

The Top Six Considerations for FIs When Selecting a Key System

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Choosing a key system is one of the most strategically important decisions a financial institution can make. Whether it's a core banking platform, digital banking solution, lending suite, or payments system, the selection process can quickly become overwhelming—especially at the executive level. To keep discussions focused and productive across your organization, here are six essential evaluation criteria designed to simplify decision-making and encourage open, informed discussion.

1. Functionality

Let's face it—the system needs to do what you need it to do, and it should deliver meaningful uplift. Capability gaps should be manageable without major disruption. A key objective of any new system is to eliminate manual tasks, boost efficiency, orchestrate processes, accelerate product innovation through configurability, and leverage data. A thorough analysis of system capabilities against your current and future operational needs is paramount. And don't overlook customer experience—the impact should be *clearly* positive.



2. Modernity

Modernity, in this context, means selecting a system that meets today's digital demands and is built to evolve with tomorrow's technological shifts. This includes evaluating the system's architecture, technology stack, resilience, scalability, security design, data orientation and key capabilities such as real-time processing, RESTful APIs, ecosystem enablement, microservices, extensibility, cloud-native design and elasticity, modularity (including containerization), multi-tenancy, and event-driven frameworks.

While some of these may sound like buzzwords, they're meaningful indicators of a platform's ability to scale, integrate, and adapt. Collaborate closely with your CIO/CTO and consulting partner to determine which technologies align with your institution's strategic goals—and assess where each vendor stands in delivering them.

For emerging areas like artificial intelligence and robotic process automation, treat them as system features. Focus on practical use cases that directly support your institution's priorities, such as risk management, speed of service, and personalized customer engagement. Also, assess whether your goals can be achieved through product configuration versus custom programming, and evaluate the vendor's openness to integrating with best of breed solutions and fintech partners.

3. Ease of Use

Ease of use also means ease of learning. People don't perform at their best when struggling with a system. A user-friendly interface reduces training time and increases adoption, directly influencing productivity and employee satisfaction. Intuitive design is often underestimated but plays a vital role in long-term success.

4. Look and Feel

While subjective, this factor is important for staff acceptance. Just don't let aesthetics distract from the importance of a functionality match. A visually appealing and well-designed system enhances the user experience and encourages consistent engagement. It fosters a positive perception among your team and supports broader adoption.

5. Vendor Stability

Do your homework with the vendor to get a good grasp of their financials, including debt financing and investor backing. You should understand the vendor's financial status well enough to explain it to your CEO with confidence. A stable vendor offers assurance of ongoing support, continuous development, and long-term viability for your chosen system.

6. Partnership Opportunity

There's nothing better than a vendor who's genuinely invested in your success. Often, this comes with a culture match—a vendor that thinks and behaves in a way that reflects your organization's values. This symbiotic relationship can lead to more tailored solutions and proactive support, making the vendor feel like an extension of your team. You should be able to clearly articulate how your recommended vendor aligns with your strategic objectives and industry trends.

Of course, don't overlook vendor development roadmaps, pricing, contractual commitments, user communities, client references, conversion capabilities, and customer service models. Each adds another layer of complexity and opportunity for discussion. Thoroughly vetting these aspects ensures a well-rounded decision that aligns with your organization's strategic goals and operational realities, minimizing risk and maximizing return on investment.

Need objective help in assessing your evaluation results and reaching a final decision?

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