

# FMSI Case Study Library

## How Do Two-Week Notices Affect Your Teller Line?

### A Closer Look at a Credit Union's Hiring Determination Practices



It happens to all financial institutions. A teller submits their two-week notice and managers start to worry about an indefinite service void in their teller line. What do you do? Do you simply hire a new teller ASAP and hope that all the recruiting, training, and integration flows smoothly? How do you know you should immediately replace the teller in the first place? Hiring a teller when the demand does not support it is very costly for a financial institution. Have you studied the teller transaction volumes in your branch network? Do you have access to this data? So many questions like these have challenged financial institution managers for years. Mr. David Eckhardt, VP Operations at Florida Credit Union (FCU), is faced with these tough questions on a routine basis. Fortunately, the Teller Management System™ (TMS) from Financial Management Solutions (FMSI) has allowed him to sometimes avoid making the wrong costly hiring decisions by quickly quantifying the demand for open teller positions, through monthly management reports based on teller transaction volumes.

"TMS allows us to see the big picture. The easy to read and succinct management reports are critical to our staffing decisions.

-David Eckhardt  
VP Operations at Florida Credit Union

#### Quantify Hiring Decisions Based On Teller Transaction Volume

Staffing a branch can be a complex task due to the many moving parts in the equation. There are part-time tellers, full-time tellers and fluctuating transaction volumes per day of the week and per branch. Having TMS to support hiring decisions has allowed Florida Credit Union to optimize their staff to meet their desired service levels. When they receive a two-week notice from a teller they immediately look at the detailed TMS management reports to ascertain if they can pull tellers from other slower branches to fill the void. They are also able to study the data to see if it makes sense to hire a part-time employee to cover the demand. David Eckhardt summed up his experience with TMS by stating, "The Teller Management System™ allows us to see the big picture. The easy to read and succinct management reports are critical to our staffing decisions. They allow us to effectively manage our staffing efficiently."

In addition to utilizing the reports on-demand for hiring determination decisions, on a monthly basis David sits down proactively with Florida Credit Union's Human Resources Director to review the TMS performance and scheduling reports. This monitoring exercise allows them to make ongoing training and scheduling adjustments to improve the staffing efficiencies in the ever-changing branch environment. These efforts led to an impressive 10.5% decrease in overall labor cost last year for FCU. See FCU's 2009 Labor Cost Transaction Trend Chart by clicking on the following link: [\(click here\)](#).

## Analyzing Excess Waiting for Work Time

A section of the TMS reports that David and the HR director look at very closely every month is FMSI's Excess Waiting for Work (EWWF) time chart. EWWF time typically occurs when there are [too many tellers scheduled to work](#). "It is all about being efficiently staffed to meet the transaction volume demands," says David, "Having the excess waiting for work time broken out per branch and per day is extremely helpful information to review and analyze every month to help identify performance improvement opportunities."

## Best Practices from the VP of Operations at FCU

- Meet with your senior tellers on a monthly basis to review the Transactions per Hour (TPH) report with them. You have to communicate that it is alright to have some people waiting! When you educate them about acceptable wait times and the benefits of optimizing staff, they have a stronger appreciation for the value of organizational efficiency.
- Use the FMSI Incentive Program as it relates to TPH – we have had good results.
- Use the Average Transactions Per Half Hour Chart to determine when to carry out non-teller transaction activities such as manage/balance the vault and ATM maintenance.

Automatically replacing tellers when they submit their two-week notice, without analyzing teller transaction volumes is a thing of the past at [Florida Credit Union](#). Having the Teller Management System™ has allowed FCU to better manage both their hiring determination practices and their overall teller line staffing efficiencies, which ultimately resulted in an overall [10.5% decrease in their 2009 labor costs](#).

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