

SRM Establishes Advisory and Contract Negotiation Partnership with HAPO Community Credit Union

In the digital age, credit unions face many operational challenges. To maintain a competitive edge, credit unions must make decisions that deliver the best experience and value to their members.

HAPO Community Credit Union, headquartered in Richland, WA, was no exception as they looked to redefine their digital banking platform and tackle key contract renewals.

Since 2020, SRM and HAPO have forged a strong relationship, with SRM assisting with multiple projects for the credit union. SRM has identified core opportunities for the credit union to implement, yielding significant savings and growth opportunities. The initial projects SRM managed included the renewal of HAPO's card processing contract and a tactical digital bank renewal. These projects have aligned the credit union's growth goals, improved member benefits, and saved over \$30 million.

Credit Processing Renewal

Initially, the credit union contacted SRM to be the consultant in their credit processing contract renewal. SRM went to work, reviewing the current contract and establishing itself as a valuable strategic partner, leveraging a strong relationship with the existing vendor. SRM parlayed its contract negotiation benchmark data and quickly identified areas of improvement for HAPO.

SRM noted that the credit union's contract lacked a solid service level agreement, clarity regarding issue resolution, and vendor responsiveness to requests. SRM worked to strategically correct these issues and foster a positive outcome for the credit union. Based on industry knowledge, expertise, and vendor relationships, SRM secured favorable terms for HAPO.

SRM's Work in Summary:

- Full-Scale Digital Banking Transformation
- Vendor Renewal RFP and Negotiation of Terms Results in \$30+ Million in Savings

Tactical Digital Banking Renewal

The outcomes of HAPO's credit processing contract renewal solidified the strategic partnership with SRM and resulted in additional projects. The next project was benchmarking a digital banking platform renewal that would unlock extra savings for HAPO and more benefits for the credit union's members. This has led to a much larger, full-scale Digital Banking initiative, which included a comprehensive RFP process that places high focus on each individual component of a digital banking environment (online banking, mobile banking, etc). This apples-to-apples approach allows SRM to utilize their robust financial models to ensure the credit union is receiving the most value.

Optimizing HAPO's Debit Card ROI

Of the projects SRM contracted with HAPO, tackling the debit card branding and processing contract renewal loomed the largest. SRM consulted with HAPO and recommended issuing an RFP to better understand the vendor playing field. This yielded evaluations of the many available market alternatives.



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-Scott Mitchell, EVP & CFO of HAPO Community Credit Union

Ultimately, this RFP turned into a competitive negotiation and lasted multiple rounds. After reviewing the various responses and proposals, the team at HAPO decided to transition to a new provider and processor. SRM was able to broaden the scope of a single renewal and secure a more significant and comprehensive contract that saved HAPO over \$30 million. HAPO now sees a favorable contract relationship and stronger protections regarding service levels and interchange protections.

“The SRM team has the experience, skillset, and ability to provide big dollar savings. We have seen the significant financial impact SRM has made on our business,” noted Scott Mitchell, EVP and CFO of HAPO Community Credit Union. “They are very easy to work with, and the process is simple and efficient.”

Future Projects

Following the success of these projects, HAPO is partnering with SRM to tackle the RFP process for a larger-scale Digital Banking transformation project. In addition, HAPO is considering SRM’s Account Boost, a strategic growth platform. Insurance contract renewals are also part of the ongoing discussions between SRM and HAPO.

About HAPO Community Credit Union

HAPO (Hanford Atomic Products Operations) Community Credit Union was founded in 1953 by a group of non-exempt workers at the Hanford nuclear site in Washington. Their goal was to provide a place to save and borrow money.

Nearly seven decades later, HAPO has grown immensely and continues to prosper, providing financial services to 200,000 customers. HAPO has opened seventeen additional branches across Washington and Oregon and has grown its asset size to over \$2.3 billion, allowing the credit union to better support its community through sponsorship and partnership opportunities.

About SRM

Strategic Resource Management (SRM) has helped 1,000+ financial institutions add more than \$5 billion of value to their bottom line in areas such as payments, digital transformation, core processing, artificial intelligence, digital assets, and overall operating efficiency. SRM has lowered costs, created revenue opportunities, increased productivity, and provided a competitive edge for clients in an environment of constant and accelerating change. Visit www.srmcorp.com for more information and follow us on [LinkedIn](#) and [X \(formerly Twitter\)](#) for timely and relevant insights.

