

Preparing for a Core Conversion: Maintaining Efficiency with Augmented Staffing

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Credit Union Mergers, Bank Acquisitions & Core Strategy

The credit union landscape is undergoing rapid transformation in 2025, driven by consolidation, competition and the need for scalable technology. From mergers to bank acquisitions, institutions are rethinking their growth strategies – and their core systems are at the center of it all.

Credit Union Mergers: Strategic Growth & System Integration

The NCUA approved 45 credit union mergers in Q2 2025 alone, ranging from billion-dollar institutions to smaller community credit unions. Each merger presents unique challenges and opportunities for core system alignment.



Notable Mergers

Credit Union 1 (IL) + Great River FCU (MN)

- Combined Assets: \$2.1 billion
- Core Systems: Keystone and CUProdigy
CorePlus CU (CT) + Scient FCU (CT)
- Combined Assets: \$687 million
- Core Systems: DNA and CU*Answers

Meritrust CU (KS) + Premier Members CU (CO)

- Combined Assets: \$3.9 billion
- Core Systems: DNA and Symitar Addition
Financial CU (FL) + Envision CU (FL)
- Combined Assets: \$3.5 billion
- Core Systems: Symitar and XP2

The problem isn't going away any time soon. Under the widespread acceleration of digitization, talent supply will continue to be a bottleneck for credit union growth into the foreseeable future.

Merger Motivations

Credit union mergers are driven by a variety of strategic, financial and operational factors, including:

- **Expanded services**
- **Financial distress**
- **Governance issues**
- **Loss of sponsorship or officials**

These transitions often trigger core system evaluations, requiring:

- **Gap analysis**
- **Report retrofitting**
- **Temporary staffing to support legacy operations**

Credit Unions Acquiring Banks: A Growing Trend

In addition to internal consolidation, credit unions are increasingly acquiring community banks to accelerate growth and diversify their portfolios. Since early 2024, at least 35 bank acquisitions have been announced or completed.



Notable Bank Acquisitions

Global CU (AK) acquired First Financial Northwest Bank (WA)

Combined Assets: **\$5.9 billion** | CU Core System: Symitar

Beacon CU (IN) acquired Mid-Southern Savings Bank (IN)

Combined Assets: **\$1.738 billion** | CU Core System: DNA

Gesa CU (WA) acquired Security State Bank (WA)

Combined Assets: **\$6.47 billion** | CU Core System: DNA

Y-12 FCU (TN) acquired First State Financial (KY)

Combined Assets: **\$2.215 billion** | CU Core System: Symitar

Strategic Drivers

Credit unions pursuing bank acquisitions often do so to accelerate growth and enhance member value through strategic initiatives such as:

Geographic expansion | **Rapid asset growth** | **Member and product diversification**



Core System Implications

Whether through mergers or acquisitions, core system alignment is a critical challenge:

According to **CUCollaborate's** data, the most used core processors for credit unions over \$1 billion include:

1. Fiserv - DNA

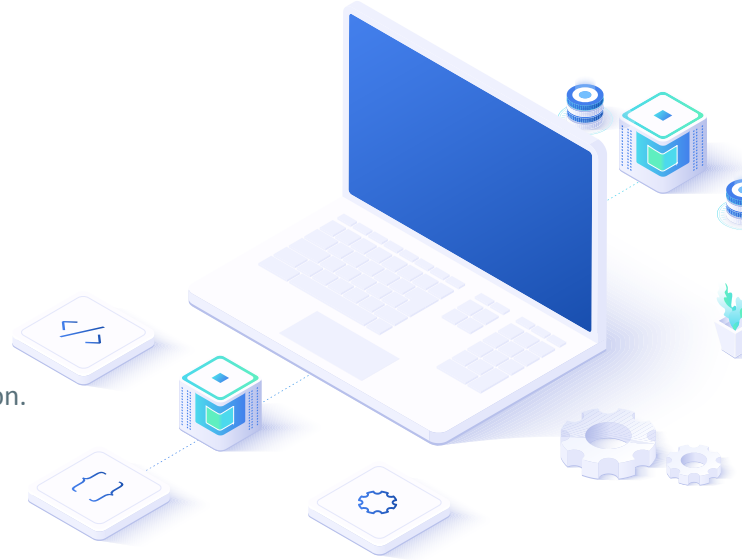
- Strengths: Data mining, integration.
- Weaknesses: Mortgage servicing, pricing complexity.

2. Jack Henry - Symitar

- Strengths: Reliability, flexibility.
- Weaknesses: Slow modernization, costly third-party integration.

3. FIS - Miser

- Strengths: Open architecture.
- Weaknesses: Expensive hardware.



Corelation KeyStone, while modern and well-rated for mid-sized credit unions, has been flagged by users as potentially less capable of managing growth beyond \$1B.

CUProdigy and CU*Answers are often replaced post-merger due to scalability limitations.

Acquired banks typically run Jack Henry SilverLake, Fiserv Premier or FIS Horizon, requiring full core conversions.

Strategic Takeaway

Credit union mergers are strategic opportunities to expand services, grow membership and strengthen long-term viability. But success depends on more than asset alignment – it hinges on core system readiness.

Institutions that proactively assess system gaps, retrofit reports and augment staffing are better positioned to:

- Accelerate post-merger integration.
- Maintain compliance and member service continuity.
- Unlock scalable growth.

Probridge Services helps credit unions navigate this complexity with:

- Gap Analysis between legacy and target core platforms.
- Report Retrofitting to ensure operational and regulatory continuity.
- Temporary Staffing to support legacy operations and conversion execution.
- Strategic Advisory to align technology with growth goals.

Whether you're merging with another credit union or acquiring a bank, **ProBridge** ensures your core strategy is a competitive advantage – not a constraint.



From Risk to ROI:

How Gap Analysis Drives Successful Core Conversions

When a credit union begins planning a core conversion, one of the most critical early steps is conducting a gap analysis. This strategic process helps ensure the new core system will meet the institution's operational, technical and member service needs while minimizing risk and maximizing value.

Real-World Cautionary Tales

In a documented case, a large Florida-based credit union attempted a core conversion and digital platform launch with a provider that lacked experience in large-scale implementations. The result was a system failure that left members without reliable access to their accounts for months.

A CFPB investigation revealed:

- Inadequate due diligence.
- Insufficient testing and oversight.
- Lack of governance during the conversion.

The consequences:

- Member harm and reputational damage.
- A \$1.5 million civil penalty from the CFPB.
- Mandated governance reforms.

Meanwhile, a Michigan-based credit union, Wildfire CU, attempted to switch from Symitar to DNA. They later sued Fiserv, alleging that the conversion was misrepresented and that DNA lacked the efficiency and reliability of Symitar.

These cases underscore the importance of thorough planning, vendor vetting and gap analysis. Without them, even well-intentioned conversions can lead to costly setbacks – or regulatory action.



What Is Gap Analysis?

Gap analysis is a structured evaluation of the differences between a credit union's current state and its desired future state. It identifies what's working, what's missing and what needs to change to support a successful transition to a new core platform.

The Process of Gap Analysis

1. Discovery & Documentation

- Interview stakeholders across departments.
- Document current workflows, system dependencies and pain points.
- Inventory third-party integrations and customizations.

2. Requirements Definition

- Define functional, reporting and member experience needs.
- Include compliance, scalability and integration goals.

3. System Capability Mapping

- Compare current system features to those of potential new cores.
- Identify gaps in functionality, performance and usability.

4. Impact Assessment

- Evaluate how gaps will affect operations and member services.
- Prioritize gaps based on risk, cost and strategic importance.

5. Recommendations & Roadmap

- Provide actionable insights and a phased roadmap for conversion.
- Guide configuration, training and rollout planning.

Weighting Requirements for Better Decisions

Not all requirements are created equal. To make informed decisions, credit unions should assign weights to each requirement based on its importance.

How to Apply Weighting:

1. Categorize requirements

(e.g., lending, reporting, integrations).

2. Assign weight values (e.g., 1–5 scale):

- **Critical (5):** Essential for operations or compliance.
- **High (4):** Strongly preferred, impacts efficiency or member experience.
- **Medium (3):** Useful but not essential.
- **Low (1–2):** Nice-to-have or future-facing.



3. Score vendor capabilities and multiply by weight.

4. Calculate weighted scores to compare systems objectively.

This ensures that the most important features drive the decision-making process, rather than allowing less impactful items to skew evaluations.



Standardizing Vendor Evaluation

One of the biggest challenges in core selection is that vendors often self-report their strengths; their marketing materials may not reflect how well their system meets your credit union's specific needs, however.

A Gap Analysis:

- Creates a uniform evaluation framework across all vendors.
- Forces vendors to respond to your requirements, not just highlight their own.
- Helps uncover hidden limitations or missing features that may not be obvious in demos or brochures.
- Ensures the selection process is objective, transparent and aligned with your business goals.

What Is the ROI of Gap Analysis?

While gap analysis requires time and resources, its return on investment is often significant:

Tangible Benefits

- Reduced implementation costs by avoiding unnecessary customizations.
- Faster time to value through streamlined planning and training.
- Improved vendor negotiation with clearly defined requirements.
- Preserved reporting and compliance, avoiding costly errors.
- Operational continuity with fewer disruptions during conversion.

Strategic Benefits

- Better core fit aligned with long-term goals.
- Stakeholder confidence through early engagement and clarity.
- Risk mitigation by identifying issues before they impact operations.

For example, a credit union investing \$25,000 in gap analysis may avoid \$100,000 or more in rework, lost productivity and compliance penalties – yielding a 4x ROI or greater.



Gap analysis is not just a technical exercise – it's a strategic investment. It lays the foundation for a successful core conversion by aligning technology with business goals, reducing risk and ensuring a smoother transition for staff and members alike.



Don't Lose Sight: Protecting Reporting During Core Conversion

As Fiserv places XP2 into maintenance mode, credit unions are facing a critical decision. While this isn't an immediate sunset, the platform's future is limited – and many institutions are already feeling the pressure to modernize.

For credit unions with around \$1 billion in assets, the decision isn't just about replacing a system, it's about choosing a platform that will support digital transformation, member experience and operational continuity.

The Temptation of Staying in the Fiserv Ecosystem

When selecting a new core, credit unions currently on XP2 may be drawn to another Fiserv offering. Fiserv's integrated ecosystem presents a familiar and seemingly seamless path: DNA as the core, Prologue for general ledger, CCM for credit cards and a suite of tightly integrated tools. On paper, DNA promises:

- Real-time processing.
- Advanced analytics.
- Scalable architecture.

But the journey to DNA isn't always smooth. What looks like a rose garden from afar can quickly reveal thorns: unexpected complexities, integration challenges and a steep learning curve that can catch even seasoned teams off guard.

Why DNA Data Mapping Is Especially Complex

Fiserv DNA uses a highly normalized relational database, which means data is split into many interrelated tables to reduce redundancy and improve integrity. While this structure is excellent for analytics and scalability, it introduces significant complexity during conversion.

What "Highly Normalized" Means:

- Instead of storing all member data in one table, DNA separates it into multiple linked tables (e.g., member info, addresses, accounts, transactions).
- These tables are connected using keys, and every field must be precisely mapped from the legacy system.

Why It's Challenging:

Legacy systems like XP2 often use flat-file or loosely structured formats, making the transformation to DNA's schema a field-by-field exercise.

The volume of configuration options in DNA can overwhelm teams, making it difficult to align data structures with operational workflows.

Without deep technical expertise and rigorous testing, credit unions risk losing visibility into key metrics or misreporting critical data.

Reporting Disruption During Conversion

One of the most critical risks during any core conversion is the loss or degradation of reporting capabilities. Credit unions rely on dozens – sometimes hundreds – of custom reports for:

- Regulatory compliance.
- Operational decision-making.
- Member service continuity.

When these reports are not properly migrated or rebuilt, the impact can be severe:

- Compliance gaps.
- Delayed decision-making.
- Service interruptions.



Solution: Report Retrofitting

To mitigate these risks, credit unions should invest in report retrofitting. Report retrofitting refers to the process of modifying or adapting existing reports from legacy systems to work correctly in a new system after a core conversion.

What Happens During Report Retrofitting:

1. Assessment of Existing Reports:

- Identify which reports are critical and still needed.
- Determine how current reports are built (e.g., Crystal Reports, SQL, Excel).

2. Gap Analysis:

- Compare data structures between the old and new core system.
- Identify missing fields, changed formats or altered logic.

3. Rebuilding or Rewriting:

- Recreate the report using tools compatible with the new system (e.g., Snowflake, Power BI, SSRS).
- Adjust logic to reflect new data relationships or business rules.

4. Validation & Testing:

- Ensure the retrofitted report matches the original in terms of output and accuracy.
- Validate with stakeholders to confirm it meets operational needs.

5. Optimization:

- Improve performance or usability if possible (e.g., faster queries, better formatting).
- Modernize technology stack (including tools like Copilot for natural language queries to generate reports and views).

Key Benefits:

- **Seamless migration of critical reports between core systems.**
- **Expertise in modern reporting methodologies and credit union data structures.**
- **Enhanced analytics and operational reporting post-conversion.**

Whether transitioning to DNA, KeyStone, Symitar or Nymbus, report retrofitting ensures that your institution doesn't lose visibility when it needs it most.

The end of XP2 is not the end of the road – it's an opportunity to rethink your core strategy. But success depends on more than choosing the right system; it requires protecting the tools that drive your operations, your compliance and your member experience.



Report retrofitting isn't optional, it's essential. With the right partners and planning, even complex conversions like DNA can be successfully managed.



Temporary Talent, Lasting Impact: Staffing for Core Conversion Success

Core conversions are high-stakes projects that demand strategic staffing, operational continuity and risk management. Right size your credit union's team, reduce attrition and protect legacy operations during core conversions with these key tips.

The “Easter Sunday” Dilemma

I was recently on a call with a credit union executive preparing for a core conversion. As we discussed staffing and project planning, he shared a sentiment that many in the industry can relate to:

“I want to build my team, but I don’t want to build a church for Easter Sunday.”

This analogy perfectly captures the tension credit unions face during a core conversion. The process demands a surge in resources, expertise and time – but that level of intensity isn’t sustainable long-term. So how do you scale up without overbuilding?

Keeping the Right People

A 2024 Wipfli report found that 46% of credit unions cited employee recruitment and retention as a top concern. Institutions facing a core conversion often see higher levels of attrition to staff burnout, role ambiguity and increased workloads, especially when dual systems are run during the transition.

Why Core Conversions Are So Demanding

Core conversions are among the most complex projects a credit union can undertake. Even when the new core provider offers project management and guidance, the internal workload is significant. Teams must:

- Learn the new system architecture and workflows.
- Maintain operations on the legacy system.
- Support member services without disruption.
- Retrofit reports and ensure compliance continuity.



The Case for Strategic Staffing

One of the most overlooked needs during a conversion is temporary staffing. While your internal team is focused on learning and configuring the new system, dedicated resources are needed to maintain legacy operations and ensure service continuity. This includes:

- Running daily operations.
- Supporting existing reports and integrations.
- Handling member inquiries and transactions.

Without this support, internal capacity constraints can lead to attrition, delays and reputational risk – and your conversion risks delays.

Reducing Attrition During Transitions

Rather than overbuilding your team permanently, consider strategic temporary staffing. This allows you to:

- Scale up for the conversion period.
- Bring in specialized expertise (e.g., report writers, testers, trainers).
- Maintain service levels without long-term overhead.

Think of it as building a flexible bridge, not a cathedral.

Best Practices to Reduce Attrition

- Provide temporary staffing to support legacy operations.
- Invest in structured training programs.
- Communicate clearly and frequently about the transition.
- Offer retention incentives or career development paths post-conversion.

I want to build my team, but I don't want to build a church for Easter Sunday.

Risk Mitigation: Protecting the Legacy Core

One of the most underestimated risks during a core conversion is neglecting the legacy system. While attention naturally shifts to the new platform, the outgoing core still powers daily operations, member services and compliance reporting. Without dedicated support, credit unions face:

- Operational disruptions that impact member experience.
- Compliance gaps due to missed reporting or audit trails.
- Staff burnout from juggling dual systems.
- Conversion delays caused by resource overload.

By augmenting core system administration – specifically for the outgoing platform – credit unions can protect continuity, reduce error rates and maintain trust during a high-stakes transition. This isn't just about staffing; it's about safeguarding the institution's reputation and regulatory standing

Core conversions are pivotal moments in a credit union's growth strategy. Institutions that invest in strategic staffing and legacy system support are better positioned to deliver a smooth transition, protect member experience and accelerate adoption of the new platform.



How Probridge Services Supports Core Conversion Success

At **Probridge Services**, we specialize in helping credit unions navigate the complexities of core system transitions. Our team brings deep expertise in:



- **Gap Analysis:**

Identifying functional and data gaps between legacy and target core systems.



- **Report Retrofitting:**

Ensuring continuity in compliance and operational reporting.



- **Temporary Staffing:**

Providing experienced professionals to support conversion, training and onboarding.



- **Strategic Advisory:**

Helping credit unions assess core readiness and align technology with growth goals.

Whatever your reasons for transitioning your core, you and your members deserve as stress-free of a process as possible. With experts from **ProBridge**, you can expect our teams to handle the heavy lifting, to ensure your members experience little to no disruption in daily services and that reporting processes will continue unimpeded.

Reach out to **ProBridge** today to learn more about how we can help your credit union with a core conversion.



Thank You



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