CORNERSTONE Agility

White Paper 2025

Delivering on Agile Transformation Success!

Building and implementing a successful Credit Union transformation blueprint as they position for future growth & success!

The Agile Credit Union

Credit Unions face unprecedented challenges: rapidly evolving member expectations, fierce competition from both traditional banks and digital-first fintechs, increasing regulatory complexity, and accelerating technological change. In this environment, the traditional operating models that served credit unions well for decades—characterized by functional silos, annual planning cycles, and sequential delivery processes—have become significant limitations. In response, forward-thinking credit unions are embracing agility not as a set of IT practices, but as a comprehensive approach to delivering member value.

Digital-first solutions and advancing technology are transforming the banking industry at an unprecedented pace. Meanwhile, members expect their credit union to deliver simplified, convenient banking services without sacrificing the personalized touch and community focus that have traditionally set credit unions apart.

This is where operational agility becomes the key differentiator.

Credit Unions that maintain traditional, siloed approaches to operations will increasingly struggle to keep pace with member expectations and market demands. Those that embrace agility—re-imagining how they work, collaborate, and deliver value—will thrive in this new environment.

For Credit Unions today, the choice Is simple: Embrace change, or risk falling behind.

Executive Summary

Credit Unions must move faster than ever as big banks and fintech companies continue to reshape financial services with digital-first solutions and personalized experiences. Members now expect their credit union to deliver convenient, modern banking services while maintaining the personal touch and community focus that sets credit unions apart. To meet the evolving needs of their membership, this Credit Union strategically partnered with Cornerstone Agility - one of the nation's leading firms in driving organizational transformation and change for financial institutions - to accelerate the achievement of their strategic goals. This white paper examines the successful launch of their Agile transformation, highlighting some of the challenges they faced, the strategies employed, and the remarkable outcomes achieved through the earliest days of adoption of Lean-Agile practices.

Challenges facing the Credit Union:

Communication Barriers:

Prior to the launch of their Agile transformation, the Credit Union struggled with siloed departments and hierarchical communication structures. Information flow was often slow and fragmented, leading to misalignments between teams and delayed decision-making processes. This often times is directly related to many rganizations that find themselves silo'd in a traditional ierarchal structure, often slowing collaboration efforts and success as well.

Inconsistant Approach to Change:

As with many established institutions, the had been making changes across the organization to meet the evolving financial landscape. Change fatigue was real and there wasn't a consistent approach to identify change initiatives and implementing them, with people as the focus. The prospect of more change created uncertainty and apprehension among staff members which often times is the leading symptom of change fatigue in organizations.

Limited Work Visibility:

Although the had a strong Strategic Portfolio Management (SPM) Office, visibility was limited to only those initiatives and capacity being tracked by the team. The lack of transparency in project ideation, approval and workload distribution resulted in inefficiencies, duplicated efforts, and difficulties in people & resource allocation. Stakeholders often had limited insight into the status of critical initiatives, hampering their ability to make informed decisions.

Challenged Prioritization:

It is not uncommon for organizations to experience challenges in prioritizing a backlog of work that needs to be done. For the, as a fast-paced, growth focused organization challenges identified for them included conflicting priorities, lack of clarity for certain initiatives and shifting priorities. Focusing on limiting Work in Process (WiP) while staying aligned to the strategic imperatives are crucial for success for the teams and for the organization.

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Uncovering the Truth... Turning Challenges into Opportunities for Success!

Creating a Transformation Blueprint:

One of the most critical stages of flight, is the takeoff. Much like an airplane is designed to fly, your organization needs to be designed to thrive in the new ways of working...responding to the latest threats, delivering value through the organization while maintaining and enhancing your membership products, services & experiences!

Human-Centric Change Management

The Credit Union initiated its Agile journey by conducting extensive empathy interviews across the organization. These interviews provided key insights in understanding the overall organizational readiness for this change journey to begin:

- Provided valuable insights into associate concerns as well as aspirations.
- Idenified pain points in existing processes and roadblocks within the organization.
- Assisted in helping customize the Agile approach to the CUs unique culture and needs.

By actively listening to its workforce, the CU built a foundation of trust and engagement crucial for the success of the transformation.

Establishing a Guiding Coalition for Change

In recognizing each leader's journey to Agile proficiency would be unique, the CU established an Agile Leadership Team (ALT) to support this organizational & cultural change initiative by frequently meeting to guide & advise by:

- Offering visibility into transformation efforts and direction setting.
- Accelerated the adoption of Agile practices through targeted training and activities.
- Fostered a culture of continous improvement and learning within the organization.

This ALT was comprised of the entire EVP team and proved instrumental in overcoming resistance to change and building confidence in practices.

Building a Common Agile Framework

To ensure a consistent understanding of Agile principles and practices, the CU developed a robust training program geared towards initially targeted to building the mindset but then providing needed training to execute in an Agile way by:

- Covering foundational Agile concepts, tools and techniques.
- Included hands-on workshops and simulations to reinforce the learning.
- Tailored to specific roles within the organization, from Executives to front-line associates.

By actively listening to its workforce, the CU built a foundation of trust and engagement crucial for the success of the transformation.

Restructuring the Organization for Success

The Credit Union strategically formed cross functional Agile teams to break down silos and enhance collaboration across the organization, also enhancing communication channels at the same time. This process involved:

- Understanding the member and what the member needs.
- Carefully selecting team members based on complementary skills and expertise.
- Establishing clear role clarity amongst the teams and implementing Agile events for success.

The new team strcutures dramatically improved work visibility, fostered innovation and increased responsiveness to member needs.

Results & Benefits

The Agile transformation at the Credit Union is ongoing and continues to yield significant improvements across various aspects of the organization to include:

Enhanced Communication: The adoption of Agile practices is leading to more frequent, transparent, and effective communication both within and between teams as well as helping provide timely insights for holistic visibility to priority alignment. This will further enhance the capabilities of the organization to manage change throughout the system.

Improved Work Visibility: The implementation of visual management tools and regular status updates provides stakeholders with real-time insights into initiative progress, help to eliminate duplicative efforts of work. In addition, providing key insights and alignment opportunities to ensure teams are working on the right work, at the right time.

Higher Associate Engagement: The collaborative nature of Agile practices and the emphasis on continuous improvement continues to boost morale and job satisfaction. This allows Associates the opportunity to communicate more frequently and collaborate to remain focused on delivering value to the member.

Faster Time-to-Market: Cross-functional teams and iterative development cycles are significantly reducing the time required to launch new initiatives. This allows the the unique ability to quickly gather feedback to further confirm the member centric approach to delivering value in the products & services of the Credit Union.

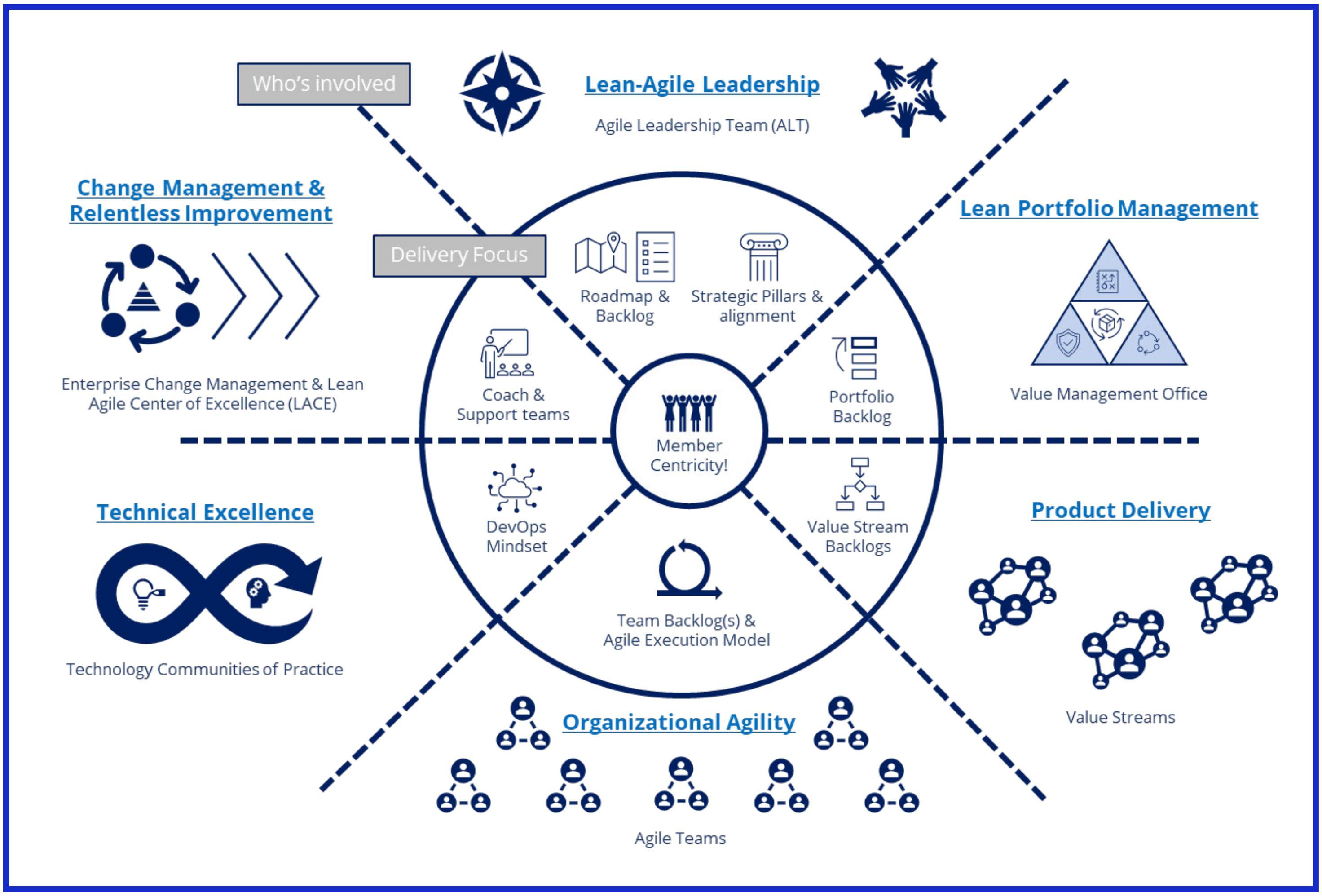
Better Quality Outcomes: Regular feedback loops and a focus on delivering value incrementally is resulting in higher-quality products and services. Faster Time-to-Market is always considered one of the top value propositions of organizations when deciding to go through an Agile transformation, but it can't come at the cost of quality in product or services to members.

Increased Associate Productivity: Removing identified waste in the system allows for the associates of the to focus on the right work, at the right time, in alignment with the priorities of the organization to deliver a great member experience. By allowing teams to focus on smaller batches of deliverables almost always insures an increase in productivity

Visibility to Capacity of the Organization: We know that as an organization focused on serving and supporting the member needs is vital to a healthy organization. Identifying the true capacity of the will enable leaders to visibility to how much capacity will be needed for the key initiatives of the organization and the availability of the Associates to deliver on commitment.

Summary

At Cornerstone Agility, we know that Transformations take time…time to design, time to implement and time to reflect & adjust and time to measure & grow your organization. By embracing the notion that major change initiatives don't deliver value overnight, we encourage organizations to understand the challenges you are facing and building a transformation plan that continues to yield value and drive success! the, in partnering with Cornerstone Agility, worked to build and define an Agile Execution model centered around Member Centricity and in support of 6 key areas of operation. These include the areas of **Lean-Agile Leadership,** establishing and managing a **Lean Agile Portfolio**, focusing on **Product Delivery**, supporting **Organizational Agility**, creating focus around your **Technical Excellence** and understand **Change Management & Relentless Improvement**.



The Member Is the Focus

Member centricity provides the "true north" that aligns all six pillars of the framework, ensuring that leadership decisions, portfolio investments, change initiatives, product development, team activities, and technical capabilities all converge to deliver exceptional member value. When member centricity becomes embedded in the credit union's culture, employees at all levels instinctively ask, "How does this create value for our members?" before making decisions - transforming the organization from inside-out thinking to outside-in thinking focused on the people the Credit Union exists to serve.

Key Learnings & Conclusion

Key Learning #1

This Credit Union's Agile transformation journey is just that, a journey. With leadership advocacy and a people-first approach, the has seen huge success in an incremental amount of time. The first increment of their transformation journey demonstrates the powerful impact of embracing adaptive methodologies in the financial sector. By addressing challenges head-on through empathy interviews, personalized coaching, comprehensive training, and strategic team formation, the is successfully cultivating an Agile culture that prioritizes collaboration, transparency, and continuous improvement.

Key Learning #2

The results achieved not only validate the effectiveness of Agile practices in overcoming organizational challenges, but also position the Credit Union as a leader in innovation and member-centric service delivery. As the financial landscape continues to evolve, the Credit Union's Agile transformation serves as a compelling case study for other institutions seeking to enhance their Agility, responsiveness, and overall performance in an increasingly competitive market being dominated by the BIg Banks and FinTechs alike.

Key Learning #3

Establishing your transformation guiding coalition (Agile Leadership Team) shouldn't be optional, it should be critical towards the launch, support and longevity of your change journey. This is the team that will guide and advise the transformation activities, but ultimately stand in support to champion the change efforts on behalf of the organization. Too often we can look to stalled and even failed transformations, and one thing is consistantly similar...lack of leadership support to not just begin, but ultimately to sustain the journey.

> *"This transformative partnership with Cornerstone Agility marks a pivotal shift for the Credit Union, positioning us at the forefront of industry innovation."*
>
> Credit Union President & CEO

About Cornerstone Agility Inc.

Based in Denver, CO - Cornerstone Agility Inc. is a renowned strategy and transformation consultancy specializing in agile transformations for its client partners. By helping organizations better deliver value for their customers, we support our clients to drive innovation, improve efficiency, and enhance customer experiences.

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