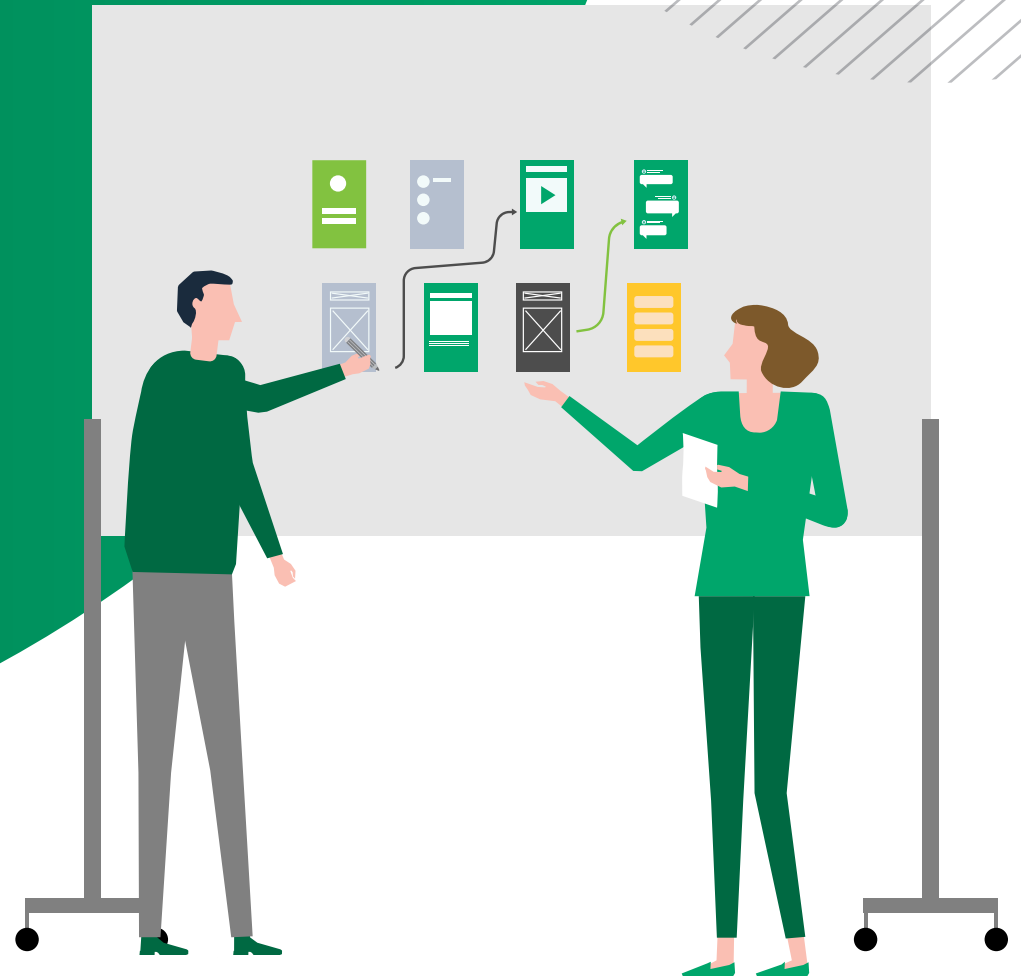


No Developers,
No Problem—
Making the Power of
the Innovation Studio
Available to Every FI



Part 2: How 4Front Credit Union is Delivering Custom Functionality Faster

Welcome back! In part two of this Fireside Chat, Will speaks with Zach Eychaner, senior VP of remote services and technology at 4Front Credit Union about his experience with Q2's Innovation Studio and certified development partner, Tailwind—who you'll recognize from part one.

4Front's priority is to provide smart, innovative banking solutions to its members in Northern Michigan; to offer "big bank" functionality with a community feel. However, "smart" and "innovative" require speed, agility, and a forward-thinking approach. Since working with the Certified Development Partner Program, 4Front has shifted from fast follower to leading-edge. See for yourself.



Fireside Chat Transcript

Will Furrer (WF): Thank you for spending some time with me today, Zach. We really appreciate your business and partnership. To start us off, why don't you tell us a little bit more about 4Front, your focus, and what you and your executive team have planned for your digital roadmap.

Zach Eychaner (ZE): Of course. I'll start by saying we've always been committed to growth and increased functionality of service. When we were founded back in 2015 by two credit unions coming together, we wanted to bring state-of-the-art technology and functionality to the membership of both credit unions. We've never wanted to limit the way our members do what they want to do; we want to empower them to handle their money how they need to. Our relationship with Q2 has been outstanding and a big reason why we've been competitive, innovative, and why we've been able to do what we do.

From a digital standpoint, we want easy wins. We want to be simple and seamless for our members, and this often requires "small" changes that get caught in the backlog. A challenge that comes with this is getting deep integration with our partners. We don't have developers on staff or the ability to build, so it's all about finding strategic partners and vendors who really help us deliver.

In fact, we were a Gro customer before Q2 acquired Gro. It's easy to trust Q2 because the choices we make line up with where you guys are going. We know we're in good hands.



Our relationship with Q2 has been outstanding and a big reason why we've been competitive, innovative, and why we've been able to do what we do.

– Zach Eychaner
Senior VP of Remote Services and Technology
4Front Credit Union





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– Zach Eychaner

Senior VP of Remote Services and Technology
4Front Credit Union



(WF): That's a really interesting perspective. Another question I have is that as you generate ideas with your team, what's the velocity of new, crazy ideas that are coming to you? And what's the pace on this?

(ZE): We used to be a fast follower, but we've gone to leading-edge pretty quick. In fact, one of the most recent things we've done is partner with CULedger to roll out MemberPass for that digital identity and authentication piece. Right now, we're one of just six credit unions live in the market across the nation with MemberPass. We've stopped waiting for the service to prove out; if we have an idea that makes sense, we go with it.

Keeping up with this pace has just been crazy. My job is to find that next level of experience to keep us competitive; to offer that big bank experience—ease, use, and functionality—with the look, feel, and service level of a community institution.

(WF): 4Front has been with Q2 for several years. When thinking about your relationship with Q2 then versus now, are the building blocks in place from a service, speed-to-market, and innovation standpoint?

(ZE): Absolutely. When we know we want to move forward with something, we need to figure out how to really make it happen. This is where things tend to bottleneck. At first we struggled with the Innovation Studio—the idea that we can do things ourselves is great, but we don't have the internal talent to do it. That's not a problem with Tailwind, and it's working, because the average 4Front member is logging into their account via desktop or the app at least 25 times a month. This tells me we have a really good offering that people want to engage with and that they keep coming back. That's how we get 40,000 members logging in one million times a month.

(WF): That's amazing. So you obviously had to make the conscious decision not to invest in human capital and add developers to your team, but to utilize the Innovation Studio instead. Tell me about the first time you met with Tailwind and that process.

(ZE): We had an initial call with Andrew Tull to talk through our pain-point with the overall backlog issue and our long launch dates on projects. We were also concerned

with the fact that when we build partnerships, they need to be strategic; we need a team that will work with us to get where we want to go, not just check a box. Our very first conversation with Andrew put those fears to rest.

We first handed them a low-risk project to see if they could really deliver, and they did. They turned it around on time and it was a quick and painless process. Now we've completed three projects with a few others in the works.

(WF): It sounds like this is giving you a lot of confidence, but how are members responding and what does your board think?

(ZE): Our engagement continues to climb and our app rating has gone up to a mid-4 when before we were at a 2.2. Our board is happy to see us moving quickly on things we say we're going to do. It's not a waiting game anymore, so things have been a lot clearer and more intentional. It's a sense of freedom we didn't have before; it's been outstanding.

(WF): How does this differ from more traditional innovation delivery models?

(ZE): With most vendors, you're held hostage in a waiting period and things like adding new loan payoff methodology inside the user experience are essentially non-starters. It's usually a "you get what you get" response. With Tailwind, we've never been told we can't do something.

It's great because we're now able to move from new implementations to enhanced usability; creating a truly intuitive layout that's built specifically for our membership. It's almost like I get to be a developer or a designer and can really tap into the imagination of my team, and that's a great freedom.

(WF): That's incredible. How do you think this will change your business?

(ZE): This opens up everything. When we talk about strategic planning for the next three to five years, we're looking at having a more concerted focus on underserved folks in our community and the ability to create new features and services for them—getting back to what credit unions were founded to do.

We now have the "if we can dream it, we can do it" mentality. When we look at what we can accomplish in the next year alone, we feel liberated rather than limited and it truly fires us up about what's possible. We've been handcuffed for so long and we were tired of it. I don't have to worry about that with Q2; we can just keep moving forward.

(WF): Is there anything we can do to enable more collaboration, training, or access with Tailwind?

(ZE): There are still some slight lags in the production and testing phase. Maybe we need even more access or engagement with Tailwind to speed these areas up. But we're talking a week to two weeks on a project, so it's a minor pain-point. It's such a big win overall that it doesn't really matter.



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Another thing Tailwind does really well is that we have the same developers working on all of our projects, so they really know us and the ins and outs of our work. We don't have to spend time on reintroductions or deal with stalling from that standpoint. The familiarity between an institution and their vendor is key to success and in keeping things moving quickly.

There's also a symbiosis between Tailwind and Q2. We look to Tailwind first to get certain projects done, like a single sign-on integration, for example. In the meantime, all these other Q2 projects are still moving. If we weren't using Tailwind, several of these small but important projects wouldn't have happened and would still be on the backburner.

(WF): Did you ever expect digital to move this fast?

(ZE): No. This year compared to 2018 or 2019 has been like lightning. We started our first project with Tailwind in January or February and are continuing to plug away, and despite COVID-19. We believe that if we're standing still, we're moving backwards. If you're not innovating when times are tough, you're going to fall behind.

(WF): You're absolutely right. Let's leave it off with this, if there's a digital banking provider out there that's not investing in this kind of technology, how far behind are they getting?

(ZE): Too far behind. The good thing is that with partners focusing on true integration, we're preventing a forced open banking system because we're getting there on our own. Holding people hostage isn't a long-term strategy to retain clients—Q2 is empowering FIs to take control over their own functionality at their own pace.

Tailwind is one of several certified development partners in Q2's Innovation Studio program. If you're a custom development group interested in learning more, you can visit our developer site at www.Q2developer.com or contact us at www.Q2developer.com/contact.



Q2 is empowering FIs to take control over their own functionality at their own pace.



4Front is among several FIs leveraging a certified development partner to roll out custom functionality faster. If you're looking to banish your backlog but don't know where to start, check out our developer page www.Q2developer.com or contact us www.Q2developer.com/contact.

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