AI Strategy Banking Roundtable Report

Facilitated by Jim Kisch

Introduction

The first of a series of New Hampshire AI roundtables, held on Monday, June 29th, examined how our state's banks utilize AI to enhance long-term franchise value and manage the evolution of traditional banking roles and functions.

The AI Strategy sessions revealed cautious optimism toward AI adoption. The strategic maturity of participating banks ranged from early exploration to active deployment, with those in the exploration phase generally exercising more caution.

Discussions identified AI primarily as a tool for operational efficiency today, with strategic competitive advantage viewed as a near-term horizon. Key themes included data governance, workforce concerns, vendor due diligence, and training frameworks.

Section 1: Orientation Discussion Points

How are you feeling about AI inside your specific area or bank that you lead?
Participants discussed a range of concerns including data privacy and security risks, the emergence of AI agents competing in traditional banking spaces, and the need for proper governance and training.

How are you feeling about AI as a strategic asset in mid 2026 going into 2027 and beyond?
Participants generally supported that AI should be viewed as a strategic asset rather than just an operational tool, with some of our banks prioritizing AI implementation to achieve competitive advantage while maintaining proper governance and data quality. A small number of participants are accelerating AI initiatives to seize identified opportunities (Faster loan underwriting, workforce efficiency enabling growth without headcount increases, competitive differentiation) but much of the conversation surrounded plans underway with broadly scoped plans long term.

Section 2: AI Strategy Framework

> ***Facilitator Note:*** *Transition to exploring organizational structures and strategic objectives governing AI adoption. Shift focus from sentiment to specific institutional frameworks.*

Do you have an AI committee or internal working group? Is AI Strategy developed there?

Nearly half of participants had a task force, committee or working group dedicated to AI. Other banks had standing Technology Steering agenda items covering AI topics. General strategy, tactics and tools are defined and discussed in these committees.

How do you see your AI Strategy benefiting your bank?
The participants shared observations about varying levels of AI adoption across different departments, with some showing strong interest while others were more hesitant due to potential risks. The emphasis of the discussions tended to be geared toward increasing accuracy and efficiency. The consensus was no fully automated decision-making without human review; customer-facing and PII-adjacent use cases restricted.

Participants covered some AI use cases ranging from automated credit spreading, appraisal summarization, vendor management, and fraud mitigation to keep up with fraudsters who are adopting AI faster and without the compliance constraints banks face. Participants expressed a desire for more peer discussion on use cases.

More aspirational uses included, AI is envisioned to bring relationship-banking personalization into digital channels—identifying next-best products, life-cycle events, and tailoring interactions. Agentic AI could allow customers to self-serve (e.g., "scan my last 3 months of statements")—but trust is not yet sufficient for front-end deployment. There was limited contemplation on customer retention, and growth use cases for AI.

To what extent is AI integrated into the bank's current broad strategic goals, and how will it feature in your upcoming planning period?
The general agreement is that AI currently maintains a presence within existing strategies, though its status as a core strategic asset is a fairly recent development. Consequently, there is a higher likelihood that specific AI-focused objectives will be formally incorporated into the next strategic planning cycle.

What is the role of your employees in an AI strategy?
Consensus that AI should enhance employee roles, freeing staff for higher-value tasks rather than eliminating positions. A theme that was widely shared was that AI should be implemented as a partner to employees rather than a replacement. Not surprising, participants emphasized that AI is intended to enhance human work by handling tedious tasks, allowing employees to focus on more important responsibilities and skills that machines cannot replicate. The participants agreed that clear communication about AI's role is crucial, as well as ensuring that employees understand they will continue to have valuable roles in the future.

What is the role of training in your AI Strategy?
We discussed the important role of training for new, not universally understood transformational technologies like AI that are designed to engage humans. In fact, employees access public AI via personal phones even when corporate access is locked down—end-user guidelines and agreements are urgently needed. For those developing formalized training programs, a two-tier training approach was common which included basic AI awareness courses and more

advanced practical tools-based training to help staff understand and implement AI tools effectively, and adequately understand acceptable use to protect the bank. One participating institution has implemented a train the trainer approach where “AI ninjas” are trained to help their fellow employees. Participants noted training employees on AI usage within their internal environment while avoiding external platforms addresses inherent challenges of monitoring AI usage and ensuring proper document handling.

Strategic Advantages and Risks of AI
Potential benefits include using AI as a mechanism to expedite the transfer of institutional knowledge. This is particularly valuable as long-tenured, experienced staff retire and generalist positions begin to supersede specialist roles.

Regarding strategic risks, the group noted that adopting AI is no longer optional. The rise of agentic banking, driven by startups targeting specific industry segments, poses a significant threat. To stay competitive within the banking sector, institutions must increase their level of engagement with these technologies. Additionally, AI is integrated into the banks’ third party software.

The roundtable participants highlighted several governance and operational challenges:

- Governing AI across personal devices and virtual environments remains difficult.
- A widening gap exists between the rapid acceleration of AI-driven threats and the stagnant capabilities of lagging core banking platforms.
- Foundational model providers, such as OpenAI, are introducing direct bank account integrations within platforms like ChatGPT, creating unexpected competitive pressure via agentic AI.

While one participant expressed a specific concern regarding AI potentially eroding personal relationships in commercial lending, the general consensus focused on utilizing AI to bolster current workflows rather than implementing major IT overhauls in the immediate future.

Section 3: Deeper Strategic Questions

Facilitator Note: *Shift the conversation into long-term implications and critical thinking regarding governance, investment shifts, and the evolving nature of banking trust.*

What do you need for your specific role?
Beyond strategy, we discussed AI readiness, outlining a three-phase AI adoption maturity model, starting with individual productivity tools before moving to systems automation and full workflow automation, emphasizing the critical importance of data readiness. Groups commented on the lack of guidance from Treasury, Government, and Regulators, while it exists, it’s fragmented—needs for organized, streamlined delivery to community banks.
Participants consider the AI strategies’ reliance on AI creates organizational risk: if a model is shut down or becomes stale, continuity is threatened. And a shared concern we’ve been

following: Future bankers may lose "nutritive value of grunt work" (e.g., spreading financials) if AI handles all foundational tasks. How do leaders and employees know what good looks like without understanding the building blocks of the process?

How are your banks approaching AI Governance?
One participant learned that vendor/third-party AI oversight is an active compliance focus of their primary regulator. Larger institutions may use a two-tier governance model: senior executive committee for strategic direction and an AI committee for approving use cases.

How does the Board support AI Strategy?

Participants contemplated recruitment of Board members with technical expertise to help guide the bank in the AI era, and inclusion of Board level AI training.

How many of you have your bank's AI specific strategic plans? (I suspect this will be rare)
Formal AI strategic plans do not yet exist at most participating institutions; strategies are still being shaped. Participants are considering AI inclusion in the bank-wide strategic plans when they're refreshed or renewed.

Can you rely on AI or trust AI models to be part of strategy?
Most of the participants are leaning towards verification and control versus trusting models outright.

Scott Weller, Co-Faciliator noted that platforms like OpenAI and Claude are becoming the new operating system for people's lives, similar to how Google became the platform for internet searching. He explained that these platforms are disintermediating traditional banking relationships, with recent announcements showing fintechs integrating banking services into these AI platforms. The discussion focused on the challenge for smaller banks and credit unions to integrate into these environments to maintain customer relationships, balancing internal productivity needs with the changing consumer behavior of using AI platforms for financial queries.

Section 4: Closing and Implementation

Facilitator Note: *Conclude by discussing practical steps for implementation and identifying how collective support from state or industry bodies can facilitate the transition.*

Last but not least I asked where each participant would like the State of New Hampshire or New Hampshire Bankers to help with AI strategy?
Participants described the need for appropriate legislation that considers banking-specific requirements without creating unfair restrictions compared to fintech companies, and emphasized the value of information sharing and ongoing education through forums like this roundtable and peer groups. Finally, an interesting observation that I think is worth watching.

Larger banks have significantly more resources to invest into AI while smaller banks potentially have an advantage over larger institutions due to greater agility.

Here's a list of additional resources Participants were looking for:

- AI Policy - I have a sample AI Policy from the American Bankers Association I can circulate.
- AI training Programs & Board of Director Education
- Aggregation of 3rd party source data - sector relevance
- Frameworks around governance structure, particularly those developed by examining bodies.
- Banking industry examples of AI at work and AI case studies
- An industry AI playbook (from American Bankers Association or Independent Community Bankers of America)
- Facilitate peer-to-peer roundtables for compliance and leadership communities to share best practice. Not just for the Executives.
- Develop an "AI Readiness Checklist" (modeled on a 12-question framework concept) to help institutions self-assess preparedness.

Open questions

How should New Hampshire banks reimagine the banking experience in 3 years given AI-driven competition?