a more sophisticated way to identify credit unions showing signs of strategic or financial stress, rather than relying on static lists or simple size filters. The goal was to detect deterioration over time, surface institutions likely to be receptive to strategic conversations, and provide business development teams with tailored messaging tied directly to the underlying data.

The Solution

Bayou Point Advisory developed an analytical framework using multi-year NCUA call report data to evaluate institutions through a time-series lens. Instead of looking only at one-year snapshots, the model tracked deterioration across several periods to identify emerging stress and strategic inflection points.

Five-Factor Stress Framework

- Flat or declining membership over time
- Declining loan-to-shares trend, emphasizing lending deterioration rather than a single static ratio
- Net worth ratio pressure, especially when near or below roughly 7% and trending downward
- Declining interest-on-loans share of total interest income, signaling weakening lending performance
- Assets-per-member trend deterioration, highlighting weakening growth and member value dynamics

Messaging Outputs

The model also translated findings into four outreach message categories so the client could align business development language with the actual pattern of deterioration:

- Membership stagnation and franchise relevance pressure
- Lending engine weakness and reduced balance-sheet productivity
- Capital and balance-sheet strain requiring strategic options
- Broader multi-factor deterioration suggesting merger-readiness or partnership need

Business Impact

The result was a more targeted and defensible growth strategy. Leadership could prioritize institutions based on measurable time-series deterioration instead of intuition alone, while business development teams received ready-to-use message themes grounded in each target's specific stress profile. This created a more scalable prospecting process and a stronger basis for strategic growth and merger outreach.

Bayou Point Advisory helps organizations turn raw operational and financial data into practical decision tools, prioritization frameworks, and action-oriented management insight.