

Market Commentary - The Credit Union Connection

Technology is set to revolutionize credit union products, processes, and performance


Finastra’s Mary Kay Theriault discusses with Sarah Snell Cooke how technology will enhance, rather than replace, the heart of credit union services by delivering both speed and sincerity for their members.



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The more streamlined you can make the application process, the more likely you’re going to capture the mortgage loan.”

Mary Kay Theriault
Senior Director, Product Management

* source: "Agentic AI in Credit Unions 2025", Multimodal, 10/30/25 * source: "8 credit union technology trends in 2025", defi solutions, 1/9/25




Interviewer

Sarah Snell Cooke

Co- Founder & CEO
The Credit Union Connection

Sarah Snell Cooke has been writing about and supporting the credit union movement for over 20 years.



Mary Kay Theriault

Senior Director, Product Management
Finastra

Mary Kay Theriault has extensive experience in the mortgage industry, including 8 years as a bank Mortgage Loan Officer and 25 years as a software technology leader.



\$2.05 trillion

Credit union mortgage market
2025

\$2.52 trillion

Credit union mortgage market
2030

New technologies lead to new levels of member satisfaction

"Members want to know there's a human being behind that application." That's how Mary Kay Theriault, Senior Director of Product Management for mortgage at Finastra, describes the challenge facing credit unions today. It's a simple statement that captures a major industry tension: finding balance between digital-first convenience and the personal connection that defines the credit union difference.

In her conversation with Sarah Snell Cooke of The Credit Union Connection, Mary Kay explores what it takes to deliver both speed and sincerity in the mortgage experience. As she explains, the key isn't choosing between technology and people but creating a partnership where each strengthens the other.

Mary Kay stresses one theme: simplicity. In an industry filled with complexity, she believes the best technology empowers instead of overwhelms. Her approach focuses on practical outcomes such as fewer abandoned applications, faster processing, and happier members who feel supported rather than replaced by digital tools.

She highlights Finastra's "no code, low code" approach as a way for credit unions to implement systems quickly without relying on large IT teams, keeping the process manageable and adaptable.

Mary Kay recommends credit unions focus on meeting members "where they want to be met." For some, that means a fully digital application completed on a weekend. For others, it's a face-to-face conversation with a loan officer. Offering both, she notes, is what allows credit unions to compete with larger lenders that may have broader reach but often lack personal service.

Mary Kay offers insight into how automation and AI can enhance the lending process. She describes how new tools can check documents and flag inconsistencies before processors ever touch them. The technology might be complex, but the result is deeply human: less frustration, faster approvals, and more time for staff to guide members through meaningful financial decisions that will improve their lives.

Meet your members wherever they prefer

Sarah Cooke

Mary Kay, would you please do a little bit of an introduction on yourself and your role at Finastra?

Mary Kay Theriault

I've been in the mortgage industry for over 30 years with the last 25 in the technology space. I was part of the original team that built out Mortgagebot when I was part of a bank holding company in Wisconsin. We spun off the mortgage technology business into a private company in 2001 and are now owned by Finastra. So I still run the mortgage product, with Finastra's Originate Mortgagebot point of sale POS and MortgagebotLos in my portfolio.

Sarah Cooke

One of the key issues in modern financial services, and particularly for credit unions, is finding the right balance between communication at scale while also maintaining those real human interactions with their members. So, what are your thoughts on finding that sweet spot?

Mary Kay Theriault

One of the main things is maintaining the personal interaction between you and your members. Members want the flexibility to access services online, so "Digital First" must be a priority for the industry. But while members may apply online, it is important for them also to know there is a human being standing behind that application and processing their loan. Texting and emails are increasingly important, but that open personal communication cannot be replaced.

Sarah Cooke

Let's dive into the wild world of AI. AI text bots have gotten pretty good dealing with common requests people may have, but it's still good to see there's a human face behind the scenes, especially in credit unions where human touch is so important. Modern member-centric services, particularly with mortgage applications, can be challenging because mortgages are complicated and can take a lot of time and effort to underwrite and close.

To improve the customer experience, credit unions are moving forward adding efficient technologies and modern services. The delivery systems for new business,

though must continue to drive loyalty as well. How can credit unions really emphasize loyalty while still keeping up with efficient technologies?

Mary Kay Theriault

I think one of the things we always tell our customers is to make sure that they're meeting the customer where they want to be met. That includes having an online channel so that they can see your programs and your rates. They can even see your fees. And then, if they want to do that online application, they can, but you should also provide an in-branch opportunity along with a loan officer.

Credit Unions have three different channels to gain applications: Some mortgage applicants will start online, do their research, see what your rates are, and then they'll reach out by phone to their loan officer. Others don't want to call that a officer, they just want to do it themselves and then have an approval at the end of the application. Others want that traditional experience and will come into the branch office for a face-to-face application experience. No matter the process, we think it's really important at the point of sale to capture that member, so they stay with you. If they don't see your products online, they may go look and apply somewhere else.



Success is where sophistication meets simplicity

Mary Kay Theriault

One of the things credit unions should strive for in mortgage lending is providing simplicity. To that end, Finastra designs our services using what we call it a “no code, low code” operating model. Because our end-to-end experience is fully digital, you can deploy our POS and LOS without having an IT department. You don’t need a programmer to do any special coding. You implement easily without doing a lot of customization. You can configure your own products, your own fees, even your own text so you are talking to your members in your own safe and reliable voice.

The more streamlined you can make the application process, the more likely you’re going to capture the mortgage loan. Things that can be automated like asset verification, income verification, and online approvals with Fannie Mae and Freddie Mac are essential; the borrower is frequently looking for that online approval, or even a pre-approval if they want to make an offer on a house and apply for a mortgage on a Saturday.

One of the enhancements we’ve implemented is called Workflow Automation. It enables credit unions to pre-process and pre-approve a loan, cutting down, about three to four hours on processing time.

Bring in those efficiencies on the back end so that you can close those loans quickly.

Sarah Cooke

A huge benefit of automation is that you can go through the whole process efficiently, get to approval and closing without the risk of human errors and re-work slowing down the process. Recently there are a lot of fintechs that offer some of these modern automation services, so how can credit unions judge the fintechs in this space?

Mary Kay Theriault

It goes back to who helps you optimize speed and simplicity. I need to emphasize that consumers will very likely leave your POS site if they can’t efficiently and intuitively start an application.

Number one: how easy is the POS to use and how friendly is it? We don’t want the member to get frustrated halfway through and then they bail out, right?

Number two: does the system simplify and accelerate the back-office loan processing, approval, and closing processes? How efficient can your processors and loan officers and underwriters be within the system to quickly close loans without problems like getting any buybacks from a GSC?

Number three: is the front-to-back origination system fully automated and seamless? Are fewer manual touches and re-work necessary because handoffs from step to step happen in a fully automated manner?

Refi market building steam?

Sarah Cooke

Great thanks. I want to dig into the possibility that the refi market may be coming back with the interest rates dropping. Where do you predict the mortgage market will go, in terms of volume, in the next year or so?

Mary Kay Theriault

Oh, I wish I had a crystal ball! I wish I could tell that rates are going to drop and we’re going to get back into that refi market. We did see a small bounce recently with some decrease in rates - a little uptick in applications. So that’s a good sign. You know, if you listen to the predictors, they’re saying they’re going to come back down. I don’t think, though, we’re ever going to see in my lifetime the 2% and 3% rates we saw back in 2020. Hopefully we’ll see rates down back into the 4% and 5% range, although 4% is probably stretching it. But I think even if we get into the 5% range we will get into a little bit of a refi market again from those customers who closed last year in the 7% area.



Speed and scalability differentiate Mortgagebot from the market

Sarah Cooke

Loan processing and closing speed obviously are part of demonstrating how credit unions offer a valuable member-centric experience. But, especially in the mortgage field, there are hundreds of papers and pages to review and sign off to close a loan. This is time-intensive! You mentioned Finastra offers efficiencies that can shave three or four hours from the overall process. Can you go into a little more detail about how you speed up this process?

Mary Kay Theriault

Absolutely! There are two significant ways Finastra speeds the full end-to-end process. First, at the point of application, we're going to ask the borrower for the documents that we need in order to process their loan. If they're employed, we request W-2 statements for the last two years and a recent pay stub as well as bank statements. We'll provide a customized list of the necessary documents to get the applicant quickly into the underwriting queue.

We deploy an AI agent here to look at those documents so that when the processor gets them, they are assured they're accurate and complete.

From there, we pass the complete borrower document package from the POS into the LOS using a comprehensive solution we call Workflow Automation. We extract the data and compare it to what the borrower said to ensure everything matches up so you can start the approval process with confidence. With quite literally the click of a button, our solution completes the review and updates the LOS, if necessary, which eliminates the "stare and compare" process which is both time-consuming and leads to numerous handling errors that slow down the overall approval process.

It is here where digitization and AI tools will save the credit union at least three to four hours on standard applications. At this point, processors and loan officers are able to focus their attentions on those loans that are not the cookie cutter variety and may require additional attention.

Scale capacity with fewer disruptions

Sarah Cooke

Credit unions are unique because their employees are also their members who also need loans. Staff stability is very important, meaning laying off people during slow periods is not something credit unions are particularly comfortable doing. Yet being able to grow without searching for extra staff is also a priority.

Mary Kay Theriault

One of the biggest advantages of automation is that it is scalable, meaning that as loan application activity increases, credit unions will be able to absorb that volume without adding to staff. And as volume decreases, there is less of a need to scale down staff which is disruptive. Overall, advanced POS and LOS technologies will efficiently drive more high-quality loan applications into and through the pipeline to keep everyone focused on what really matters – activities that improve the member experience.





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Sarah Cooke

This has been an awesome conversation! I always give my guests the opportunity to share their final thoughts. What key ideas do you want credit unions to take away from this time together?

Mary Kay Theriault

Above all else, if a credit union is not yet offering online mortgage applications, they need to start tiptoeing into that space. Because if they're not, their members are absolutely going to go look elsewhere and they'll lose the opportunity to make that loan.

At the very least, start with a small online presence and increase functionality as you start to see the volume. Online applications are a powerful competitive advantage, and in many cases it only takes two new borrowers to pay for the software solution. It can be a game changer!

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