

Banks Turn to Staff Scheduling Software to Cut Costs

by John Adams January 19, 2012



Bangor Savings Bank

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At Bangor Savings Bank, making sure there were enough employees in its 54 branches at any given moment was itself a laborious expenditure of human capital — a process that was no longer fitting given the need to optimize resources amid declining branch volume.

Consequently, the bank has outsourced its staff management to a web-based software that matches teller schedules to anticipated volume. Such programs have been well used by larger banks in the past, but are now gaining traction at smaller banks. Beyond reduced branch volume, these banks are also facing lower fee income and increased regulatory expense, and

are looking to shed costs anyway they can. In this environment, getting a handle on branch staffing can be an effective way to shore up overhead.

"Before we used the new tool, staffing was more of a guessing game," says Kendra Helsor, vice president of consumer banking and administration manager for the \$2.5 billion-asset bank, which serves Maine. "We would know that on Wednesdays, for example, we would be busy so we would staff accordingly. We would also have a guessing game on filling an open position."

The bank has outsourced its scheduling to Financial Management Solutions, which uses a product called Teller Management System™ to forecast teller staffing based on forecasted transaction volumes. The tool uses business intelligence to analyze transaction data that's collected and hosted in the tech firm's database. TMS produces reports each month on transaction workloads, labor cost per transaction, and salary and benefit expenses matched against transactions; these reports are updated hourly and coupled with projections.

The result is a benchmark that a bank can use to match an expected level of service. Bangor Savings Bank is using it to execute mundane yet time consuming scheduling challenges, such as computing part-time teller hours, or moving tellers around during the day to take care of other tasks based on customer traffic.

"If you have a teller line that's running 300 transactions per day, you can determine that you need 2.5 tellers, for example, at certain hours when that volume increases or decreases," Helsor says. "If you have three people scheduled to work on a specific day, we can determine that we only need one person at the teller line at 2 p.m., we can move the other two people to other tasks."

Bangor is faced with declining transaction volumes in its branches, and hopes the scheduling module will allow it to restructure branch labor while maintaining service levels, such as optimum wait times at teller lines.

Michael Scott, CEO of FMSI, says he's found that prospective bank clients are also interested in using branch scheduling as a way to shave labor costs to offset revenue losses in other areas.

"With regulations and restrictions on debit card fees, banks are focusing on labor issues," Scott says. "Automating scheduling can help fine tune those costs." He adds that the firm is also developing a mobile app that uses location based technology to aid bank executives in managing branch deployments. Branch managers can access the scheduling and workflow analysis via a mobile device, using Google Maps to call up performance information on individual tellers and teller stations.