



# “Bankers’ hours” takes on new meaning

Texas bank is a firm believer in video banking. But branches will stay

BY LISA VALENTINE, CONTRIBUTING EDITOR

**T**he term “bankers’ hours” comes from the traditional bank operating hours between 10:00 a.m. and 3:00 p.m., long out of date. Today, the term is often used to describe an easy job with short working hours.

In contrast, at FirstCapital Bank of Texas, any hour of the day—or night—is bankers’ hours. The bank recently launched ten interactive video teller kiosks that provide customers with live, remote teller service at four of the bank’s seven branches located throughout western Texas and the Texas Panhandle 24 hours a day, five days a week. The \$800 million-assets bank plans to install the kiosks, which it calls TellerConnect, in all seven branches as well as non-branch locations, says Brad Burgess, CEO. Several TellerConnect kiosks are drive-up units, and the rest are located within the branches—placed in 24-hour lobbies.

“We’re looking at expanding our footprint by installing TellerConnect in locations outside our branches,” says Burgess. For example, the bank is considering placing the units in area hospitals to provide 24-hour banking to hospital staff, who typically do not work 9:00 a.m. to 5:00 p.m.

The TellerConnect units, supplied by NCR, combine video banking with remote transaction processing banking technology. This allows centrally located tellers—in Lubbock, Tex.—to take remote control of the kiosk while video chatting with customers. If customers want privacy, they can use on-screen messaging or speak via handset.

FirstCapital is one of the few banks that has rolled out 24-hour access from the get-go, planning to eventually extend TellerConnect availability from five to seven days a week. The majority of banks have taken a slower approach,

says Addison Hoover, general manager of branch transformation marketing at NCR. “Most banks choose to extend hours—7:00 a.m. to 7:00 p.m. is pretty typical—and then move to 24-hour service as they add more kiosks or ramp up their marketing,” he explains.

TellerConnect can process about 95% of all traditional teller transactions. It does not accept coins and cannot issue cashier’s checks. Although TellerConnect can, in theory, process a large volume of transactions, it’s best suited for deposits of less than ten items. It’s still less time-consuming to use a traditional teller for large volume transactions, explains Burgess.

### Serving multi-shift clients

The bank became intrigued with interactive video technology offered by uGenius Technology, a Sandy, Utah, provider, more than three years ago. The Utah company was subsequently acquired by NCR, and the video technology is part of the suite of NCR ATM and branch transformation products and services endorsed by ABA. The bank made several onsite visits to banks in North Carolina and upstate New York that were using video teller technology.

The onsite visits cemented the bank’s belief that 24-hour video banking would suit its customers, many of whom are

shift workers. As primarily a commercial bank, FirstCapital serves several large corporate employers throughout Lubbock, Amarillo, and Midland, Tex., and employees of these corporations often visit branches to cash paychecks. Since several of these employers, including hospitals and those in the oil and refinery business, run 24-hour operations, it’s inconvenient or downright difficult for employees to visit a branch during traditional business hours.

Onsite tellers are still available, but now those shift workers have access to tellers when it suits their work schedules. “Our objective was not to change the way our customers can access tellers, but to give them another option,” Burgess says.

### Centralized teller benefits

FirstCapital elected to locate TellerConnect tellers in Lubbock for several reasons. For one, Lubbock is centrally located between Amarillo and Midland. Secondly, with multiple colleges located in the Lubbock area, the bank has a strong pool of well-educated talent to draw from.

Staffing a 24-hour operation has been easier than anticipated, with Burgess noting that the overnight shift was the first one filled. Some of the TellerConnect tellers were transferred from other branches, but many are new hires.

TellerConnect tellers require a different skill set than a traditional teller, says Burgess. While skills to handle cash and checks are important for an in-branch teller, a TellerConnect teller never actually touches either. This gives them more time to pull up a client profile and converse with the customer rather than count bills and coins.

“Using video is a different service modality,” points out NCR’s Hoover. “An in-branch teller is evaluated on speed and drawer balancing. By migrating the physical handling of cash and checks to the machine, video tellers have more time to engage with customers and identify opportunities for sales and servicing. Customer service skills are more important.”

Centralizing tellers in Lubbock also makes it easier for the bank to provide training and to monitor consistent customer service, says Burgess.

Since TellerConnect can handle the vast majority of transactions, the bank transitioned *branch* tellers to personal bankers. The personal bankers still perform teller transactions as needed, but they also are able to open accounts and take loan applications.

The benefit of staffing the branches with personal bankers rather than tellers is two-fold. Because the former tellers are freed from handling cash and checks as their main responsibility, they can focus on customer relationship-building and cross selling. In addition, customers have a one-stop shopping experience since a single employee can, for example, open a customer checking account and accept the initial deposit.



FirstCapital’s ten 24-hour, five-days-a-week video teller kiosks have garnered a 95% customer approval rating.



### Customer acceptance good

Katie Boyd, senior vice-president, training and marketing manager at FirstCapital, estimates a 95% customer approval rating of TellerConnect. Customers who are used to communicating through Skype and FaceTime, in particular, naturally gravitate toward video banking.

For customers who may be unsure or apprehensive about using TellerConnect, the branch has trained personal bankers to assist. Often, a personal banker will walk customers from teller stations to kiosks, explaining that they may need to do banking after hours and offering to show customers how TellerConnect works. When the bank first introduced drive-through TellerConnect kiosks, they positioned personal bankers outside to answer questions.

“Customers tell us that TellerConnect is fun and that they enjoy it,” says Boyd, noting that the bank’s efforts at customer education have been highly successful.

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—Brad Burgess, FirstCapital Bank of Texas

The biggest challenge for the bank was actual construction to support TellerConnect installations. Depending on the layout of the existing drive-through and the location of the pneumatic tubes, the bank needed to reconfigure the layout, including ripping out and replacing concrete. For kiosks located inside the branch, the bank needed to retrofit existing lobbies so that the main branch area could be closed and locked after business hours, while still enabling access to TellerConnect kiosks.

As anticipated, customers are transitioning from using the bank during traditional business hours to using the kiosks after hours, with TellerConnect’s highest usage occurring between 7:00 p.m. and 10:00 p.m.

Will interactive video replace traditional branches? At FirstCapital, TellerConnect will be in addition to, rather than a replacement for, brick and mortar, says Burgess. NCR’s Hoover believes as well that branches won’t disappear, but they will change in look and feel, possibly becoming smaller over time as they incorporate video tellers into their designs.

“The smartest banks will look at interactive video teller as an alternative way to service customers and give branch employees time to focus on connecting with customers, rather than handling checks or cash,” says Hoover. ■

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