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ATM network management: why the right partner matters

By K. Mark Slemon, VP Solutions Portfolio, Diebold

One of the major trends I'm seeing in ATM network management is a bandwidth issue. At the enterprise level, global financial institutions (FIs) are challenged by the sheer number of relationships they must manage. According to a report by McKinsey & Company, the largest banks and credit card companies interact with close to 50,000 suppliers.†

Regional and community banks and credit unions are also struggling with complexity. But with smaller budgets and staff, their problem is to ensure each channel is being properly managed.

At virtually every organisation, employees are expected to do more and manage with less – all while raising the bar on consumer experiences. Regardless of their size, FIs face a universal dilemma: they need to focus on their core business objectives, yet end up allocating precious resources to managing the growing complexities of their self-service operations and security.

The cost of chaos

What we tend to find when we begin a new partnership with a client is that its ATM network has grown organically and not in a strategic, structured way. As FIs have evolved and merged, so have their self-service networks.

The result is a chaotic, disparate ecosystem of software releases, hardware platforms, change programmes and failing processes. Legacy infrastructure is operating alongside newer hardware and software, often in a multivendor environment. Risk management and compliance are ever-present elephants in the room, ongoing challenges that require constant monitoring and modifications. Often, FIs do not realise the extensive security issues they are facing, because they do not have the dedicated staff with expertise on the latest global threats.

Many different vendors may be engaging with these FIs in a multitude of ways, with varying SLAs and contracts. How much does that inefficiency cost?

† *"Managing when vendor and supplier risk becomes your own", McKinsey & Company*

How is that outdated approach holding banks back from focusing on their own customers? And when will those security threats find a way to breach the measures in place?

Single-partner simplicity

The right partner can reduce that chaos to one manageable single point of contact. Notice I did not use the word 'vendor' here – this type of comprehensive relationship requires FIs and their service providers to enter into a much deeper, more collaborative engagement that can grow and evolve along with the FI's changing needs.

A customised solution may start with services or security, then grow to include software and network enhancements that go far beyond the ATM channel. In this kind of strategic role, a multivendor provider becomes material to the FI's overall performance – enhancing security and enabling improved performance – as the bank realises the scale, coverage and sophisticated capabilities that are possible within the branch environment.

The partnership can encompass locksmithing, enhanced security, sophisticated telemetry, cash-handling and CIT services, and even extended asset utilisation in the form of cash, hardware, software and/or facilities. With enabled IP connectivity, a multivendor solutions provider can build an even more holistic picture of an FI's branch and ATM network to provide better cash management, remote monitoring and proactive support.

As you can see from the extensive list of potential solutions, the right partner can be a safe, trusted advocate to an FI. It's easy to assume that a piece of software will bridge the omnichannel divide, but with the number of players, functions and opportunities to be simplified, it is the partner that defines the better path. The journey to a transformed branch and self-service vision is neither simple nor easy, but the right partner can enhance consumer loyalty and service leadership. ■

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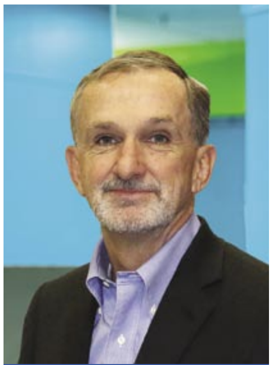

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Diebold

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