

## Hickam Federal Credit Union Strategy Case Study

# Optimizing NewGround's Site Selection Services Proves Essential for Long-Term Growth

HEADQUARTERS | BRANCH SYSTEM

### Project Snapshot

Established in 1936, Hickam Federal Credit Union (FCU) stands as the seventh largest credit union in the state of Hawaii with more than 48,000 members. Hickam FCU remains the longest-serving financial institution on Hickam Air Force Base, now known as Joint Base Pearl Harbor-Hickam.

By 2014, the credit union had grown to over \$500M in assets with 72 employees and had reached capacity at its headquarters building. Given the lack of adequate space for future growth the credit union decided to move off base to better serve their membership and accommodate future growth.

### Challenge

While the decision to move off base to better meet their operational needs as well as their members needs appeared straight forward, finding a suitable property on Oahu to accommodate a growing back-office staff was easier said than done. The availability of land was scarce, and the existing buildings for purchase were multi-story and predominantly located on small parcels with limited parking. Like most corporate headquarters relocations, geographic considerations for the existing employee base – and their commute patterns – had to be strongly considered.

Having built Hickam FCU's original headquarters in 1974, NewGround was top-of-mind for a strategic partner of choice to tackle this project through a headquarters planning study, programming, operations and peer analysis, site identification and evaluation, design, and construction of their new facility.

### Idea

Following a series of on-site programming sessions with management that identified the most efficient way to expand and align future staffing and space, NewGround's Strategy Team was able to develop a detailed workstation program with projected staff growth by function, and by department. This informed the design, size of the building, and ultimately the adjacency of departments. Typical square footage was assigned to each position and workstation, as well as other supporting areas such as conference rooms, break room, and restrooms, resulting in the long-term space needs of the credit union.

In Hickam FCU's case, their future staff growth was forecast to increase to 125 FTEs, requiring approximately 35,000 square feet of space. By having a sound understanding of their long-term growth, the credit union was now prepared to start their property search.

Knowing that they would need to acquire a two to three-acre piece of land to build or identify a 35,000 square foot building to purchase, Hickam FCU continued their property search. The inventory of suitable acreage was limited, but a 6.652-acre vacant parcel of land in Pearl City seemed promising.



### Results

NewGround successfully navigated Honolulu's scarcity of property and complex regulatory environment. Given the availability of land and parking, the site was designed with plans for future expansion of approximately 20,000 square feet. The property acquisition proved to be very beneficial: the new site provided plenty of space and high visibility for the new headquarters, and Hickam FCU made \$2,259,081 in profit from the sale of excess land.

As a Building Industry Association award-winning headquarters facility, Hickam FCU now has a beautiful, branded space serving Hawaiian locals with productivity improvements, enhanced member service, and increased brand projection

**Interested in learning more about NewGround's strategic approach through site selection and research?** Reach out to Vice President of Strategy Scott Florini at [sflorini@newground.com](mailto:sflorini@newground.com).

