2025

The State of Agentic AI in Credit Unions

Multimodal.

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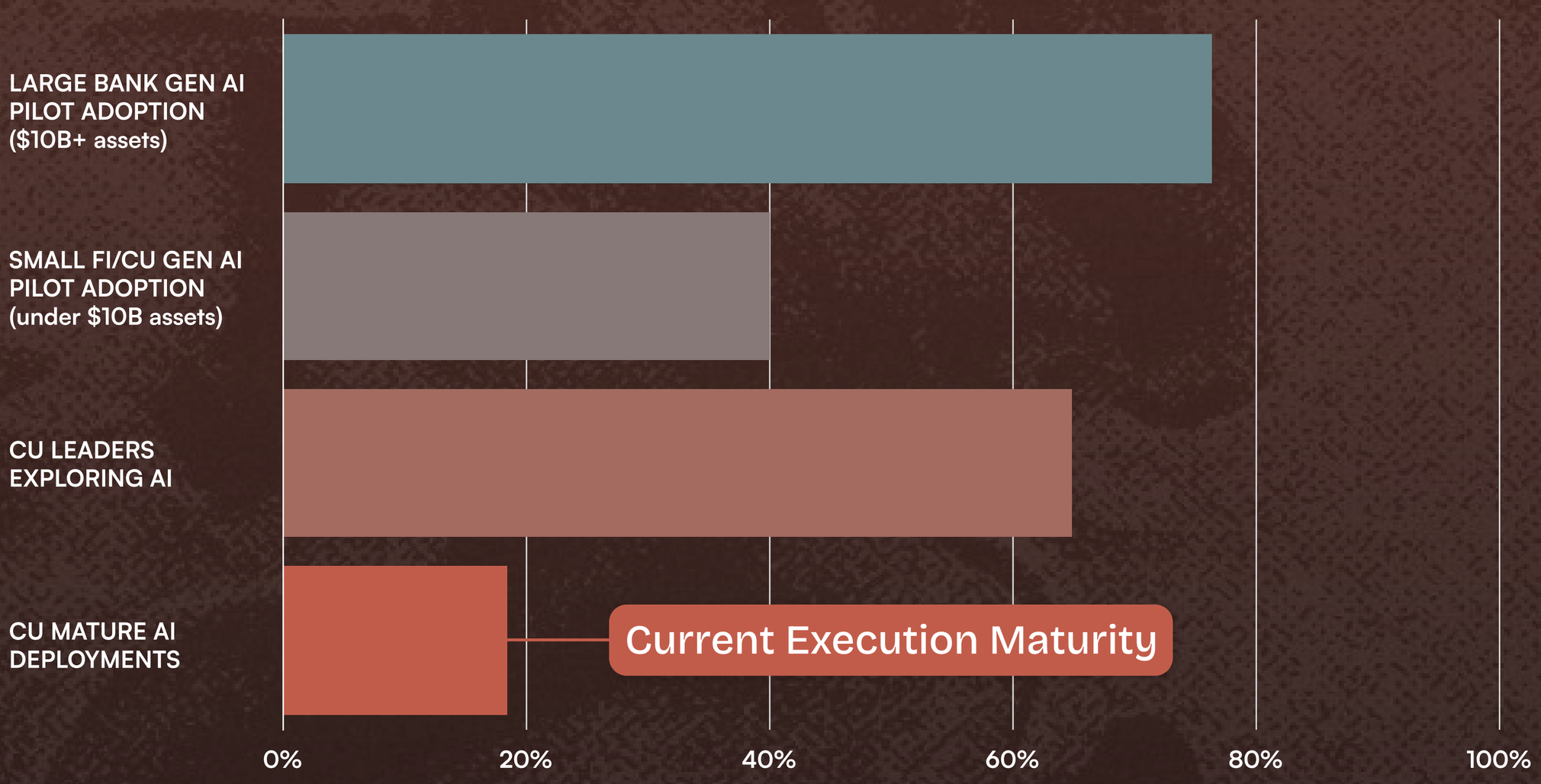
Executive Summary

Agentic AI, systems powered by large language models that can execute multi-step workflows autonomously, is moving from experimentation to operational deployment across U.S. credit unions. Based on analysis of industry adoption trends, vendor capabilities, and institutional case studies, this report reveals that success depends less on technology selection and more on execution discipline.

Credit Unions Are Investing, But Maturity Remains Uneven

Nearly half have deployed conversational AI tools, and two-thirds plan AI-driven credit decisioning. Yet fewer than one in five report mature, enterprise-wide implementations, compared to over half of national banks pursuing comprehensive AI strategies. Leading institutions are proving the business case with efficiency gains of 50-70%, doubling loan processing capacity, preventing millions in fraud losses, and reallocating tens of thousands of employee hours to higher-value work. The strongest ROI is emerging in lending automation, fraud detection, and compliance workflows: domains where AI can autonomously manage end-to-end processes.

Agentic AI Readiness Gap (2025 Snapshot)



Source: CULytics (2025), The State of AI in Credit Unions: Survey Insights. Chart by Multimodal.

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What Separates Leaders From Laggards?

Successful adopters share three patterns: they establish dedicated cross-functional teams, invest in data infrastructure before deploying AI, and prioritize workforce reskilling over vendor dependency. Struggling institutions, by contrast, outsource implementation without building internal capability, delay core system modernization, and treat AI as a technology problem rather than an organizational transformation. **The barriers are structural, not technological.** Skills and integration gaps remain the most cited constraints to scaling AI across credit unions—underscoring the need for stronger data foundations and workforce readiness.

Four Imperatives Emerge:

- **AI adoption is accelerating**—but execution discipline determines success. Maturity gaps between credit unions and national banks are widening.
- **Governance must come first.** The CFPB and GAO demand explainability and fairness; credit unions must embed compliance frameworks, audit trails, and change management as foundational requirements.
- **Scale strategically.** Move beyond pilots to enterprise integration across lending, fraud prevention, compliance, and member engagement.
- **Invest in people, not just platforms.** Reskill and redeploy staff, treating workforce transformation as a competitive advantage.

The window for differentiation is narrowing. Credit unions that align agentic AI adoption with infrastructure modernization, regulatory discipline, and workforce development will define the sector's competitive landscape through 2030. Agentic AI is no longer about proving potential—it's about scaling safely, operating efficiently, and building lasting advantage. For credit union leaders, the time to act is now.

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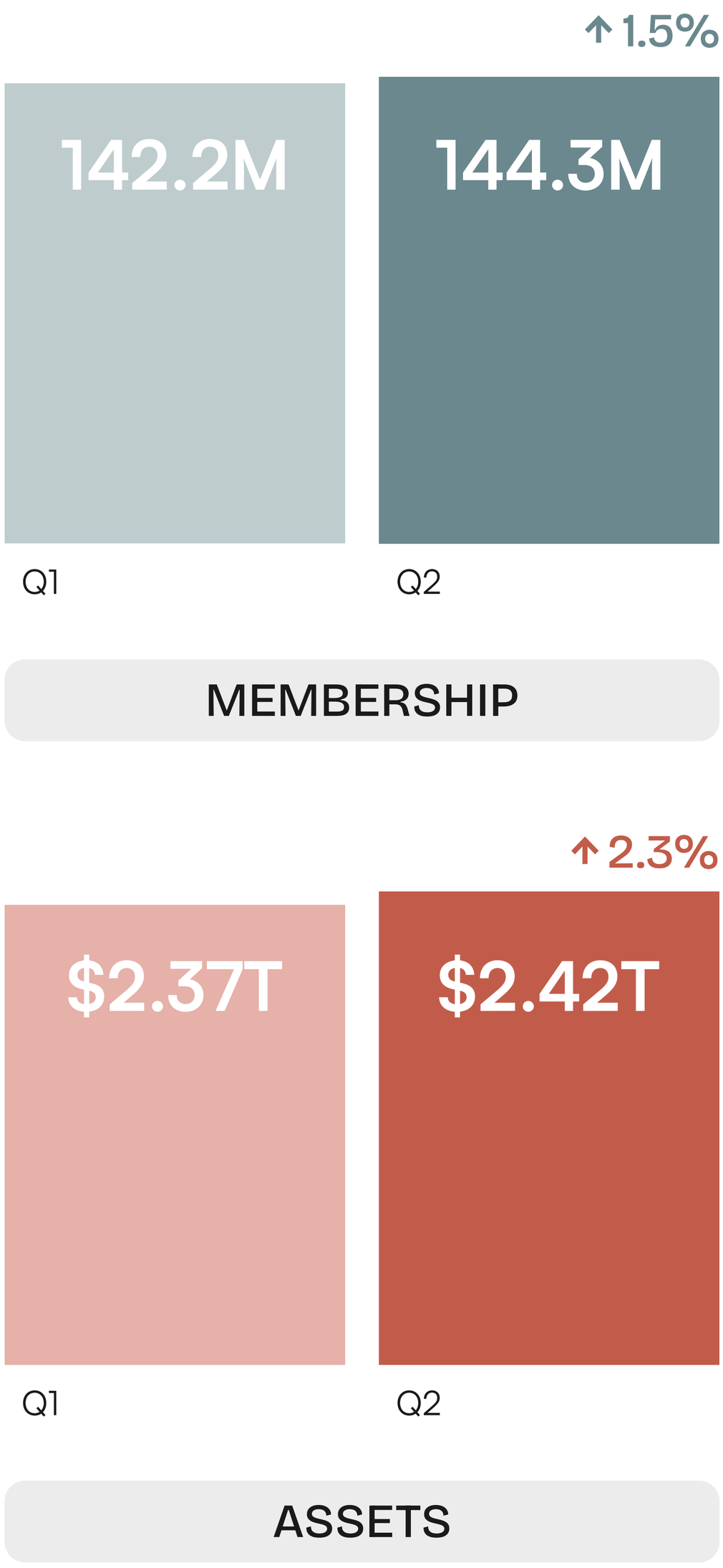
Credit Unions Today

Growth Remains a Defining Theme for U.S. Credit Unions

Despite consolidation and competition, membership and assets continue to rise, reaching 144.3 million members and $2.42 trillion in total assets in Q2 2025. These represent quarterly increases of 1.5% and 2.3% [1], underscoring a stable, well-capitalized sector.

Membership and Asset Growth (Q1–Q2 2025)

Data based on NCUA Quarterly Data Summary, 2025 Q2. Chart by Multimodal.

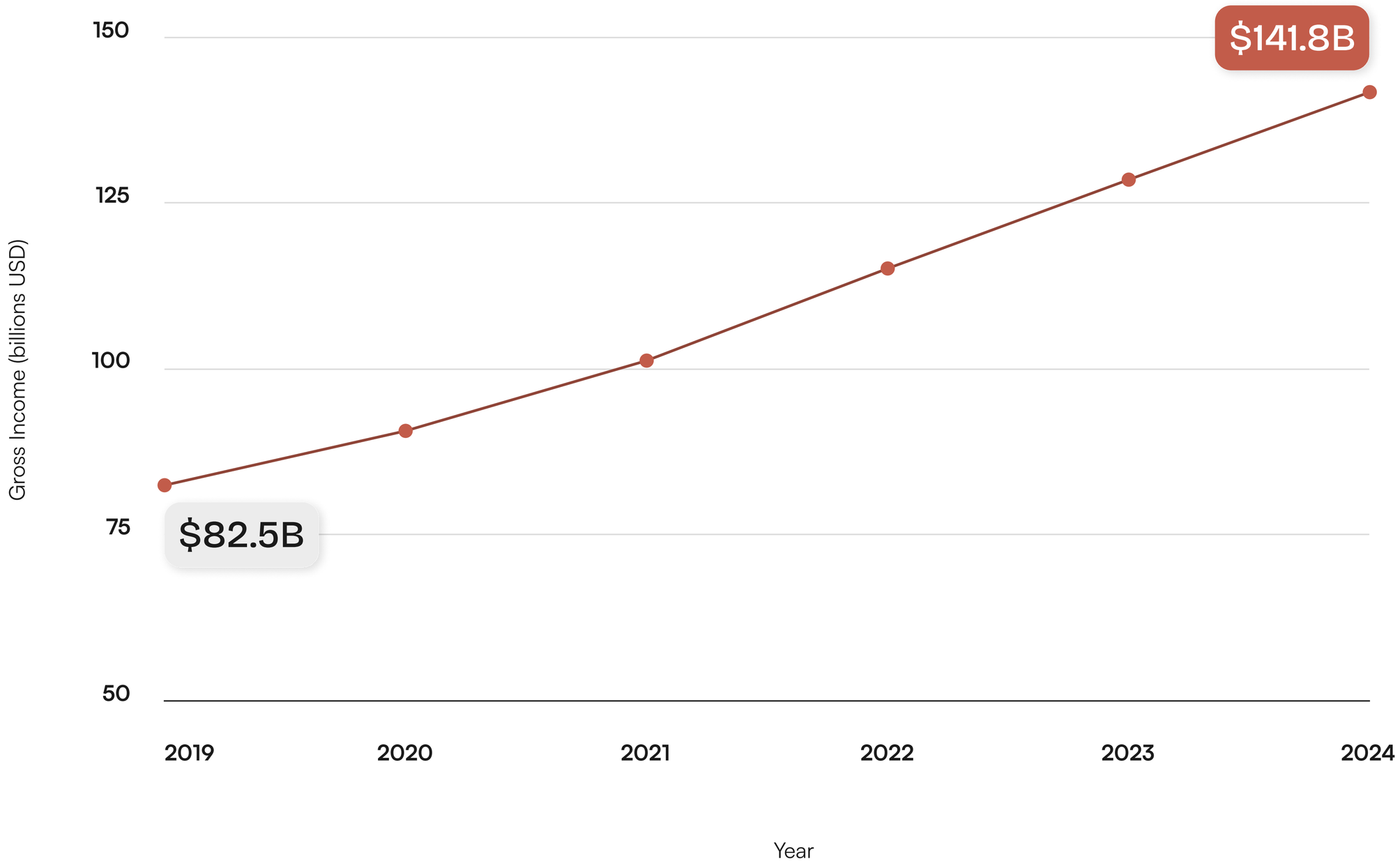


[1] NCUA, *Quarterly Credit Union Data Summary: 2025 Q2*, 2025.

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Revenue performance reinforces this momentum over the longer term. Between Q4 2019 and Q4 2024, credit unions' gross income rose from **$82.5 billion to $141.8 billion,** a compound annual growth rate (CAGR) of **11.4%**. [2]

Credit Union Revenue Growth (2019–2024)



Data based on NCUA Quarterly Data Summary, 2025 Q2. Chart by Multimodal.

However, these positive trends are not without headwinds.

Most notably, growth has brought rising **cost pressures**. Funding expenses have surged, and credit risk has edged upward, with delinquency reaching **0.98%** at the end of 2024 [3]. This signals the need for more adaptive risk management to sustain profitability.

Another observable challenge is that growth brings complexity. To sustain efficiency, accuracy, and compliance at scale, credit unions increasingly need modern tools to keep pace.

For instance, in 2025, the National Credit Union Administration (NCUA) identified the following four most pressing operational and compliance risks—or areas expected to face heightened regulatory scrutiny:

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[2] NCUA, *Quarterly Data Summary Reports*, 2025.

[3] NCUA, *Historical Credit Union Data (U.S.)*, 2025.

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Credit Risk

Heightened attention to credit card and used vehicle loan portfolios.



Balance Sheet Management

Exposure to interest rate fluctuations and liquidity stress.



Cybersecurity

Strengthening incident response capabilities and vendor oversight.



Consumer Financial Protection

Ensuring compliance with fair lending, overdraft, and disclosure regulations. [4]

Data based on NCUA 2025 Supervisory Priorities. Illustrated by Multimodal.

These supervisory priorities reflect a more demanding operating environment.

Credit unions must balance growth with increased oversight and higher member expectations around transparency, security, and fairness. Managing this complexity is difficult with legacy systems and manual workflows, creating a clear opportunity for **agentic AI** to enhance precision, automate compliance, and sustain agility across expanding portfolios.

> **Overall, U.S. credit unions are stronger and more trusted than ever—but with scale comes greater complexity. Those able to automate, ensure compliance, and maintain precision through modern solutions, like agentic AI, will be best positioned to lead the next phase of growth.**

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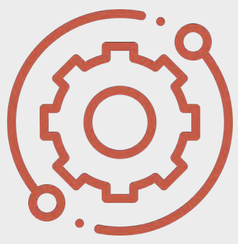
[4] National Credit Union Administration, NCUA's 2025 Supervisory Priorities (Letter to Credit Unions), 2025.

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Agentic AI in Financial Services

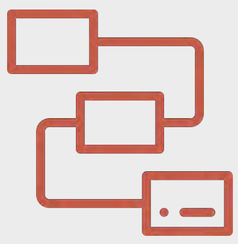
Agentic AI represents a new class of systems that extend beyond traditional automation. Unlike conventional AI, which is largely reactive and rule-based, agentic AI introduces autonomy, adaptability, and orchestration capabilities that allow it to act more like a digital operator than a static tool.

In practice, agentic AI is defined by four core characteristics:



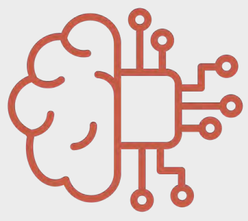
Autonomy

Perception, reasoning, and independent action. [5]



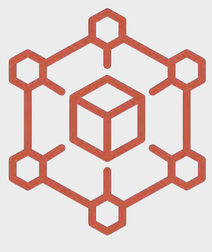
Workflow Execution

Management of multi-step, end-to-end processes. [6]



Adaptive Learning

Continuous evolution through feedback and market data. [7]



Collaboration

Coordination and communication across systems and agents. [8]

Gartner projects rapid adoption across industries, estimating that one-third of enterprise software will embed agentic AI by 2028. [9]

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[5] IBM, *Agentic AI*, 2024.

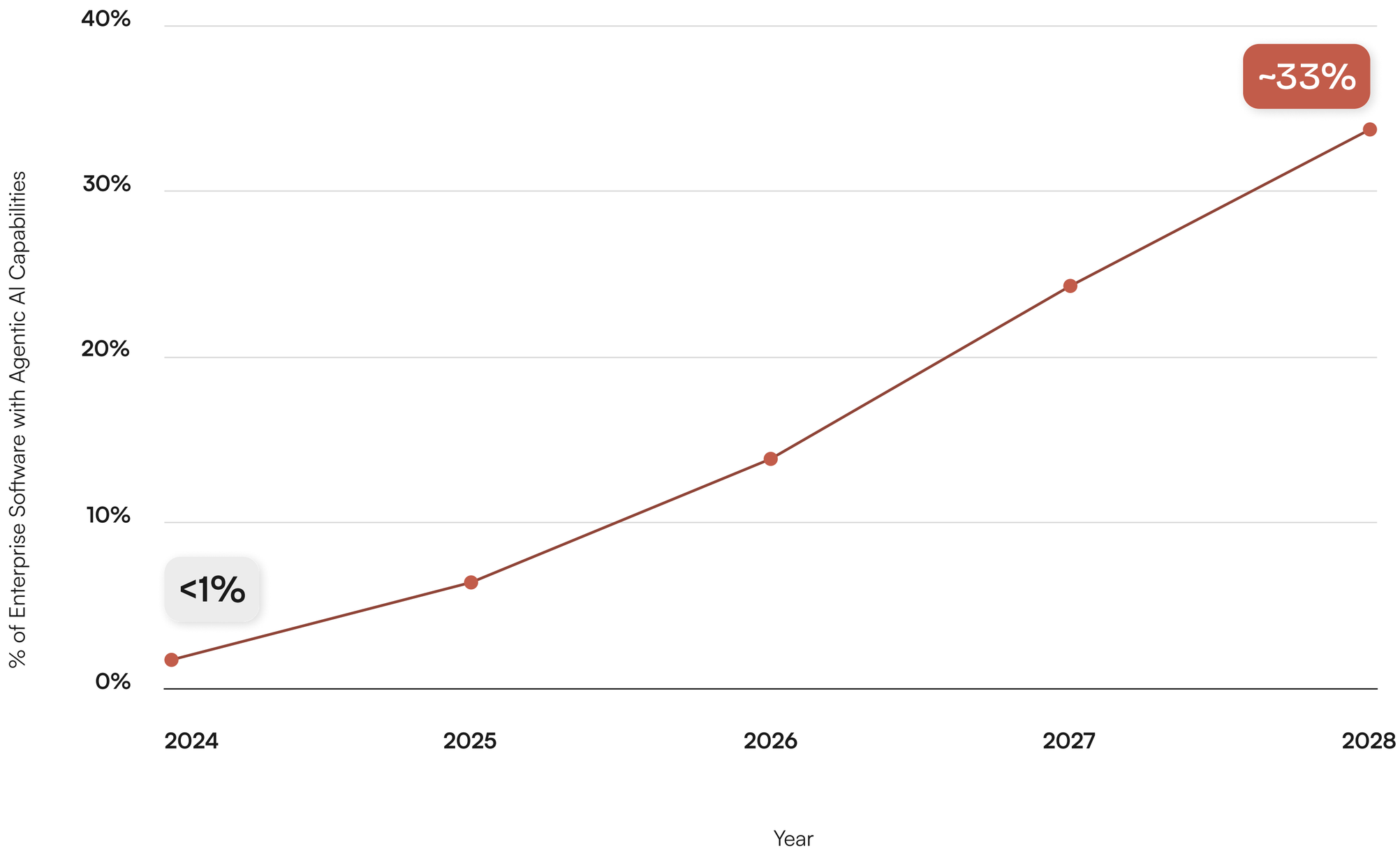
[6] Kognitos, *Agentic AI in Financial Services*, 2024.

[7, 8] IBM, *AI Agent Orchestration*, 2024.

[9] Gartner, *Intelligent Agent in AI*, 2024.

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Agentic AI Adoption Path (2024–2028)



Source: Gartner, Intelligent Agent in AI. Chart by Multimodal.

For credit unions, this adoption is being driven as much by member expectations as by operational imperatives. Agentic AI has become a **service enhancement** tool that, according to leaders we've interviewed, many members have come to expect.

SHAWN DUNN
VP of Data Analytics
WSECU

"Member expectation is driving [adoption]. You take a look at what our members are experiencing in their day-to-day lives, and they want that same experience at the credit union... AI is that next level of efficiency, that next level of service expectation."

At the same time, agentic AI also promises to increase **operational efficiency** in unprecedented ways thanks to its unique capability to automate multi-step, business-critical workflows. In financial institutions, it could actively execute complex processes such as loan approvals, fraud checks, and compliance reviews.

As several leaders have noted, however, whether institutions focus on efficiency or experience first, improvements in one area often lead to gains in the other. Focusing on operational efficiency, in particular, frequently results in a better overall member experience.

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Moreover, beginning with internally focused, operations-driven use cases allows institutions to **test** the capabilities and reliability of agentic AI without inadvertently affecting members.

CLAIRE GROSJEAN

Senior Director

techCU
TECHNOLOGY CREDIT UNION

"In order to better serve our members, we have to provide our employees with better tools and processes, starting with those that may not have as much of a member impact but a strong internal impact."

With that said, agentic AI is already reshaping credit unions across seven key domains:

1. **Loan Origination & Credit Processing**
   For instance, Forum Credit Union boosted loan processing by 70% using agentic AI, while All In CU uses it to automate 70% of consumer lending. [10]
2. **Fraud Detection & Prevention**
   PSCU saved $35M in fraud losses; Launch CU prevented $3.5M. [11]
3. **Compliance & AML**
   Castellum.AI reduced false positives by 94%. [12]
4. **Customer Engagement**
   United FCU's chatbot manages 60% of inquiries; MSUFCU's "Frances" resolves 98%. [13]
5. **Portfolio & Investment Services**
   BECU piloting an AI Advisor for real-time guidance. [14]
6. **Operational Efficiency**
   Teachers FCU automated 16 workflows, halving processing times. [15]
7. **Strategic Oversight & Regulation**
   NCUA has launched AI resources to guide safe adoption. [16]

[10] America's Credit Unions, *Artificial intelligence helps one credit union boost loan processing volume by 70%,* 2024; Zest AI, *Going All In on AI (Case Study)*, 2024.

[11] Elastic, *Reports Fourth Quarter and Fiscal 2024 Financial Results*, 2024; The Credit Union Connection, *Launch CU Fraud Prevention*, 2024.

[12] Castellum.AI CUSO, *Raises $8.5M Series A To Accelerate AI Adoption in AML/KYC Among Credit Unions, 2025.*

[13] CU Management, *Artificial Intelligence-Powered Chatbot Delivers Outstanding Member Experience,* 2021.

[14] BECU, *AI and the Future of Personal Finance: 10 Key Trends,* 2025.

[15] PYMNTS, *Redefining Member Engagement With AI and Automation (Paid Program)*, 2025.

[16] NCUA, *Artificial Intelligence Board Briefing*, 2025.

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JULIE JEGLUM ESSER
CEO and Founder

"Top-priority AI uses include member support automation, real-time credit risk and fraud detection, low-risk loan decisioning, predictive retention/cross-sell, document ingestion/categorization, and AI-driven IT operations to proactively detect, report, and resolve infrastructure issues—driving faster decisions, stronger compliance, and higher member satisfaction with low friction."

Adoption often reflects a practical path: credit unions start with efficiency-focused automation, expand into decision-making and compliance, and increasingly scale into member-facing engagement. As Section 4 explores, this trajectory is not only reshaping workflows but also redefining how credit unions compete with larger financial institutions.

Adoption in Credit Unions

AI adoption in credit unions spans a spectrum: from basic chatbots and generative AI tools that assist human employees, to agentic AI systems that autonomously execute complex workflows. While chatbots represent the entry point for most institutions, investments in agentic decisioning, fraud prevention, and compliance are beginning to show measurable financial impact.

Credit unions are demonstrating strong results from targeted AI use cases, even as their broader enterprise transformation journeys remain in earlier stages.

MEGAN FRESHOUR
Incubation Director
Filene Research Institute

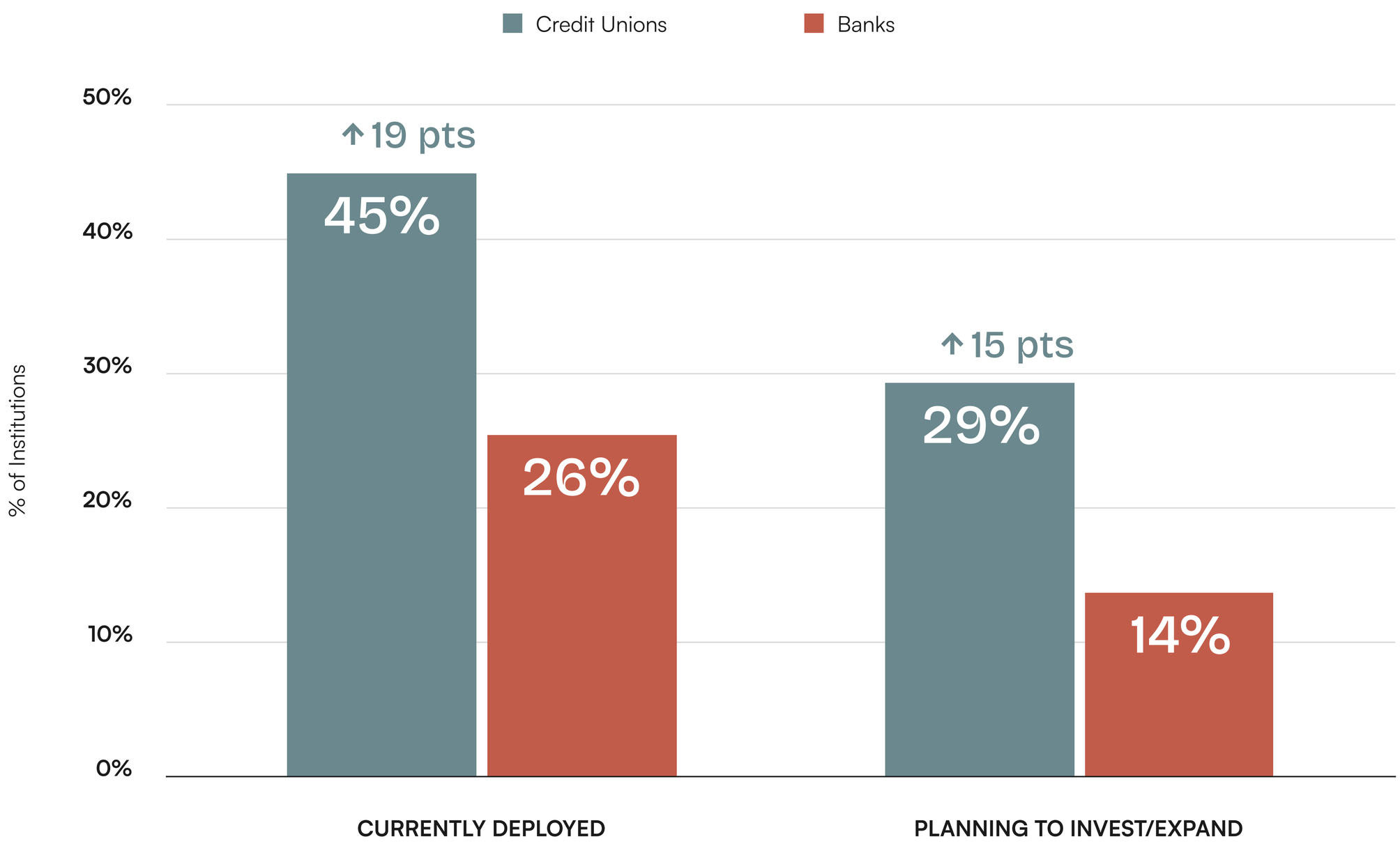
"Credit unions are increasingly confident that AI will shape their future operations. Experimentation has accelerated dramatically since 2024, yet institutions remain deliberate—balancing innovation with compliance, data stewardship, and reputational trust."

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Statistics on AI Adoption

Chatbots are the clearest indicator of early adoption momentum. By early 2025, 45% of credit unions had deployed chatbots or virtual assistants, up from approximately 35% in 2024. [17] An additional 29% plan to implement or expand chatbot capabilities by year-end, compared with just 14% of banks planning similar investments. This positions credit unions **well ahead of traditional banks** in conversational support automation, with many institutions now integrating AI capabilities into these frameworks.

Credit Union Chatbot Momentum (2025)



Source: Cornerstone Advisors (2025); American Banker (2025). Chart by Multimodal.

Generative AI is also gaining traction. Nearly three in ten credit unions plan to introduce their first generative AI tools this year, [18] ranging from enhanced conversational agents to staff productivity copilots. Adoption rates are **closely aligned with banks** at 28%, underscoring that generative AI has become a mainstream strategic priority across the sector.

[17, 18] Cornerstone Advisors, *What's Going On in Banking 2025*, 2025.

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From Efficiency to Financial Impact

While chatbots and generative AI deliver clear service efficiencies, the **strongest financial value is emerging in credit decisioning and fraud prevention.** 66% of credit unions plan to apply AI to credit decisioning, [19] making lending a key growth area.

ROI evidence is already material: **12% of credit unions report measurable gains from AI-enabled loan approvals,** [20] compared with just 3% of investment banks and 4—5% of retail and commercial banks. Fraud prevention might offer even greater returns. PSCU, for instance, avoided **$35M in losses over 18 months**, while Launch CU prevented **$3.5M**. [21]

Taken together, these figures show a clear hierarchy.

> **Chatbots are the entry point, delivering efficiency and improved member service. Decisioning and fraud prevention, however, are where AI creates direct financial value, shaping credit unions' revenue growth and risk management strategies.**

AI Maturity: The Spectrum From Pilots to Enterprise Scale

Despite rapid adoption, most credit unions remain in **early to mid-stage maturity**, focusing on pilots and policy development. [22] Larger institutions are exploring generative AI, while smaller players are beginning to close the innovation gap. Among credit unions with less than $500M in assets, 8.5% identified as early adopters in 2024, compared with none in 2023. [23]

Compared with peers, credit unions are moving faster in **tactical adoption but remain behind in enterprise transformation**. At the enterprise level, 51% of national banks are aggressively pursuing AI compared with none among credit unions. [24] This split highlights both opportunity and risk. Leading institutions are scaling advanced use cases, while others risk falling behind if foundational gaps in data, governance, and talent are not addressed.

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[19] Filene Research Institute, *Generative AI: How Credit Unions Can Adopt Gen AI to Benefit Employees and Members,* 2024.

[20] GFT, *Canada Banking Disruption Index 2025 — Part 2*, 2025.

[21] UiPath, *Suncoast Credit Union Secures Member Trust Through AI-Based Fraud Prevention*, 2025.

[22] Bank Director, *2025 Technology Survey: Banks Grapple With Data and AI Maturity*, 2025.

[23] PYMNTS, *Small Credit Unions See 8.5% Surge in Early Tech Adoption*, 2025.

[24] Frank Gargano, *Banks, Credit Unions Turn to AI*, 2025.

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Credit unions are proving nimble in piloting AI, but without investment in infrastructure and workforce development, they risk being left behind as enterprise adoption accelerates in larger banks.

HEATHER MOSHIER
VP

"Few credit unions have a formal AI strategy, and those that do are still early—focused on pilots and vendor evaluations. Risk-mitigation conversations (bias detection, explainability) are uneven, while larger credit unions with dedicated innovation teams or CUSO support tend to be more structured."

Examples of Agentic AI Pilots

Many pilot programs are already illustrating the measurable impact of agentic AI in practice. Here are four to consider:

Forum CU (IN)

Boosted loan processing by 70% with Multimodal's AI-powered underwriting solution. [25]

BECU (WA)

Introduced a generative AI advisor for personalized guidance. [26]

Suncoast CU (FL)

Prevented $800K in fraud losses within six months. [27]

Central Willamette CU (OR)

Achieved 600% higher marketing response rates with AI-driven campaigns. [28]

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[25] America's Credit Unions, *Artificial Intelligence Helps One Credit Union Boost Loan Processing*, 2025.

[26] Bank Automation News, *BECU Boosts GenAI Capabilities Through Acquisition*, 2025.

[27] UiPath, *Suncoast Credit Union Secures Member Trust Through AI-Based Fraud Prevention*, 2025.

[28] Janea Systems, *AI for Credit Unions: Why Quick Wins Are Now Easier Than Ever*, 2025.

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Together, these examples show that when agentic AI is tied directly to core workflows, the impact is immediate and measurable.

Workforce and Governance Considerations

Successful AI adoption hinges on two critical dimensions: governance and workforce practices.

For instance, regulators increasingly emphasize that credit unions must maintain fair lending compliance and fully understand the logic behind algorithmic decision-making. [29] In practice, this means ensuring that AI-driven credit decisions remain transparent, explainable, and free from bias.

Equally important is how AI is introduced to employees. Institutions that frame it as a tool for collaboration rather than replacement tend to see stronger engagement and trust. As one credit union leader explained:

ANDY MATTINGLY
COO
FORUM® CREDIT UNION

"The first step was saying here's what we want to do so that you can do this. We're not getting rid of you... it's helping make things in the back end more efficient, then we can release more value to members."

As earlier sections show, credit unions are leading in tactical experimentation, but enterprise-wide adoption will require embedding these governance and workforce principles into everyday operations.

> **The institutions that invest early in transparency, compliance readiness, and employee enablement are most likely to achieve sustainable, scalable impact.**

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[29] NCUA, *Artificial Intelligence (AI) Resources for Credit Unions*, 2025.

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Vendors Serving Credit Unions

As AI adoption accelerates across credit unions—driven by the need to automate workflows, enhance decision-making, and improve member experience—several technology providers have emerged as key enablers of this transformation. Rather than isolated pilots, these solutions represent a growing ecosystem of platforms designed to support lending, compliance, customer service, and back-office operations.

Across the market, most leading vendors share common capabilities:

1. **Workflow and process automation** powered by agentic orchestration.
2. **AI-driven decisioning** for underwriting, fraud detection, and portfolio analytics.
3. **Conversational interfaces** that improve self-service and member engagement.
4. **Flexible integration** with core banking systems, CRMs, and cloud infrastructures.

Yet, gaps remain—particularly around native compliance integration, explainability of AI decisions, and holistic orchestration across all credit union departments. For instance, while most vendors provide strong automation capabilities, few offer built-in compliance monitoring or audit trails that align directly with NCUA and CFPB expectations. Similarly, many AI-driven decisioning tools still function as standalone modules, requiring manual oversight to ensure fairness, transparency, and traceability across lending or fraud workflows. These gaps highlight the need for platforms capable of unifying governance, risk, and operations under a single, agentic AI framework.

MCKAYE BLACK
Head of Incubation
Filene Research Institute

“Most credit unions are partnering with vendors to deploy AI quickly and safely. Many are adopting a hybrid “buy-to-build” approach, layering internal analytics and automation on vendor platforms. Fully in-house development remains rare.”

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Among the most prominent players in this space are:

Multimodal provides multi-agent orchestration across lending, compliance, KYC, member verification, loan origination, and account management. [30]

Creatio, known for no-code agentic workflow automation and CRM integration. [31]

Algebrik AI, delivering autonomous lending and real-time decisioning. [32]

Talkdesk, Kasisto, and Interface.ai, focused on conversational AI for service and engagement. [33]

Zest AI, specializing in credit and fraud decisioning. [34]

Collectively, these vendors demonstrate measurable ROI—reducing processing times, cutting operational costs, and improving member satisfaction. Many credit unions report deployment timelines under four months, automation levels above 70%, and revenue uplift through higher loan conversions and reduced abandonment.

In summary, while each solution targets different layers of credit union operations, together they reflect a sector-wide shift from experimentation to strategic deployment of agentic AI—establishing new standards for operational excellence and member experience.

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30 Multimodal, *Credit Unions: AgentFlow Orchestration Platform*, 2025.

31 Creatio, *AI for Credit Unions*, 2025.

32 PR Newswire, *United Financial Credit Union Selects Algebrik One*, 2025.

33 Talkdesk, *AI Agents for Financial Services*, 2025.

34 PR Newswire, *Zest AI and Temenos Integration*, 2025.

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Impact of Agentic AI on Credit Union Operations

Agentic AI is beginning to reshape credit union operations in measurable ways. Its impact is most evident across three dimensions: **operational efficiency, member experience, and growth potential.**

Quantitative Improvements in Efficiency

AI-enabled automation has accelerated operational performance. Teachers Federal Credit Union, for instance, reported 50% faster loan and transaction processing, eliminating 8 million manual clicks and saving the equivalent of 13,250 employee days across 16 functions. [35] Suncoast Credit Union achieved a 1,000% increase in check analysis throughput and prevented $800,000 in fraud within six months. [36]

These outcomes confirm that AI is not just reducing operational friction but also unlocking significant staff capacity, allowing credit unions to redirect resources to higher-value member services. Institutions that scale these results beyond pilots, and build the infrastructure to deliver them reliably, will be best positioned to lead in a future where digital capabilities define sector winners.

Enhanced Member Experience

Agentic AI is also reshaping how credit unions deliver value to members, enabling **round-the-clock service and faster loan decisioning.**

For instance, building on its automation gains, Teachers FCU now provides 24/7 service availability through digital workers, while AI-powered lending platforms are reducing friction in credit approvals. [37]

This combination of personalized service and intelligent automation allows credit unions to meet rising digital expectations without sacrificing their member-first Ethos.

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[35] SS&C Blue Prism, *Teachers Federal Credit Union Expands Automation with Infosys to Enhance Member and Employee Experiences*, 2025.

[36] UiPath, *Suncoast Credit Union Secures Member Trust Through AI-Based Fraud Prevention*, 2024.

[37] American Banker, *Teachers Federal Credit Union Joins AI-Based Lending Trend*, 2025

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Expanded Growth Potential

Finally, agentic AI can also help credit unions unlock new growth capacity, as demonstrated by our work with institutions like FORUM.

We helped FORUM automate document classification, data extraction, and credit decisioning, allowing the credit union to increase lending capacity and significantly reduce approval times. But, by improving operational efficiency, our agentic AI solution also enabled FORUM to expand into new lending programs and serve more members, turning automation gains into sustained growth.

Overall, removing capacity constraints is not just the end goal but also what creates space for strategic reinvestment and long-term growth.

Challenges and Considerations

While agentic AI adoption in credit unions is advancing, three critical barriers continue to shape the pace of scaling: **resource limitations, skills gaps, and legacy infrastructure.** Evolving regulatory expectations add a fourth dimension, defining how institutions must deploy AI responsibly and compliantly.

MEGAN FRESHOUR
Incubation Director
Filene Research Institute

"Credit unions' reservations about AI stem not from resistance to innovation, but from governance, readiness, and authenticity. They aim to ensure data integrity, regulatory compliance, staff preparedness, and member trust before scaling adoption."

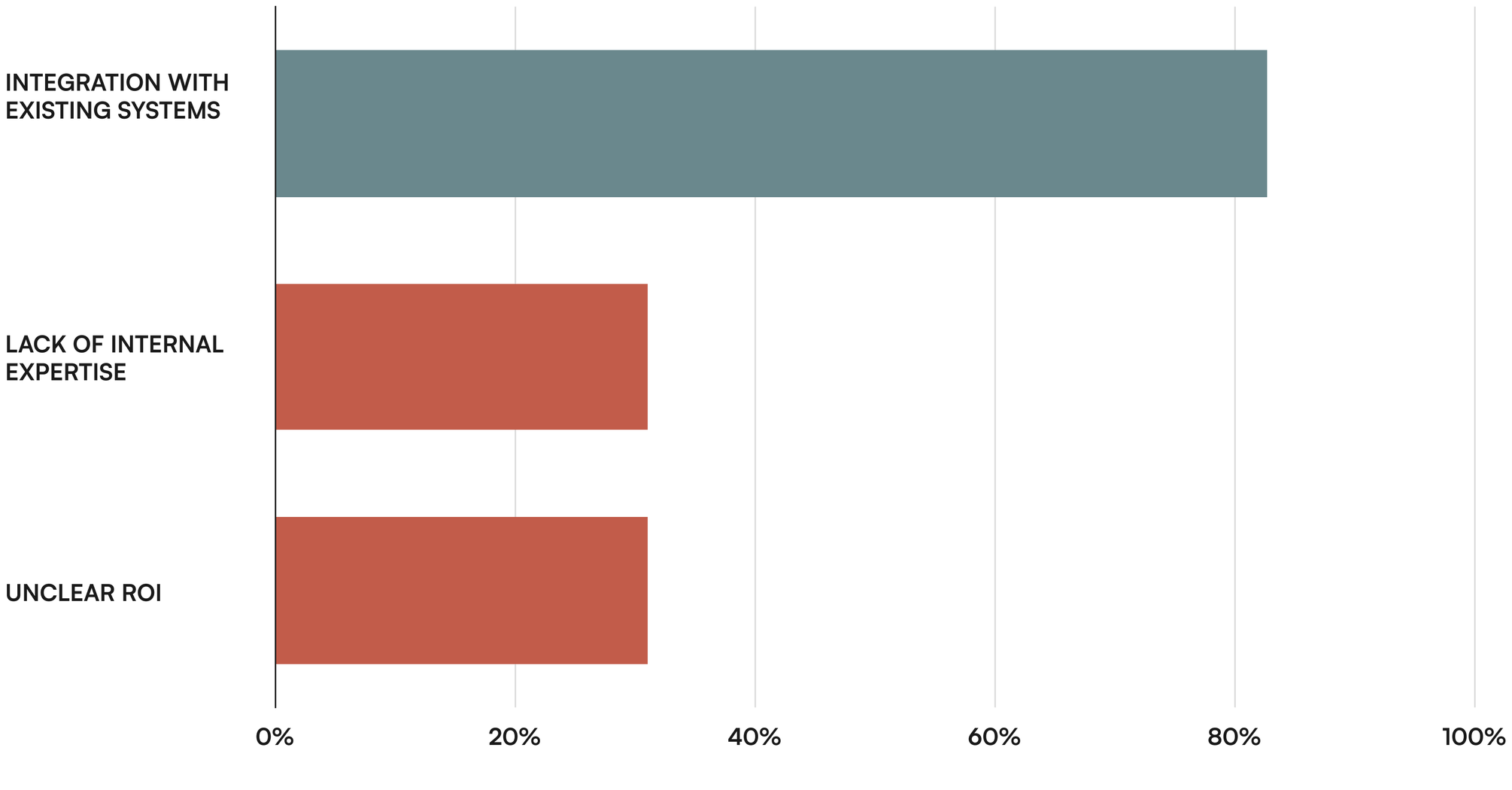
Barriers to Adoption: Resources, Skills, and Infrastructure

For most credit unions, progress depends as much on resources and readiness as on technology itself. High costs, limited expertise, and legacy infrastructure remain the three primary constraints.

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Budget limitations present a significant barrier to AI adoption: 28% of financial institutions cite lack of budget as an obstacle to AI implementation. [38] This drives many organizations toward outsourced solutions, with 24% of banks and credit unions identifying cost considerations as a primary reason for outsourcing AI implementation rather than building in-house capabilities. [39]

AI Adoption Barriers: Credit Union Executive Perspectives (2024)



Source: CULytics (2024), The State of AI in Credit Unions: Survey Insights. Chart by Multimodal.

Skills gaps present significant obstacles to AI adoption. According to a 2024 survey of credit unions, 33% cite lack of internal expertise as one of the biggest barriers to AI adoption, while an additional 33% point to unclear ROI from AI projects. These factors suggest that credit unions are cautious, weighing the potential benefits against the costs and challenges of AI adoption. Infrastructure challenges are even more pronounced: 83% of credit unions identify integration with existing systems as a major hurdle, highlighting the complexity of retrofitting legacy systems with advanced AI technologies. [40]

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[38] SME Finance Forum, *State of AI in Financial Services — Annual Report 2024*, 2024.

[39] Digital Banking Report, *State of AI in Banking*, 2024.

[40] CULytics, *The State of AI in Credit Unions: Survey Insights*, 2025.

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These constraints drive financial institutions toward external AI solutions, with 69% of banks and credit unions opting to buy and deploy third-party AI tools rather than building in-house (16%) [41], a pattern that accelerates adoption but increases vendor dependence.

Legacy core systems — a pain point long acknowledged in the broader banking sector — similarly hinder seamless AI integration within credit unions, leading to data silos and limited interoperability with modern cloud-based tools. [42] These findings show that modernization of core systems and workforce skills must progress in tandem if AI is to reach scale.

Even as credit unions address resource and infrastructure gaps, they must simultaneously navigate an evolving regulatory landscape.

Regulatory and Ethical Issues: Autonomy, Explainability, and Transparency

As AI moves deeper into credit union decision-making, regulators are heightening expectations for fairness, transparency, and accountability.

The Consumer Financial Protection Bureau (CFPB) reaffirmed that lenders using algorithmic or "black-box" models must still provide clear, specific reasons for credit decisions, ensuring compliance with existing fair-lending laws. [43] The U.S. Government Accountability Office (GAO) urged the National Credit Union Administration (NCUA) to update its model-risk guidance to address AI-related issues such as bias, data quality, and cybersecurity. [44]
In parallel, the NCUA confirmed that AI can be safely adopted when governed under existing compliance frameworks. [45]

Federal reports warn that autonomy introduces new risks. The Treasury Department noted that opaque or poorly trained models could perpetuate bias or deny access to credit for protected groups. [46] The GAO further cautioned that limited explainability and fragmented oversight heighten exposure to compliance failures and cyber threats. [47]

Credit unions adopting agentic AI must therefore strengthen governance at the same pace as they innovate, ensuring transparency and fairness remain central to their deployments.

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[41] Digital *Banking Report, State of AI in Banking*, 2024.

[42, 43] Consumer Financial Protection Bureau (CFPB), *Black-Box Credit Models Statement*, 2022.

[44] U.S. Government Accountability Office (GAO), *AI Risk Management Guidance for NCUA*, 2025.

[45] National Credit Union Administration (NCUA), *AI Board Briefing*, 2025.

[46] U.S. Department of the Treasury, *Press Release JY2212*, 2024.

[47] GAO, *AI Cybersecurity and Oversight Risks*, 2025.

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Workforce Transformation and Change Management

As AI transforms operations, it is also reshaping how people work. More than half of U.S. workers express concern that AI could replace parts of their jobs, [48] yet the credit union sector largely treats it as **augmentation** rather than **replacement**. For instance, at Elevations Credit Union, employees freed from repetitive processes were redeployed into higher-value member advisory roles, [49] a shift that demonstrates how automation can strengthen human engagement, when implemented thoughtfully. Yet realizing this potential requires deliberate change management.

This cultural transformation is emerging as one of the most strategic challenges in the next phase of adoption. Institutions that invest in data-literacy programs, change-management training, and clear communication about AI's purpose are finding greater employee alignment and less resistance.

JULIE JEGLUM ESSER
CEO and Founder
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"Credit unions are cautiously optimistic about AI—excited to streamline operations, reduce fraud, and improve member experience, especially via chatbots and predictive analytics. Yet a significant knowledge gap persists: many leaders are unsure how to implement without major infrastructure changes or regulatory risk, so they're watching early adopters before making big commitments."

Across all three dimensions, the constraint is not ambition but execution. Credit unions have no shortage of AI pilots — what they lack are the infrastructure, governance frameworks, and skilled teams to scale them. Those that move from experimentation to operational discipline will define the sector's AI maturity curve in the decade ahead.

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[48] Pew Research Center, *U.S. Workers and AI*, 2025.

[49] The Credit Union Connection, *The Human Side of AI: Why Credit Unions Are Embracing the Future*, 2024.

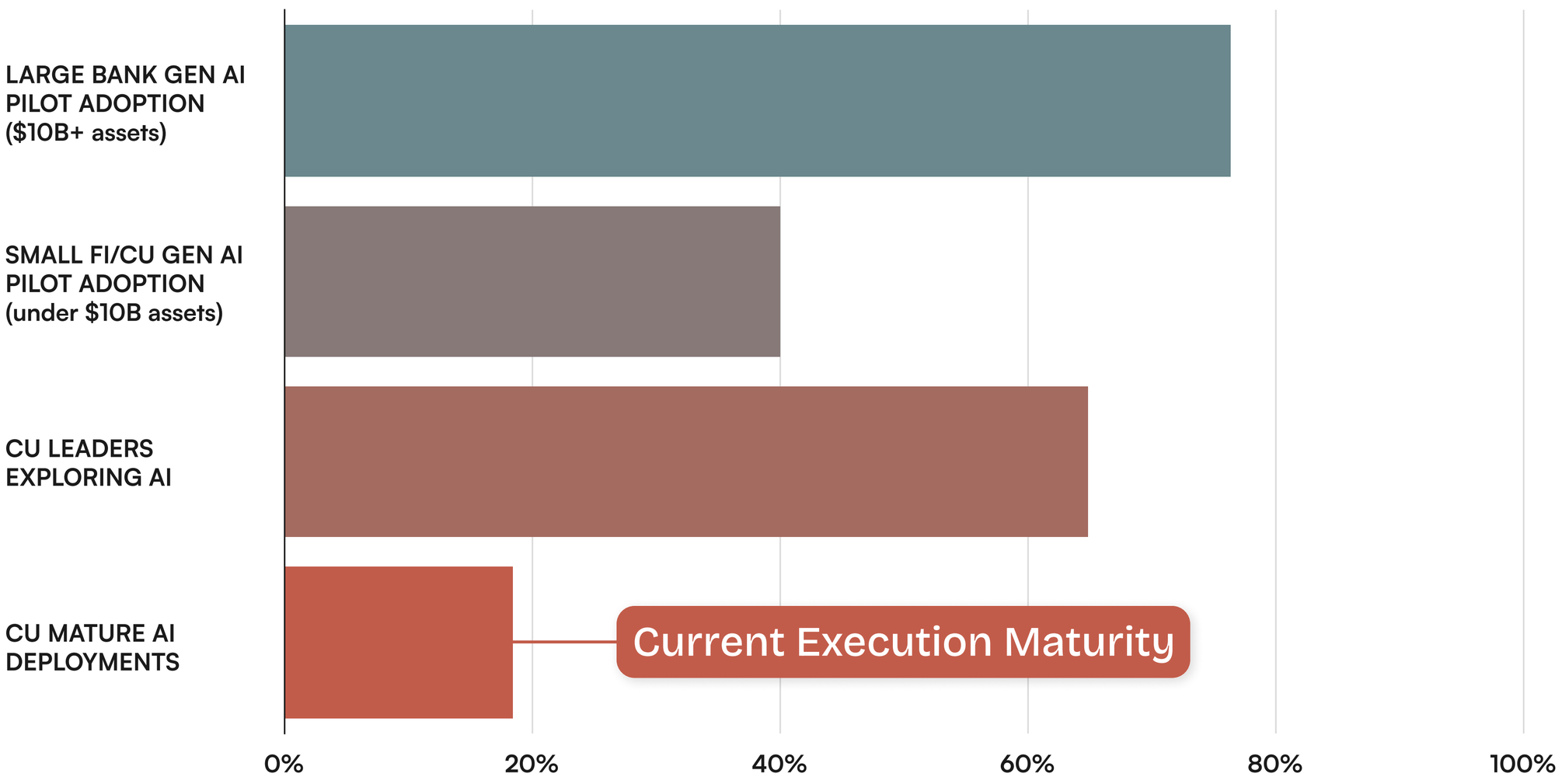
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Future Outlook

Around **64%** are exploring AI use cases, while fewer than **20%** have mature implementations. [50] Institutions under **$10B** in assets additionally show **40%** pilot adoption, compared to **75—79%** among larger banks, revealing a clear readiness gap. [51]

Data suggests, though, that embedding agentic AI across operations will become a **core differentiator** for credit unions, [52] implying that those that act on it now will reap the benefits of stronger competitiveness. [53]

Agentic AI Readiness Gap (2025 Snapshot)



Source: CULytics (2025), The State of AI in Credit Unions: Survey Insights. Chart by Multimodal.

This should create a sense of urgency for credit unions, especially as adoption is expected to accelerate over the next 3 to 5 years. Institutions are projected to seek to improve efficiency, meet member expectations, and strengthen decision-making through automation powered by agentic AI.

Across the board, the top investment priorities focus on fraud detection, personalized member experiences, and automated member support. [54]

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[50] Filene Research Institute & NASCUS Report, *The AI Adoption Journey: A Survey of Credit Union Leaders*, 2025.

[51] Banking Journal / ABA Survey, *Survey: Majority of Financial Institutions Deploying Generative AI*, 2025.

[52, 53] Gallup Workplace Trends, *AI Use at Work Has Nearly Doubled in Two Years*, 2025.

[54] Interface.ai Report, *Credit Union AI Trend Report*, 2025.

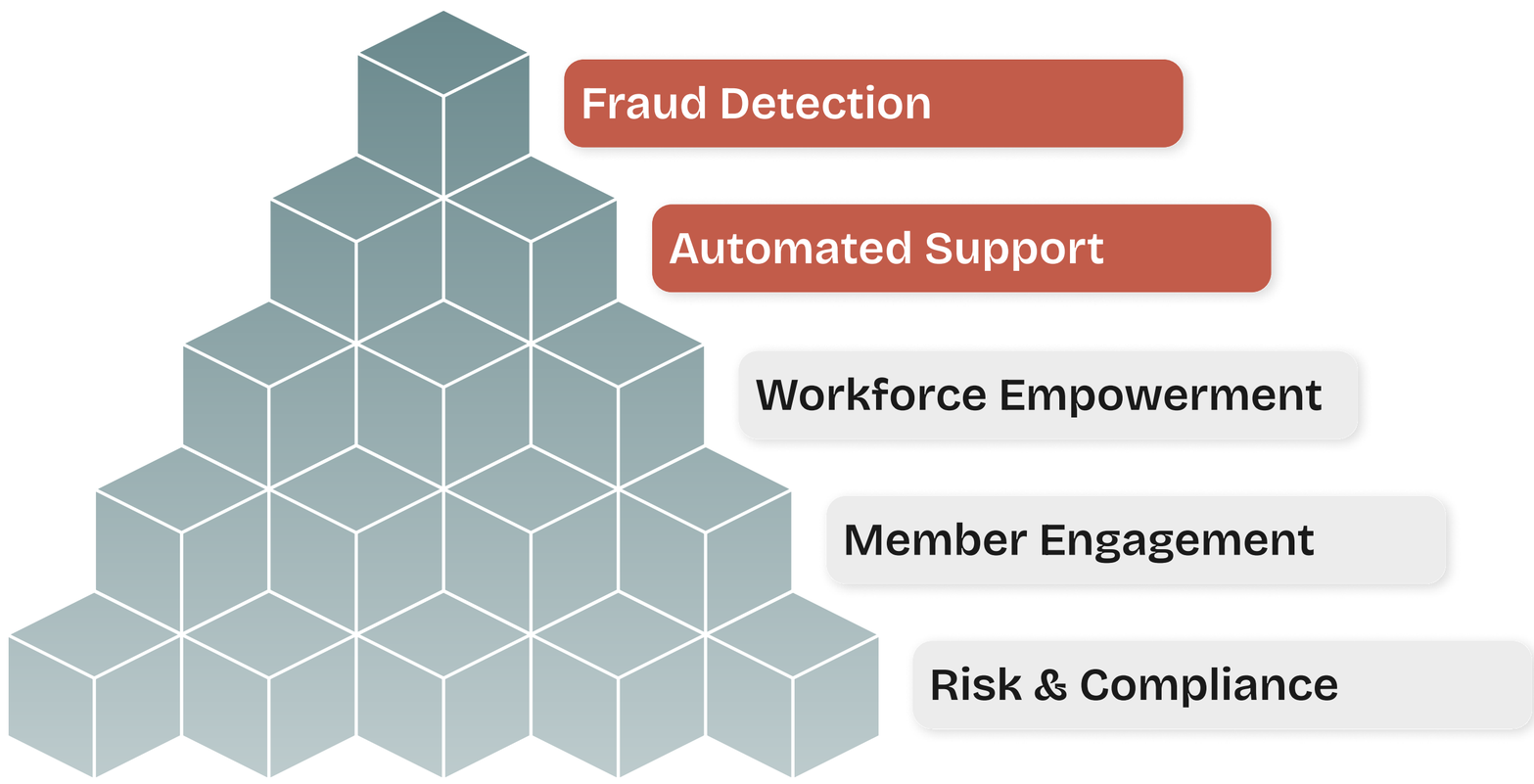
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Institutions moving beyond narrow pilots are already seeing strong returns. For example, some credit unions report call **containment jump from 25% → 80%,** while others have **saved $800K/year by eliminating outsourcing**—benefits achievable through enterprise-level integration. [55]

The following table outlines five projected strategic opportunity areas and their corresponding impact for credit unions between 2025 and 2030. These impact projections focus on maximizing the return on AI investment through enterprise-level integration, consistent with analysis from McKinsey.

Opportunity Area	Strategic Impact (2025—2030)
Operational Efficiency	Faster decisions, reduced manual tasks, lower costs
Member Experience	Personalized services, 24/7 support, proactive engagement
Fraud Prevention	Real-time anomaly detection and predictive alerts
Data-Driven Insights	Enhanced portfolio analytics and credit decisioning
Workforce Empowerment	Automation of routine tasks frees teams for high-value work

Top AI Priorities for Credit Unions (2025–2028)



Source: CULytics (2025), The State of AI in Credit Unions: Survey Insights. Chart by Multimodal.

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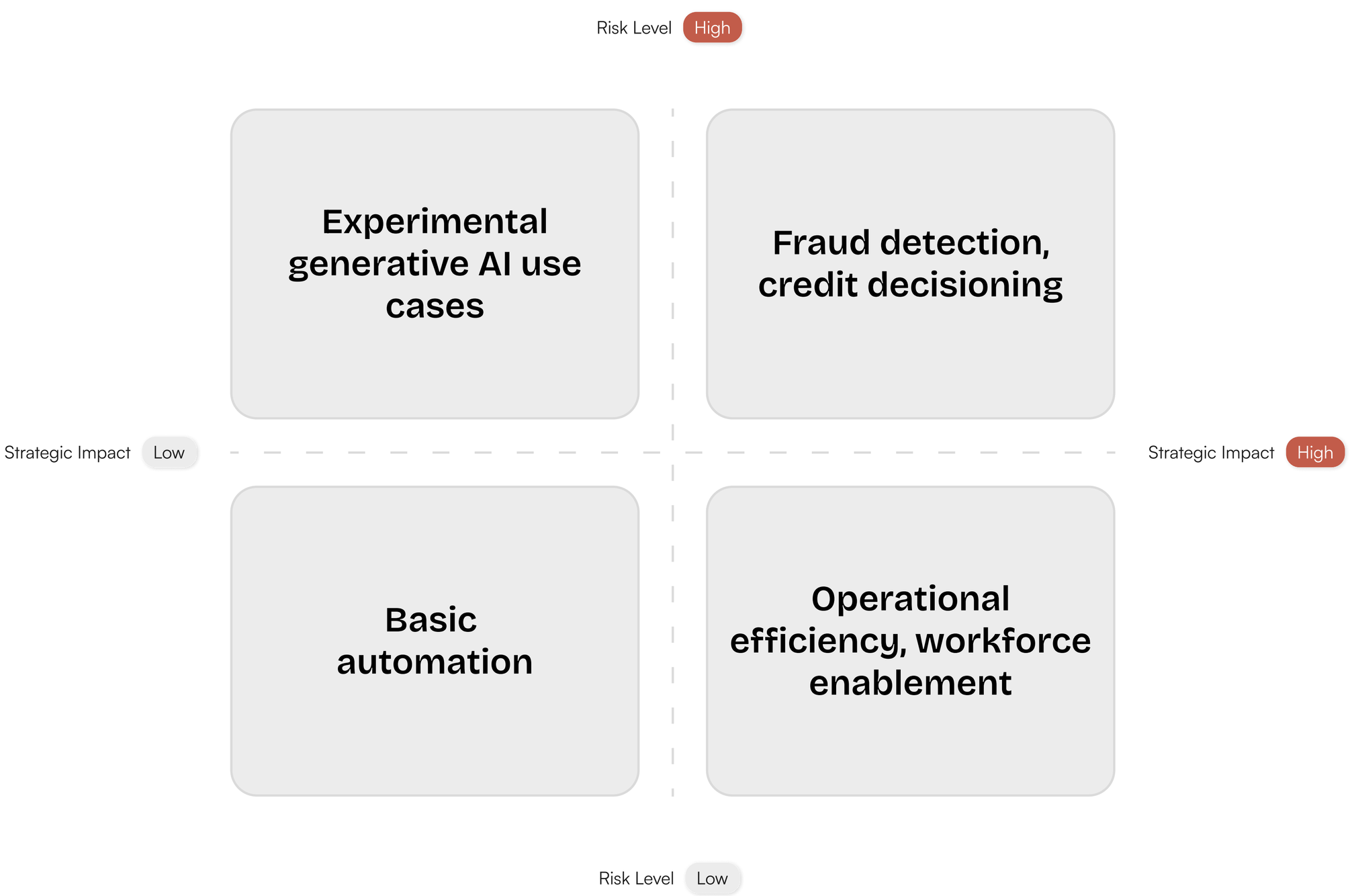
[55] Interface.ai Report, Credit Union AI Trend Report, 2025.

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Yet, as adoption accelerates, **regulators warn of new challenges** in explainability, compliance, and fraud prevention.

Authorities emphasize that AI credit decisions must remain **transparent and fair,** with updated guidance for **model risk** [56] and **third-party oversight.** Analysts also forecast significant financial exposure—projecting over **$40B** in AI-enabled fraud losses by 2027—underscoring the need for governance frameworks that balance innovation with accountability. [57]

Opportunity vs. Risk Matrix (2025–2030)



Source: Synthesis of Key Trends (Interface.ai, Filene Research, and Industry Analyst Consensus). Chart by Multimodal.

Ultimately, credit unions that **move beyond experimentation**—embedding agentic AI into decisioning, member engagement, and risk management—will lead the sector's next era. Those who align innovation with responsible oversight are best positioned to achieve **sustainable growth, trust,** and **long-term member value.**

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[56] CFPB Statement, *CFPB Comment on Request for Information on Uses, Opportunities, and Risks of Artificial Intelligence in the Financial Services Sector*, 2024.

[57] Deloitte Insight, *Deepfake Banking Fraud Risk on the Rise*, 2024.

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