

Hawaii State Federal Credit Union

Improving Member Experience and Branch Convenience by leveraging integrated biometric technology

Hawaii State Federal Credit Union uses Verifast™ from Fiserv for biometric authentication on their Interactive Branch Kiosks. It changed expectations of what a credit union can offer in a small branch footprint.



Membership at Hawaii State Federal Credit Union has grown from 80,000 to over 110,000 in the past five years. The rapid growth and demand led the credit union to expand their branch network to better serve the financial needs of their members. Due to the high cost of retail space in Hawaii, the credit union was faced with the challenge of designing the new branch within a small footprint, about 1,800 square feet

Rather than handing over the design of the new branch to outside parties, senior management at the credit union decided to delegate the responsibility to a team of future leaders from within the organization. First and foremost, the design team had to determine what the branch experience was going to be like and how it was going to be delivered, given the small footprint. They felt it was critical that the new location offered all of the same products and services as a regular sized branch.

At the same time, the design team wanted to strengthen the positive perception the credit union already had within the community. To them, this meant cementing their reputation as a leader of innovation in the financial services sector in the state. Allison



Client Profile

Hawaii State Federal Credit Union, based in Honolulu, HI, was founded in 1936 as The Hawaii Territorial Employee's Federal Credit Union by 15 government workers who believed in people helping people and watching out for each other's backs. The credit union is a founding member of the Hawaii Credit Union League, an association of credit unions in Hawaii. Today, the credit union still lives by those founding ideals, ensuring that they are always right by you throughout your financial journey. The credit union currently has over 110,000 members and assets of \$1.7 billion.

Maertens, senior vice president, marketing and brand engagement at Hawaii State Federal Credit Union said, “The new branch project gave us an opportunity to rethink how a branch should be laid out and the opportunity to leverage new technology in a unique environment.”

Using Self-Service Kiosks and Biometric Technology for Secure Authentication

“We viewed the new Salt Lake location as a test lab to implement and showcase innovative technology,” said Aaron Vallely, vice president, retail experience at Hawaii State Federal Credit Union. The design team decided to forgo the traditional teller line and installed interactive branch kiosks (IBK) in the new branch, a combination of an ATM with online banking, offering far more capabilities than dispensing cash and taking deposits. With IBKs, members can access all their accounts, make loans payments and transfer funds while giving them the ability to withdraw cash in multiple denominations and deposit up to 50 checks at a time.

As a leader in providing innovative solutions, the credit union was the first financial institution in Hawaii to deploy IBKs with Verifast palm vein biometric authentication which was available through integration with their DNA® core account processing platform from Fiserv. Members can simply hold their palm over the biometric device for instantaneous access to their accounts rather than having to insert a card and entering a PIN or account number. The infrared sensing device scans the person’s unique palm vein pattern and matches it to an encrypted digital signature. Once the member is identified, their account information is instantaneously pulled from DNA for self-service transactions at

the kiosk. The technology saves members time and provides enhanced levels of security and convenience.

Hawaii State Federal Credit Union has also installed touch tables in the Salt Lake branch to help members explore financial solutions in a visually interactive way. The credit union didn't rely on technology alone; the branch is also staffed with trained member service representatives to assist members every step of the way.

Giving Members Consistent Experiences and Convenience

Since the grand opening of the Salt Lake branch, members have been highly receptive to the new experience and appreciate the ease and convenience of the IBKs and biometric authentication. The credit union surveyed members who used the IBK and found that 90% of them gave very positive feedback – describing use of the IBK as “fast and easy”.

The credit union design team developed the new branch with a few core principles in mind. First, they wanted to deploy technology that enhanced the member experience and assisted staff in counseling members to financial success. Second, they knew that culture was an important factor. The staff would need to work differently in the new branch, so the design team hired and trained member service staff who could facilitate the kind of experience they envisioned. Maertens said, “We had to factor in changing sales culture when designing the Salt Lake branch. Relying on the new technology to conduct basic transactions, staff were now able to engage with members in more meaningful ways. Our members value that they can receive both great service and financial guidance with each visit .”

Finally, as a test lab, the design team examined their processes to methodically create the desired environment. It wasn't about doing more transactions with fewer –people – rather, they used technology to create a high-touch experience. Overall, the branch has the feel of a much larger footprint and the technology is allowing member service staff to spend more time developing relationships in person so they can advise members along their financial journey.

Leading with Innovation

Maertens said, “We want to become a leader of innovation in Hawaii. The Salt Lake branch transformation has generated great word of mouth and the IBKs and Verifast biometric authentication technology give us something tangible to promote.”

The credit union plans to open a new branch modeled after the Salt Lake location this year and eventually a stand-alone IBK. They are also looking at retrofitting the other 9 locations but there

are challenges with retrofitting existing branches because the locations have to remain open for business during construction. Maertens said, “It would be ideal if our entire membership had the opportunity to use the new technology we outfitted at the Salt Lake branch, but we know that implementing these upgrades to our older branches will take time.” She added, “We’re optimistic that we’ll be able to find ways that allow us to introduce new technology across all of our branches.”

The Salt Lake branch has not only made an impression on members, it’s also caught the attention of the competition. Ish Eustaquio, senior vice president retail delivery solutions at Hawaii State Federal Credit Union said, “We have had other financial institutions and architects come out to inspect the Salt Lake branch to see how our IBKs are set up. Some have visited three times with top level executives. They call it the small branch with big dreams.”

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Challenge

Faced with designing a branch in a small footprint, Hawaii State FCU decided to leverage technology to help deliver a full-service member experience.

Solution

The credit union installed Interactive Branch Kiosks (IBK) equipped with Verifast biometric palm authentication with integration to the DNA[®] core account processing platform from Fiserv.

Proof Points

- 90% of surveyed members gave very positive feedback
- The branch has the feel of a much larger footprint
- The technology is allowing member service staff to spend more time developing member relationships in person so they can advise members along their financial journey
- The IBKs and Verifast have increased the positive perception and interest in the credit union



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