

REDUCING BANKER STRESS THROUGH KIOSKS

by [Steve Brown](#)

We couldn't believe it when we saw the latest ranking of the most and least stressful jobs from CareerCast. Sure, some of them made sense, but one was certainly and obviously lacking. Despite all the regulations, earnings pressure, the credit crisis,

massive competition and a host of other factors, the list of most stressful jobs did not include bankers. We aren't saying such noble and stressful jobs (were listed) as enlisted military personnel; military general; firefighter; commercial airline pilot or public relations executive aren't stressful. No, we just think the job assessors could have dug a little deeper and talked to a few more bankers to find out what stress really is about. Let's hope next year bankers still don't make the list, but this time due to an improved economy and other reasons.

Speaking of stressful situations, we know community bankers are struggling to redesign and reinvigorate their branch networks and along with that some are beginning to tinker with self-service kiosks. In Dec. JPMorgan Chase said it had already expanded a rollout of these to about 100 locations and other large banks are beginning to move in that direction as well.

These kiosks are fun to use and if you haven't yet seen one, we suggest you find one around the nearest city or town and watch customers use it for awhile. These are self service machines usually sitting on part of the teller line and facing outward into the branch. They do much more than an ATM, dispensing bills in any denomination; have coin dispensers; check cashing capability; support NFC and barcode readers; offer basic checking and savings services; accept loan payments; provide transaction histories; can print official checks; allow for account to account transfers; and link customers back to specialists in other locations using video to deliver customers on demand help with more complicated transactions such as loans.

In rough numbers, the data shows it costs about \$4 per transaction at a teller line in a branch (with decent traffic), while kiosks can reduce that down to only \$1 per transaction. In addition, customers are empowered because they don't have to wait in any lines and they can do what they want when they want. Meanwhile, branch staff profitability rises because mundane tasks can be removed from their routine, so now they can spend more time cross selling customers to capture more business and deepen the overall relationship.

If you haven't seen one, kiosks basically look like a large tablet computer. They are easy to use, intuitive and customers who like to get their airline tickets and do other things using self service options are big fans of them.

Kiosks also give banks options for their customers. Kiosks can be put into the same separate room attached to your branch right now where you have ATMs stationed for after-hours transactions. Some banks report up to 40% of their transactions happen after hours, so a simple debit card access into the room attached to the branch can easily support this.

If you get an opportunity to do so, we encourage you to check them out as you think about how to refine your customer experience and keep them coming into your branches. Kiosks cost about \$30,000 each, so they aren't cheap, but they can be a good way to expand your offerings without

having to open a full branch, capture new customers interested in these features and update your branches to bring in customers you can then cross

sell. We'll keep watching this trend and let you know what we see develop in the coming quarters. In the meantime, know that our own list of stressful jobs would certainly have a community banker right near the top sandwiched between race car driver and combat soldier.

BANK NEWS

Small Biz

Congress solved the fiscal cliff issue, but a survey by OnMessage shows the aftermath. It found 48% of small business owners say the lack of spending cuts is their biggest concern with the deal, followed by the expiration of the payroll tax holiday (16%), higher marginal taxes (7%) and an increase in capital gains and dividend tax rates (5%). Overall, 70% say D.C. policies have created a more hostile environment for them.

IRS Rules

The IRS has simplified the rules for small business owners that take the home office deduction for the 2013 tax year. Rather than filling out a long form with complex calculations, taxpayers can multiply the square footage of their home they use for business purposes by \$5, up to a max deduction of \$1,500.

Banned

In an unprecedented move, the SEC has barred Egan-Jones Ratings from issuing bond ratings for at least 18 months as part of a settlement. The SEC said Egan violated conflict of interest rules and misled investors about its expertise.

Less Optimistic

A survey of CEOs by PWC, finds only 33% in North America were very confident of their firm's prospects for revenue growth in the next 12 months, down 21% YOY.

Jobs Review

Analysis of 102 major markets by the BLS finds from Nov. 2007 to Nov. 2012, there remained a total shortage of 2.6mm private sector jobs. Markets that saw the most jobs added during this period in order were Houston (+122k), Austin (+46k); Dallas-Forth Worth (+29k); Pittsburgh (+25k) and San Antonio (+21k). Those markets that did the worst were Los Angeles (-301k), Chicago (-205k), Miami-Fort Lauderdale (-151k), Phoenix (-142k) and Detroit (-127k).

Scary Tax

The EU has given its permission for countries to tax trades in stocks, bonds and derivatives, through what is being called a financial transaction tax. The tax would hit both buyer and seller if either one was based in the taxing country or represented someone based in the country. Let's hope this dumb idea doesn't find its way to our shores.

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