

Bridging the Gap Between Teller Applications and Cash Handlers

Teller assist units can help increase operational efficiency, but many financial institutions are reluctant to make the investment. Now, a new generation of middleware increases connectivity between TAUs and teller systems.

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Operational efficiencies at the branch level are crucial to the overall profitability of financial institutions. Even small gains yield significant results when implemented throughout the company.

That's why financial institutions are showing unprecedented interest in teller assist units (TAUs) like cash recyclers and cash dispensers.

"When dealing with the challenges and opportunities facing financial institutions in today's economic climate, efficiency gains and cost savings like those realized when TAUs are implemented are a driving force behind an expanding cash automation-installed base in the U.S.," said Jeffrey Hauser, business manager of SmartCash Automation Solutions for Unisys in Plymouth, Mich.

TAUs offer many benefits, including:

- **Accurate cash counts, every time.** TAUs also count cash more quickly than a teller can, shortening transaction times and reducing customers' wait times. "This allows branch staff to shift their focus from tedious, manual cash counting to deepening customer relationships," said Hauser. "Additionally, faster transaction times also mean increased teller capacity, allowing financial institutions to better manage their labor expenses."
- **Increased security.** TAUs reduce employee and customer access to cash, particularly important in the "branch of the future," which will eliminate traditional teller lines. TAUs can even function as branch vaults, allowing financial institutions to build out shopping center storefronts to avoid brick-and-mortar expenses.
- **More efficient cash utilization.** Improved technology allows for more



Currency recyclers, like the ones available from Benchmark Technology Group, help increase operational efficiency at the branch level.

precise cash estimates, which has the further benefit of reducing the frequency of courier deliveries.

Despite these benefits, several points of resistance have prevented many financial institutions from adding TAUs at the branch level. Many organizations balked at the purchase expense and physical size of earlier TAUs, but newer models are more compact. Some financial institutions have become locked into a single hardware vendor due to their sunk development costs.

But perhaps the biggest obstacle has been the need to change existing teller systems to reap the benefits of adding a TAU.

“Until recently, the only way for cash automation devices to communicate with teller applications was custom programming, which often meant long lead times and costly integration fees,” Hauser said. “Clearly, this prevented many financial institutions from benefiting from cash automation solutions.”

TAU implementation options

As the benefits of TAUs have become better known, new manufacturers have entered the market.

“The key to differentiation in the marketplace is providing a robust solution,” Hauser said. “This means offering hardware with the right level of functionality coupled with software that allows end-users to optimize the advantages of cash automation.”

In response to the connectivity problem, several companies have launched middleware solutions, providing software that allows the teller system to communicate with the TAU. Three types of implementation have come into common use: stand-alone, interfaced and integrated.

Stand-alone

Most TAUs can function as stand-alone devices, with each branch securing their cash and automating cash disbursements and deposits into the TAU while maintaining those transactions’ audit trail.

“But tellers are required to re-enter their cash amounts, resulting in longer transaction times while also introducing the potential for keying errors,” said Jack Malinowski, chief technology officer at Benchmark

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Technology Group in Alpharetta, Ga. “Nonetheless, many financial institutions have implemented TAUs in this mode.”

Interfaced

Interfaced implementations use a middleware program between the teller application and the TAU to automatically detect cash transactions performed on the teller system. The teller is prompted to deposit the transaction amount into the TAU to satisfy a cash-in request or automatically dispense the transaction amount for a cash-back transaction.

“This option is much more desirable since the teller’s workflow is improved and transaction times are decreased through automated currency counting on a deposit or withdrawal from the device,” Malinowski said. “Due to the device’s accuracy, tellers are no longer required to spend valuable time counting and re-counting cash.”

One solution, Benchmark Technology Group’s CashWare, offers an interface based on sophisticated Windows operating system functions. It detects eligible transactions and extracts cash-in and cash-out amounts using the program fields assigned by the teller application.

“While the method is patented, the product allows any person with knowledge of the teller transaction to configure the software to detect cash transactions and automatically send the appropriate commands to a recycler or dispenser to complete the cash handling task of a teller transaction workflow,” Malinowski said.

Integrated

In an integrated implementation, the teller system is modified to use middleware to develop support for TAUs. Clearly, flexibility is the new buzzword for financial institutions as they seek to install “best-of-breed” TAUs that meet their specific needs.

“Once a financial institution implements integrated cash handling middleware, they will be positioned to support any type of hardware without making any further teller system changes,” Malinowski said. “Cash handler middleware provides the connective tissue between software and hardware.”

The integrated approach allows even more control over totals and special transaction handling.



An interfaced implementation, like Benchmark Technology Group’s CashWare, uses a middleware program between the teller application and the TAU to detect cash transactions performed on the teller system.

Connectivity improvements

Today's TAUs have improved connectivity. In the past, teller cash dispensers and recyclers connected directly to the teller workstations or servers and required special cables, converter boxes and/or adapters to provide connectivity and licensing support. Tellers also often had to re-enter their cash amounts into special keypads, requiring yet more custom cabling.

"Today's software allows TAUs to connect to teller workstations using standard TCP/IP protocols over branch local area networks, allowing any teller to access any TAU," said Malinowski.

With improved connectivity comes increased efficiency, because more tellers at each branch can use the TAU. The dependency on a server or desktop computer to control the TAU can be eliminated by using a stand-alone device controller. The controller can operate in a wiring closet, like a router or firewall, and does not require any display or keyboard. The "connectivity rat's nest" is eliminated with a single connection to the TAU.

In keeping with the drive for flexibility, today's middleware solutions can be used with any type of cash handler implementation, from stand-alone to integrated. Thanks to the new generation of cash handler middleware and simplified connectivity, each financial institution can develop an affordable but unique implementation, allowing it to increase operational efficiency.

About the sponsor: Benchmark Technology Group offers a complete line of branch automation solutions to support every aspect of branch banking. Led by bankers with decades of experience, Benchmark's areas of expertise include software, hardware, technology management and fulfillment.

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