

First Alliance Credit Union



Client Profile



First Alliance Credit Union was founded as Municipal Employees Credit Union in 1932 by seven Rochester, MN, firefighters. The first branch, run by volunteers, served Rochester city employees. Today, with \$262 million in assets and six branches, the credit union serves almost 20,000 members in the southeast Minnesota counties of Olmsted, Dodge, Goodhue, Wabasha and Winona. Commitments to innovation and flexibility are among the credit union's seven core values.

Challenge

First Alliance Credit Union struggled with a significant spike in loan volume coupled with a high turnover rate among tellers. It needed a way to enable better self-service for members so staff could focus on relationship-building and loan growth.

Solution

The credit union chose Interactive Branch Kiosk and Verifast™ Kiosk from Fiserv to provide interactive teller machines with palm-vein authentication in every branch. By moving most transactions to the kiosks, branch staff were free to spend more time building relationships with members and providing financial consulting and services, resulting in higher employee satisfaction.

Proof Points

- Reduced the number of employees who focus on branch transactions from 14 to five
- Doubled the loan volume at the first branch that implemented Interactive Branch Kiosk, as compared to branches without the kiosks
- Opened two new branches without adding a significant number of employees through more efficient use of staff



Branch Transformation With New Self-Service Kiosks Boosts Employee Satisfaction and Loan Volume

First Alliance Credit Union had a four-year plan to transform its branches with self-service kiosks and an expanded digital-first experience. COVID-19 accelerated that plan, and Interactive Branch Kiosk from Fiserv helped get the job done in 15 months.

The credit union prides itself on providing a digital-first experience to its member base of almost 20,000. With the median age of new members being 33 years old – and consistently getting younger – the credit union has excellent adoption of its online banking (almost 80%), mobile banking (about 50 percent) and e-statement services (more than half).

When the credit union experienced a spike in loan volume, coupled with a high turnover rate among tellers, leaders looked to technology for the answer. The credit union developed a four-year plan to put Interactive Branch Kiosk machines in all branches to handle everyday transactions, so branch staff could focus on the more interpersonal, fulfilling duties of opening new loans and accounts.

However, the COVID-19 pandemic gave the credit union an opportunity to accelerate its branch evolution strategy. To bring staff and members back to the branch safely, First Alliance remodeled several branches and condensed that four-year timeline to 15 months.



Acting on a New Vision

With an eye toward evolving branches into relationship-building hubs, First Alliance partnered with a local coffee shop and bakery to provide drive-through coffee service at one of its branches. The mutually beneficial partnership was an immediate success – especially during the pandemic – and still draws members to the branch for financial services.

With the Interactive Branch Kiosk machines equipped with Verifast Kiosk palm-vein authentication, members can quickly and easily conduct a variety of transactions without the need to involve an in-person teller.

That frees branch staff to focus on loan growth. In no time, the first branch that installed the kiosks had the highest loan volume, with three loan officers bringing in double the loan volume compared to the credit union's other branches.

Today, First Alliance has Interactive Branch Kiosk machines at all six of its branches, and five employees now focus on transactions – down from 14, previously.

“What the technology really does is enable our staff to have the high-quality interactions and experiences and relationships with our members” said David Schouten, senior vice president of IT and chief information officer for First Alliance. “It takes away the mundane – the sheer transactions – and enables them to have fuller relationships.

“Three years ago, we had an 18 percent loan growth spike, and it felt like the house was on fire. We couldn't keep up, and everyone was struggling. This year, we're having the same kind of growth and we're not blinking an eye,” he said.



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Key Steps for Adoption

To ensure adoption of the Interactive Branch Kiosk machines went smoothly, the credit union committed substantial time to training employees on how to shepherd members to use the machines and “get over the intimidation factor,” Schouten said.

“Technology does not work unless the team gets and understands why we’re doing this,” he said. “I’ve been in technology for over 20 years, and I know that it fails when people don’t get it. Everyone on the team has to see why it’s so important.”

“Each branch has greeters/member service advisors who walk members over to the machines and show them how to use them, including how to engage the interactive teller for more intricate transactions. Once members have a handle on using the machines, they love them,” Schouten said. “Especially the ability to choose denominations when getting cash out.”

“Mostly people think it’s the coolest thing,” he said. “They can choose from four different denominations and select what they want, and they don’t even have to figure out the total. The machine figures it out for them.”



Streamlining Processes Through Integration

First Alliance, which uses the Portico® account processing system from Fiserv, eagerly raised a hand to pilot the core integration with Interactive Branch Kiosk. The core integration gives members the ability to see a more complete view of their accounts on the machine, as well as leverage Verifast Kiosk touch-free, biometric authentication to access information.

By holding a palm over the palm-vein reader at the machine, a member can be quickly authenticated without having to slide a card or key in a PIN. The highly reliable vein pattern vascular recognition technology has become a more accurate identifier than fingerprints, iris patterns or facial features.

“Super secure and super convenient is what it ends up being,” Schouten said. “That’s what we want for our members, so it was great to have that in place. All they need is their palm, and they’re in. No other place can you do that, really.”



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Happy Staff, Happy Members

In 2018, First Alliance was struggling with high teller turnover. In 2021, staffing is a major issue for businesses across the country. But even in a difficult hiring market, the credit union has been able to hire and keep staff who are serving in more fulfilling roles. In fact, the credit union was able to open two additional branches without a significant increase in employee headcount.

“We’re able to have higher-paying jobs with more quality,” Schouten said. “So instead of hiring a lot of tellers who will have a greater amount of turnover, we’re hiring more loan officers who contribute more and have better satisfaction with their jobs.”


“Better satisfaction and better retention. We’re able to attract more people and pay them better wages. It helps them and it helps us. It’s just a win-win,” he said.


That’s why First Alliance doesn’t keep track of how many transactions are done in each branch – because it’s about quality, not quantity. Rather, the credit union is, as always, focused on providing the best possible member experience.

“I don’t care if they use the IBK and go, ‘Oh, I can do most of this on my mobile.’ That’s fine. That’s success, too,” Schouten said. “The point is that the branch is for relationship-building and doing the higher-value interactions that we want to do with our members when they need it. We just want to make sure we have the right tools for them wherever they are.”

Connect With Us

For more information
about Interactive Branch Kiosk:

 800-872-7882

 getsolutions@fiserv.com

 [fiserv.com](https://www.fiserv.com)

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