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Data Analytics and Future of Financial Services Next Focus Area in Filene's Research Agenda
Deeper study on data privacy and security will maximize credit union value and reduce consumer fears

Madison, Wis. – Filene Research Institute's Center of Excellence for Data Analytics and the Future of Financial Services will conduct applied research to advance the practice of data analytics and prepare credit unions for the future financial services landscape.

The COVID-19 crisis has only intensified data privacy and security issues. While advanced analytics and AI is proven to drive revenue, consumers today are more concerned about how their data is used and less trusting of the security of their private information.

Filene seeks to showcase credit unions' commitment to data analytics and the responsible use and protection of consumer data in financial services through the work of this research center. This will provide a model for effective approaches to data management and analytics for the larger financial services industry concomitant with ethical practices in the use of consumer data.

"Credit unions that thrive this decade will develop strategies that meet changing consumer needs in response to new technology advancements. One of the most profound technological shifts has been the proliferation of deep and diverse datasets and the mainstreaming of data-driven algorithmic automation through machine learning and artificial intelligence," said Filene's EVP + Chief Research and Development Officer George Hofheimer. "In recent research, however, credit unions indicated they felt unprepared to operate in an industry that rewards excellence in data analytics. Therefore, this project aims to close this knowledge and practice gap for credit union data management, governance, and analytics in order to thrive well into the 21st century and beyond."

Specific outcomes of this three-year project will encompass:

- Identifying best practices in data warehousing, management, integration, and analysis for financial institutions.
- Understanding how credit unions can assume industry leadership on the responsible use and protection of member data and stake a claim for credit unions as consumers' trusted data partners.
- Documenting future trends in data acquisition, organization, and use, especially with regards to automation.
- Proposing data governance models to link analytics to strategy.

Generous support for the Center for Data Analytics and the Future of Financial Services is provided by Alliant Credit Union, America First Federal Credit Union, Kinecta Federal Credit Union, Michigan State University Federal Credit Union and Vizo Financial Corporate Credit Union.

"Michigan State University Federal Credit Union has been a member and supporter of Filene for more than two decades," said April Clobes, CEO of MSUFCU. "We continue to utilize Filene's research to make strategic decisions for our growing organization. Because Filene is critical to the future of the credit union industry, MSUFCU is proud to financially support the Center of Excellence for Data Analytics and the Future of Financial Services."

Credit unions and system partners have an opportunity to [get involved as part of Filene's Inner Circle](#) by sponsoring Data Analytics and the Future of Financial Services or any other research center, much like these strategic partner organizations already have.

“Credit unions serve 117 million Americans, representing over \$1 trillion dollars in both savings and loans, and their influence has been growing since the global financial crisis, outpacing banks in asset growth, loan growth, customer acquisition, and overall product market share. Credit unions are part of our family at Vizo Financial and our primary goal is to help them succeed,” said Jay Murray, CEO of Vizo Financial Corporate Credit Union. “Credit unions have stayed firm to their mission of serving the needs of consumers, especially those of modest means, and for that reason, it is so important for us to support the goals of this research center and advance the prominence of credit unions in the financial services sector long into the future.”

The Center of Excellence for Data Analytics and the Future of Financial Services will officially begin under the direction of a dedicated Research Fellow on September 1.

About Filene: [Filene Research Institute](#) strengthens organizations through innovative research and incubation to improve consumer financial well-being. As an independent cooperative finance think tank, Filene's membership network connects a community of leaders and bright minds to change lives through innovation, truth and cooperation. In addition to delivering cutting-edge, actionable academic research, Filene also provides incubators to test and scale solutions, events to spark organizations into action and advisory services to help accelerate and implement innovation. For more information, visit filene.org and [@fileneresearch](https://twitter.com/fileneresearch).

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