

# Technology Organizes “Chaos of Compliance” for Lincoln County Credit Union



Lincoln County Credit Union’s strategic vision heading into 2020 was to enhance the digital experience for its more than 5,400 members. As part of that vision, the \$132 million financial cooperative developed and launched a new website, ramped up its social media presence and introduced electronic signatures into the lending process.

In addition to leveraging digital technology to enhance the member experience, the credit union also committed to integrating a few back-office solutions to streamline processes. This would not only improve the employee experience; it would free up time spent on manual processes for more strategic endeavors.

## Technology Prepares Credit Union for Return to Regulatory Complexity

Among the technology solutions LCCU worked into the fold ViClarity’s platform. “While 2020 brought some regulatory relief, we don’t expect that calm to remain,” said Lindsay Beaty, LCCU’s CEO. ViClarity’s modular design allows credit unions to start small and expand uses over time. LCCU’s most pressing needs centered on policies.

**“ViClarity helps us organize the chaos of compliance, and as we look to the future, we can see lots of opportunities for additional uses of the platform.”**

“Our previous CEO and the management team prior to me followed compliance to a tee, which laid an excellent foundation,” said Beaty. “However, the pace of regulatory evolution over the past several years has introduced a number of challenges. There were years we consistently confronted policy changes on a monthly basis,” said Beaty

## ViClarity Manages Each Step in the Policy Management Process

Making a policy change to address a new regulatory requirement is not, in and of itself, overly burdensome. Routing the new policy for approval, adjusting it based on feedback, putting it into effect, training employees on the change and then continuously testing to make sure procedures are reflective of the new policies — those are the elements that make policy changes tough to manage. That’s especially true during years of high regulatory activity. Each of those steps is an additional layer that, if not managed properly, can be overlooked.

Because the ViClarity platform manages each step with transparency via color-coded process markers, Beaty and her team are much less anxious about the prospects of a stalled, inaccurate or untested policy.

“ViClarity works well for our managers and our board,” Beaty explained. “Rather than ask our board directors to review something at the last minute or on-the-fly at a meeting, they have several days to review the document and make changes right inside of the ViClarity tool. I can track who has reviewed it, who has feedback and who has approved it in real-time on any given day leading up to our board meeting. No more marked-up papers; no more checking email to make sure the policy was delivered. The history is great for me from a project management standpoint, but also for auditors and examiners who increasingly want to see an engaged board.”

## Helping Examiners, Auditors See an Engaged Board, Educated Employees

Beaty reports that since the integration of the ViClarity tool, board meetings are much more strategic in nature, a circumstance that came in handy during the pandemic. With 65 percent of its membership being 65 years old or older, LCCU needed a defined action plan for helping members engage digitally, something new to a lot of them. The ability to stay focused on member education and support during the pandemic – without the distraction of risk and compliance burdens – may have contributed to what Beaty calls a surprisingly positive response from members.

“We’ve been shocked daily at how open our members are about adapting to the electronic environment,” Beaty said. “We’re excited to see how this spills over into our investment in digital transformation.” LCCU plans to roll out several new digital engagement solutions, such as online account opening and a digital lending product with a mobile app dashboard. Each new product will require its own set of compliance steps, a process LCCU leaders will keep on track with the help of ViClarity.

Once each of LCCU’s policies has been uploaded to the ViClarity platform, the credit union will utilize the tool’s testing module. Quiz-style training helps employees become familiar with what’s expected of them and enables managers to track which staff members have participated and how well they performed.

## Vendor Due Diligence is Next Step on Technology Journey

At the time of this writing, Beaty’s team was taking the first steps toward using ViClarity’s vendor management module, as well. With the credit union’s digital evolution comes a patchwork of third-party providers and some new relationships, each of which requires due diligence at onboarding, as well as risk assessment and monitoring on an ongoing basis. ViClarity’s real-time reporting on vendor management provides a complete view of risk and compliance all from a single interface.

“Our CFO loves the vendor management module, and we think vendors will, too,” Beaty said. “The first of our vendors to go through the full due diligence piece via ViClarity was really excited about it. They said the experience went smoothly and was very thorough.”

## On-the-Spot Customization Impresses LCCU Leaders

The fact the ViClarity tool adapts to LCCU, rather than the other way around, is a quality Beaty and her team appreciate – about both the platform and the team that supports it. “We’ve made several requests of the ViClarity implementation team as we’ve used the tool,” she said. “Changes happen really quickly, a lot of times while we’re still on the phone. Our project manager will add a comment box or change the order of a question live, on the spot, as we’re talking it over.”

## Freeing Up the ‘People Helping People’ in Lincoln County, Montana

Integrating technology into LCCU’s GRC function is important for many reasons. Chief among them, technology frees up people time for really meaningful and human-centric work. LCCU team members devote time and expertise to helping community members of all ages achieve financial wellness. From delivering innovative lending products, such as take-back loans, to fundraising for CASA, a local court-appointed caregiver program, LCCU works hard to ensure everyone has a chance at financial success.