Fraud detection, workflow automation and document handling are community financial institutions' top AI investment priorities, MeridianLink survey finds

One in five CFIs currently have AI working inside in lending workflows

IRVINE, Calif. — October 8, 2026 — Community banks and credit unions are moving beyond AI experimentation and focusing on practical applications that deliver measurable business value, according to the **2026 AI Priorities Benchmark Report** from MeridianLink®, a leading provider of lending technology for community financial institutions.

Key Findings:

- **Fraud detection was ranked a top AI priority** by 66% of community banks and credit unions
- **Workflow and queue management (56%)** and **document collection and review (50%)** are also high priorities for community banks and credit unions
- **Using AI to increase speed in workflows and the reduction of manual tasks** was included in 46% of community banks' and credit unions' most-wanted lists

The research also highlights a significant implementation gap. While more than half of respondents said their institutions have provided employees with AI tools and discussed AI as part of strategic planning (57%), 31% have AI in self-service, chat, or support while only 21% say AI is being used in underwriting or risk review. Nineteen percent report AI automating lending tasks and 13% utilize AI to personalize outreach or offers.

"Community financial institutions need intelligence that solves real problems for their teams and their customers by reducing risk, eliminating manual work and improving operational efficiency," said **Larry Katz, CEO of MeridianLink**. "The opportunity now is to move AI into the fabric of origination where it is embedded within the system of record that powers the most meaningful transactions. When intelligence is built into these workflows, it can deliver measurable value while helping institutions serve their customers better."

Few community financial institutions have embedded AI into lending

MeridianLink's research found that AI implementation remains in its early stages for many community financial institutions, as these institutions are still working to translate AI

interest into measurable business outcomes. Only one in five (20%) institutions have reached an advanced level of AI adoption, where AI operates within core lending workflows. By contrast, 15% reported no AI-related activity during the previous year.

Leaders and Front-Line Teams Don't Always Agree on AI Priorities

The survey uncovered notable differences between how executives and front-line lending professionals view AI investments.

More than half (57%) of executives and senior leaders said they would invest in document collection, compared with 28% of front-line lending and underwriting professionals. Conversely, 63% of front-line professionals said they would invest in fraud detection, compared with 46% of executives and senior leaders.

“Successful AI initiatives start with alignment.” Katz said. “That’s why it’s crucial to connect AI investments to measurable business outcomes and embed intelligence directly into the work that teams are already doing.”

MeridianLink Intelligence

The 2026 AI Priorities Benchmark survey reinforces MeridianLink’s strategy for **MeridianLink Intelligence**, a native intelligence capability within the MeridianLink One platform that brings role-based AI agents directly into lending workflows.

MeridianLink Intelligence is the foundation for a growing portfolio of task-specific agents that help financial institutions automate high-friction work across the lending lifecycle. It works within the system of record, using the data, workflows and processes that already support lending operations, incorporating explainability, auditability, and compliance guardrails while keeping people in control.

The first MeridianLink Intelligence agent, **Doc Agent**, brings agentic AI into the lending workflow, working continuously behind the scenes to help lending teams move applications forward. It can request the right documents, screen them for quality and completeness, and extract and apply document data directly into an application—taking on time-consuming work, reducing rekeying and potential errors, and helping teams keep the process moving while people remain in control. It is expected to be available for **MeridianLink Mortgage in late Q4 2026. MeridianLink Consumer** will follow in **Q1 2027.**

Click here for the full **2026 AI Priorities Benchmark** report.

Methodology

In April 2026, MeridianLink surveyed 257 lending professionals from community banks and credit unions to understand their current use of artificial intelligence (AI) and determine where they see the greatest opportunities and what is holding back adoption. Respondents held roles in lending and underwriting, executive and senior leadership, operations and processing, sales and business development, technology and IT, and other functions.

About MeridianLink

MeridianLink is the modern connection between human experience and technology, empowering community financial institutions to deliver better lending experiences through intelligent automation, trusted AI and deep industry expertise. Through MeridianLink One, financial institutions can connect solutions, data, intelligence and workflows across the lending lifecycle to simplify experiences for both consumers and the people who serve them.

That's Lending Made Human.

For more information, visit **www.meridianlink.com**.