

Tennessee Valley Federal Credit Union partners with Abrigo for faster small business loan decisioning and higher efficiency

Asset size

\$3 billion

Financial institution type

Credit union

Location

Tennessee

Product

Small Business Lending Software

Summary

When Tennessee Valley Federal Credit Union (TVFCU) sought to streamline its lending process and improve efficiency, the team turned to Abrigo's Small Business Lending solution. Facing inefficiencies from managing two separate loan operating systems, TVFCU implemented Abrigo Small Business Lending to unify processes, increase automation, and handle higher loan volumes. Within months, the credit union achieved significant operational improvements, including a 48% auto-decision rate, reduced manual work, and a ~25% increase in loans processed.

The challenge: Managing two separate systems without automation

Before partnering with Abrigo, TVFCU was using two completely separate loan operating systems — one for small business lending and one for commercial lending. The lack of automation and the burden of maintaining two systems resulted in inefficiencies and prolonged turnaround times.

About the financial institution



Tennessee Valley Federal Credit Union (TVFCU), a not-for-profit financial cooperative, was established in 1936 when 57 Chattanooga TVA employees pooled \$500 to create the member-owned credit union. Today, TVFCU serves more than 174,000 members who live, work, worship, volunteer or attend school throughout the 17-county service community. With more than \$3 billion in assets and 29 branches throughout the area, TVFCU is the largest credit union in Southeast Tennessee. For more information about TVFCU, please visit tvfcu.com.

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Marah Wood

Business Loan Servicing Lead

Tennessee Valley Federal Credit Union

TVFCU's relationship with Abrigo began during the Paycheck Protection Program (PPP) era. Their positive experience then shaped their decision to include Abrigo in their search for a comprehensive system.



The solution: Speed and efficiency with Abrigo

TVFCU selected Abrigo's Small Business Lending software to manage both small business and commercial lending operations. The team leveraged key features, such as Automation Flow and Decision Models, to streamline processes, minimize manual intervention, and expedite approvals.

"I love Abrigo's automation flow and decision models," said Marah Wood, Business Loan Servicing Lead at TVFCU. "Both of those features made us more efficient so that we can handle a larger volume of deals."

TVFCU's improvement in auto-decisioning was substantial. Wood's team went from 0% auto-approval loans with their previous system to 11% auto-decisions in the first month after implementing Abrigo. After another month of system tweaks, they reached 35%, and today 48% of TVFCU's loans are auto-decisioned.

"Our entire credit union was really making a push for there to be fewer touches and less manual work," said Wood.. "So being able to have 48% of our loans accurately marked an approval or a denial... makes our work a lot easier."

The results: Measurable improvement aligned with institutional goals

After implementing Abrigo's solution, TVFCU saw measurable improvements in efficiency and lending capacity, reaching the largest ever volume and dollar amount in the credit union's history.

"We're definitely seeing an increase in the number of loans that we can handle," Wood said. "We're able to do a significantly larger amount of these deals than we were before having the software because we were losing out on the ones we didn't get to."

The team estimates it saw a 25% increase in the number of loans it takes on with the help of Abrigo Small Business Lending. The automation came at the perfect time, aligned directly with the credit union's organizational goals.

Exceeding expectations

Wood went into the engagement with high expectations for Abrigo's software after her experience during the PPP era, and her team was not disappointed.

For financial institutions considering a similar transition, Wood is confident in recommending Abrigo Small Business Lending because of the features that gave her team the speed to compete in TVFCU's market. She particularly recommends the software for processing a high volume of loans that are not fully underwritten, where machine learning software can take on some of the tedium of checking boxes to make a decision.

"Auto-decisioning changed the game. The decision model being able to look at the parameters that you set and make a decision for you before you even have to look at it is extremely valuable. In the industries we're in, the turn time really can't be more than two days, or you're just not going to get the deal."



About Abrigo

Abrigo is a leading technology provider of compliance, credit risk, lending, and asset/liability management solutions that community financial institutions use to manage risk and drive growth. Our software automates key processes—from anti-money laundering to asset/liability management to fraud detection to lending solutions—empowering our customers by addressing their Enterprise Risk Management needs.

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