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Portfolio

[tag] Innovation Station

[hed] Three points of discussion when assessing potential fintech partners

[byline] By Charles Potts, ICBA

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When it comes to innovation, understanding <i>how<i> we do it may be even more important than <i>why<i>. With technology upgrades and customer experience consistently ranking as chief priorities for community banks, there’s no question that innovation serves as a strategic imperative. But the best tactical implementation approach remains uncertain.

In truth, the answer comes down to finding the right partner. And you’ll want to maximize each step in the innovation journey, including the fintech evaluation process. Ensuring you have the answers to the following three questions will set you on the right path to a fruitful fintech partnership:

1. **Does the solution resonate with a need at your bank?** Many fintechs have flashy offerings, but if what they provide doesn’t instantly solve a problem for your bank, it isn’t an immediate fit. Prioritize deeper engagement with those companies that offer solutions that fit your business needs, address the challenges you face and provide the opportunities you’re looking for as a bank.
2. **Who within your bank needs to be engaged?** Once you’ve been intrigued by a product demo, you need a deeper dive into the solution. Bringing in your internal subject-matter experts from day one will make it more efficient. Depending on the product, you may need technology leaders, marketing experts, risk and compliance teams, back-office operations, customer support representatives and other team members engaged in the decision-making process, so loop them in early for the biggest benefit.
3. **Who’s using the solution, and where are the referenceable use cases?** Even when you’re engaging at the earliest stages of a new product, fintechs will have proof of concept and pilot examples. Lean on those references and reach out to peers who are using the solution. Those conversations will give you a better understanding both of cultural fit and where the pitfalls may lie.

These questions are a good starting point as you engage in vendor discussions, so the sooner you start, the more you can maximize your time. And, with ICBA LIVE around the corner, these questions have the added benefit of preparing you for the all-star ThinkTECH Accelerator showcase, where select alumni will demonstrate their solutions.

In addition, information from ICBA’s new digital transformation education series, which is a part of Community Banker University and will be unveiled at LIVE, will provide guidance to support the next steps in fintech engagements.

This is the year of innovation in action. At ICBA, we’re upping our innovation game, and we know you’re ready to roll up your sleeves and do the same. We’re entering the phase of implementation, where the question becomes not why innovate, but how. And in today’s landscape, that’s precisely where we need to be.

***Charles Potts****(**charles.potts@icba.org**) is ICBA executive vice president and chief innovation officer.*

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