data strategy and AI in financial services:

Building for the Future with Jack Henry®

jack henry®

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compete on a level playing field

The financial services industry is undergoing significant changes, with AI at the forefront.

According to BankDirector's 2025 Technology Survey, most banks have taken initial steps in response to the growing prevalence of AI technologies, including drafting an acceptable use policy for AI (66%) and experimenting with AI in limited use cases (62%).[1] While these are positive steps, only 25% said they've trained employees on the use of AI, including generative AI.[2] This gap between planning and action presents an opportunity for your financial institution: space to enhance efficiency and differentiate yourself.

While larger banks may have bigger budgets, prices for integrated AI features in tech platforms and AI assistants have significantly decreased. Your staff can leverage AI in ways that enhance your unique strengths: building trusted, personal relationships with accountholders. **By planning now to strategically adopt AI in ways that make sense for your organization, you can offer a blend of technology and human connection that larger financial institutions, fintechs, and non-bank competitors may struggle to replicate.**

To help you stay competitive and avoid falling behind, this eBook explores why banks and credit unions of every size need a defined approach to data, and how AI can be used to help you grow relationships, fight fraud, and make better business decisions.

the data gap

You don't know what you don't know.

This saying takes on a whole new meaning when it comes to data because **you can't act on what you don't know.**

Bank Director points out that 33% of banks say one of their biggest challenges is their inability to use data effectively.[3] Lee Wetherington, Senior Director of Corporate Strategy at Jack Henry, notes in a recent interview, "for [financial institutions] to make the most of AI, they've got to have the requisite data to execute on the most compelling use cases."

Many financial institutions may be missing out on critical insights and the ability to fully leverage AI technologies simply because they lack the right tools to aggregate and fully utilize the data they do have.

The first thing you can do is get your internal data house in order by taking siloed data and unifying it in the form of a data warehouse. Then you're ready to feed it to an AI model, ML algorithm, and AI agents.

Critical Data Questions Financial Institutions Should Be Asking

- Do we have the data needed to power key use cases and deliver accountholder value?
- Where are the gaps?

Open banking helps close data gaps by providing access to external accountholder financial data. With minimally viable data (MVD), institutions can unlock insights, accelerate innovation, and create more personalized experiences.

access

leverage

compete

harnessing AI for competitive advantage

AI-augmented technologies level the playing field, making sure you can compete more effectively by moving beyond legacy systems and unlocking the full potential of your data, driving key outcomes like:

- **Data-Driven Decision Making:** AI tools allow you to analyze vast amounts of data quickly, leading to smarter, more informed decisions.
- **Predictive Analytics:** AI's predictive capabilities help you foresee trends and risks, enabling you to address fraud and other challenges proactively.
- **Personalization:** AI enhances your ability to understand accountholders on a deeper level, allowing for more relevant, personalized interactions.
- **Operational Efficiency:** By automating routine tasks, AI frees up your employees to focus on high-value activities that grow your institution.
- **Risk Management and Fraud Detection:** AI-driven systems monitor behaviors across channels to detect and stop fraud in real time.
- **Compliance and Regulatory Reporting:** AI tools simplify reporting, ensuring your institution meets regulatory standards while minimizing compliance costs.

At Jack Henry, we are taking a responsibly bold and balanced approach to AI, using our size and scale to help financial institutions access top AI tools through solution enhancements, strategic alliances, and integrations. Our goal is to help you innovate while staying true to your core mission of delivering relationship-driven banking.

AI-augmented technologies level the playing field, making sure you can compete more effectively.

taking advantage of opportunities with Jack Henry

With the AI-powered tools Jack Henry is building today, your financial institution can offer modern, data-driven services that accountholders expect, while strengthening your core advantage: building deep, personal relationships.

We're pioneering a governed, AI-enabled approach to data that enhances access and usability, providing a structured path to adopting AI – so financial institutions can tap into new opportunities, whether it's accessing critical insights or improving operational efficiency.

Data Access and Open Banking

You can't act on what you don't know … and AI can't run without data.

Industry research shows that most **AI initiatives stall due to poor data quality and fragmented systems,** making modern data readiness essential for reliable outcomes. Because access powers analysis, machine learning, and AI, we're building components to close data gaps by integrating fragmented financial information. This modernization strategy is multi-faceted, and can be seen in several ways:

- **With Jack Henry Data Hub™**, we deliver secure, headless data pipelines that provide raw, governed data directly into institutional warehouses for organizations that manage their own analytics environment.
- **Through Jack Henry Insights™**, we provide domain-level operational views that surface curated Jack Henry data – including data delivered through Data Hub's headless pipeline. Insights offers intuitive dashboards and future AI Assist prompts for frontline and operational teams. Operational reporting is offered through Cognos.
- **Through our strategic alliance with Finicity (a Mastercard® company)**, we power API-enabled financial data aggregation inside the Banno Digital Platform™ so you can reclaim a holistic view of your accountholders' financial lives, driving personalized service and more informed business decisions.
- **We've replaced traditional screen scraping methods** with secure, consumer-permissioned data sharing for all Banno Digital Platform end-users, creating visibility into external financial relationships, a crucial component for relationship banking.

Fraud Prevention with Real-Time Data and Analysis

In today's threat landscape, fraud prevention requires real-time data and AI-driven analysis.

We're committed to helping you mitigate risk with tools like Jack Henry Financial Crimes Defender™ and Payrailz® Fraud Monitor for banks and credit unions using the Payrailz Payments Platform. AI agents monitor transactions across all channels, identifying and intercepting fraud in milliseconds, ensuring that threats are neutralized before they impact your operations.

To combat the growing threat of AI-augmented fraud from bad actors, it's crucial to have a 360-degree view of all transactions and behaviors across multiple channels.

In today's threat landscape, fraud prevention requires real-time data and AI-driven analysis.

Jack Henry's systems are designed to ensure the right data is continuously communicated in real time through streaming APIs, allowing your organization to respond to emerging threats instantly and proactively. This comprehensive, AI-powered defense protects both your financial institution and your accountholders from sophisticated fraud schemes.

Enhancing Relationship Banking with AI

Jack Henry's AI solutions will also free your teams to focus on what matters most: building stronger relationships with accountholders.

We're looking forward to AI Assist empowering your teams to respond to accountholder inquiries in Banno Conversations™ faster and more accurately, all while maintaining your brand's voice. **This AI-driven efficiency can help you scale your operations without sacrificing the personal touch that sets community banks and credit unions apart.**

Your teams will have the tools to deliver a more personalized, high-quality experience at scale.

the opportunity lies in putting AI to work today

By working with innovative technology providers like Jack Henry, **your financial institution can compete on a level playing field** with large financial institutions, fintechs, and non-bank competitors.

You can harness the power of AI without needing massive infrastructure investments or needing to broker agreements with individual AI providers, while developing a defined data strategy.

With AI-powered technology, you can lead the way in delivering personalized, relationship-driven banking while making smarter, data-driven decisions that enhance operational efficiency, fraud prevention, and accountholder experiences.

With AI-powered technology, you can lead the way in delivering personalized, relationship-driven banking.

ready to unlock your financial institution's full potential?

Explore expert insights and actionable resources designed to help you implement AI with confidence, improve operational efficiency, strengthen security, and deliver exceptional accountholder experiences.

For more information about Jack Henry, visit jackhenry.com.

Sources

1. *BankDirector 2025 Technology Survey*, accessed June 29, 2026.
2. *BankDirector 2025 Technology Survey*.
3. *BankDirector 2025 Technology Survey*.