



Full Service Transaction Automation Solutions

LTA-350 from LG CMS

The need for a comprehensive and reliable solution.

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SCOPE OF PAPER

The resurgence of the branch as the primary delivery channel for financial institutions is leading many to implement cash recycling devised to improve operations and help achieve strategic goals. Implementing cash recyclers can improve existing operational efficiencies and allow for new branch designs that are more open and customer-centric.

This paper examines a number of important factors that must be considered when selecting a cash recycling solution within your branch network.



**Assisted Self-Service
Transaction Automation Solutions**

The MX800 from Nautilus Hyosung

WHAT TO LOOK FOR

- INTUITIVE
- USER FRIENDLY
- MONITOR-ABILITY
- SERVICEABILITY
- PREDICTIVE MAINTENANCE
- REMOTE ACCESS

INTUITIVE AND USER-FRIENDLY

A cash recycler should be designed to be as intuitive and easy to operate as the cash drawer that it is replacing. The product cannot be intimidating, if it is to gain acceptance by the user.

Operators need immediate access to information about the status of a recycler during its operation. User-friendly messages and visual cues should provide clear guidance for actions the user needs to perform.

By taking the guesswork out of the operation of the unit, users become proficient very quickly allowing them to resolve issues, avoid visits from a technician and most importantly maximize uptime. The product should be designed to inform and educate users in a simple and visually friendly manner. In other words, provide 'actionable information at the time it matters'.

Cash recyclers must be fault tolerant with some degree of built-in redundancy to maximize the machine's uptime. Deposited cash will likely include a wide range of currency fitness. Therefore, to perform reliably, the device needs to have enough on-board intelligence to evaluate performance and automatically compensate for any problems that may occur. It should also predict future servicing needs, which enables pre-emptive service to be performed by the user and service provider. Enabling a greater degree of proactive maintenance vs. reactive.

When units fail, as they all will at some point, ease of serviceability will be important for the prompt return to service. Intelligent design results in a unit that is modular, has a high degree of on-board diagnostics, and recovery capabilities that allow technicians to quickly and accurately diagnose and repair issues.

PERFORMANCE

To maintain the highest level of performance, recyclers should have the ability to monitor utilization, predictive maintenance, and performance analysis. With these tools, servicing companies can maintain the equipment more efficiently and financial institutions can evaluate the actual utilization of this technology.

The unit should be capable of supporting remote monitoring, remote management, and problem diagnosis. Service providers should also be able to upgrade software and firmware remotely. As your installation base and dependency on this technology increases, it will become more critical to seek manufacturers that have the depth and foresight to provide these essential services. Simply put, performance support and product serviceability should be inherent in a recycler's design, for both the operator and servicing organization..

MARKET & TECHNOLOGY COMPATIBILITY

In the past, recyclers were designed for the European market. As the need for recyclers increases in the United States among financial institutions, look for recyclers that are compatible with the way the US marketplace conducts business. Ensure your product has been designed to work in your specific application and evaluate fit and form from both the operator and service provider. A good understanding of the technology used is critical, such as 'rolled storage' technology vs. 'cassette based' technology. Given the advances in 'cassette based' recycling technology, consider 'rolled storage' as a thing of the past. To that end also consider a common platform for both your assisted and self-service technologies. Maintaining disparate hardware and software platforms will become a greater burden as you further consider and develop your branch automation roadmap.

DEPLOYMENT PLANNING

When determining the proper application and mix of teller automation solutions, you must first determine your currency demands. Ideally, the flow of specific denominations at all cash-control points, including corporate customers and currency management partners, should be considered.

Review of the historical demand of cash-in and cash-out transactions and queue lines by the branch teller staff will help to identify the appropriate needs and cost justifications for recyclers.

Recycling could be considered a "mission critical" capability, and your solution must be as dependable as the drawer it is replacing.

Again, consider technology that supports multiple self-service and assisted service forms.

CHANGE MANAGEMENT

Process and procedure changes will certainly need to be put in place to optimize the utilization of your investment. An appropriate level of change management is necessary when planning and deploying cash automation technology. At the very least, project management and user training should be anticipated. If these resources do not exist

in-house, look closely at those providers who can deliver a "turnkey solution" and agree on accountability for the success of the rollout.

Recyclers are designed to count, verify for authenticity, sort by denomination and store notes in a secure safe at the point of transaction. Consider the role recycler technology, be it self service or assisted service, will play as a part of your overall strategy. Emphasis must be placed upon the desired objectives, process changes and metrics to ensure that gains are realized from enhanced cross selling opportunities, faster transactions, improved customer service and increased security.

SOFTWARE INTEGRATIONS

Avoid committing to a proprietary software interface to your teller application. Your teller application provider should leave the door open to support all major recycler brands. History has shown repeated failure when vendors attempt to limit, and even prevent, competition through unnecessary barriers and non-value added integrations. A multi-vendor approach has served the ATM industry well by promoting constant product improvements and very competitive pricing.

SERVICE INFRASTRUCTURE

Cash recyclers allow financial institutions to simplify the flow of cash through the branch. Because a cash recycler handles all the counting and storage of notes, it can eliminate the need for traditional teller drawers and required dual control. It is important to be aware of, and plan for, the risks that come with this new operational dependency.

Although proper product selection and performance evaluation is essential, the same degree of evaluation must go into selecting your service provider. Begin by Recyclers have the ability to dispense notes for subsequent customers wanting to make a withdrawal. Judging their level of commitment and focus to your needs and the overall marketplace. Establish how the service provider has dealt with supporting other mission critical capabilities throughout their service infrastructure. Examine the level of business a service provider presently has in your marketplace and what degree of investment they have



made in building their support infrastructure. Look at various aspects of service such as breadth and depth of support and service people. Providers should be leveraging technology such as remote monitoring, service monitoring and management system capabilities. A comprehensive support infrastructure should include extensive technician training programs, project management, customer training, and software support expertise. Simply put, make sure a service organization has a strong presence, with a high degree of commitment shown through their level of investment both within your geography and at their central support facility. They must have a keen focus and understanding of your needs, in every way.

The realities are that their economies of scale will play a significant factor in their ability to perform and respond on a moment's notice, while still maintaining their necessary level of profitability.

Finally, ensure your service provider backs up their commitment with contractual service level agreements (SLAs) and customer satisfaction guarantees.

COMPANY STRENGTH AND FOCUS

Look at a company's history of innovation and investment in product and services. Recycling will continue to grow and it is important to be partnered with a company that is able to grow with you.

Carefully examine the breadth of service and product offerings and look to find the full set of capabilities that support your needs. From the service perspective, it truly is all about scale. When examining the product offerings, be sure to look at the full line of solutions available and determine how recycling fits into the larger picture of branch transformation. You need to be positioned properly to leverage the potential of cash recycling as a strategy throughout your various delivery channels.

It's not just about technology, it's about the organization behind the product and their ability to support and integrate the product today and in the future.

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