

## Three Tips for Successful Cash-Automation Implementation

**Cash automation can improve efficiency, reduce cash inventory and increase security, but it must be preceded by careful deliberation. By following these three tips, a cash-automation system can be successfully implemented.**

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Cash transactions at a bank with a teller are not high-tech procedures; in fact, the process for transactions today is similar to the process conducted at banks at the beginning of the last century. When a customer makes a withdrawal, the teller removes the cash from the cash drawer at his desk and counts the cash several times. The same procedure is followed when a customer deposits cash.

Over the years, financial institutions have developed tried-and-true techniques for accurate cash control. These manual techniques, however, also lead to high labor costs while not completely eradicating inaccuracies and security risks.

Cash automation, on the other hand, offers financial institutions the means to improve teller efficiency, reduce cash inventory and improve security. Cash automation utilizes currency recyclers and dispensers to automatically and accurately count currency, verify authenticity and ensure security at the point of transaction. The same currency is dispensed to other customers without intervening recounting, storage or transportation.

While cash automation offers a variety of

benefits to financial institutions, adoption of this technology is not without its challenges. A successful transition to cash automation requires the re-engineering of cash handling protocols on a branch-by-branch basis, which entails knowledge of processes within an individual branch. Even within a network of branches, each location has a unique personality due



*A currency-processing solution, like this one from Burroughs Payment Systems, can help improve efficiency.*

to local market conditions — a branch housing numerous commercial accounts, for example, processes cash differently than a branch with primarily a consumer-oriented customer base. This diversity among branch environments requires specialized resources on behalf of the vendor providing the cash-automation solution, including the ability to manage the introduction of new technology and the coaching of new branch behaviors.

A holistic approach is recommended by Burroughs Payment Systems, makers of the SmartCash currency processing solution. Successfully implementing cash automation in a branch requires more than installing equipment — it takes a thorough understanding of cash-handling processes and the benefits of automation. Implementation may be difficult for some to accept, but success can be attained with a few basic steps, including creating an internal champion, building a set of best practices and defining criteria for success.

### Create an internal champion

Cash automation can be a disruptive technology, because, when utilized properly, it changes long-standing processes for employees. To ensure that financial institutions maximize their return on investment, it is important for vendors to cultivate and prepare an internal champion. This champion should be more than the executive who authorizes the technology investment — rather, he or she must be an advocate for change within the organization.

When creating an internal champion, it is important to choose an individual who understands the fundamentals of branch operations and can identify potential obstacles to wholesale change within that

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environment. Additionally, the champion must be able to marshal the resources and institutional knowledge needed to implement training and adoption of the revised processes that accompany cash automation. Without a strong internal advocate, cash automation technology won't provide all of the benefits that are available.

### Build a set of best practices

Installing cash automation without revising procedures to take advantage of the technology limits the benefits enjoyed at the branch. As cash automation fundamentally changes the way in which processes are built and executed within a retail bank branch, it is important for vendors to work with management and front-line employees to ensure everyone has an appropriate comfort level with the devices. A full cash-automation solution provider, such as Burroughs, will help an institution analyze branch procedures and suggest new processes in order to optimize the value of the investment. This type of consultative approach includes preparing staff to understand normal operation as well as error handling.

Empowering branch staff to feel comfortable with cash recyclers and dispensers as they are implemented provides considerable long-term gains. Proper device training and behavioral coaching creates efficiency at the branch level; for instance, in a

### Major benefits of cash automation

**Improved teller efficiency.** The typical teller spends at least two hours daily counting cash. With cash-automation solutions, the only cash that requires counting is mutilated notes and unfit currency. By eliminating the need for manual counting, cash recyclers and dispensers allow financial institutions to reduce labor requirements through increased productivity.

**Reduced cash inventory.** Having cash stored in a cash dispenser or recycler allows branch staff to better judge how much cash should be sold or ordered each week. This allows cash inventory to be more efficient, reducing overall cash totals while at the same time cutting the number of courier visits to a branch by, on average, 50 percent. In some cases, automation technology has resulted in cash inventory equilibrium, eliminating the need for cash shipments entirely.

**Improved security.** Cash automation improves security by safeguarding teller cash in a vault, rather than the drawer. For instance, the Burroughs systems offer a UL 291 safe certified for overnight storage. At no time does any single person in the branch have access to that cash. In the event of criminal activity, a duress function can signal a silent alarm and a specific set of dispense criteria, such as dispensing all the \$1 bills first.

branch without cash automation, when a line teller has to make a vault buy to replenish the cash till, two other tellers must leave the line and verify the vault cash count and purchases. Cash automation, when implemented correctly, eliminates the need for the dual control, freeing up teller resources while providing a higher level of security.

The concept of best practices extends far beyond the functions of the machine to encompass the entire cash handling process within a branch or network of branches. When Burroughs engages with a financial institution, its consultants analyze cash movement and staffing levels within individual branch locations. Next, existing procedures are reviewed to determine how cash automation will affect those processes to form a set of best practices. The in-depth consultation gives branch resources the confidence needed to realize the benefits

of cash automation as soon as it is implemented, often eliminating the time spent developing best practices organically.

### Criteria for success

Before any installation can begin, it is critically important for the financial institution and technology provider to discuss and define the criteria for success. By defining the criteria for success, the financial institution is given the tools necessary to develop a robust business case. For instance, when Burroughs installs SmartCash solutions in any branch, its experts work with members of the organization to understand the potential impacts as well as highlight efficiency gains and cost savings. This allows the decision-makers at a financial institution to objectively evaluate the impact of cash automation within branches, equipping

them to make prudent rollout decisions across the entire enterprise.

When implementing cash automation, a financial institution must understand the possible benefits and prioritize its criteria for success. Not all institutions value the same things.

***About the sponsor:** With a 50-year history of innovation, Burroughs Payment Systems designs, engineers, implements and supports payment systems. Burroughs offers a full range of currency automation solutions, including SmartCash recyclers, dispensers and intelligent safes, as well as document processing image technology, installed in some of the largest payment processing centers throughout the world. For more information, visit [www.Burroughs.com/go/payment](http://www.Burroughs.com/go/payment).*