

# YOUR GUIDE TO BRANCH TRANSFORMATION

## ADVISORY SERVICES

Physical Distribution Network Management  
Branch Efficiency Improvement & Concept Planning  
Branch Technology—Planning & Implementation Services  
New Branch Concept Implementation  
Security & Fraud Assessment/Strategy





# 5 STEPS TO TRANSFORMATION

Every financial institution's journey toward more efficient, effective operations is unique. No matter where you are on your branch transformation journey, Diebold Advisory Services can provide tailored support through a proven five-step process.

Financial institutions around the globe are developing strategies to adjust to evolving market conditions as consumer demands increase and change. Composed of a dedicated team of professionals with years of experience in banking, financial services and consulting, Diebold Advisory Services is well-positioned to assist.

<b>1</b> <b>DEFINE STRATEGY</b> What is the role of each delivery channel in our retail banking strategy? What is the optimal number of branches and ATMs we need to serve our markets? What is the target consumer experience in each channel?	<b>2</b> <b>ASSESS PERFORMANCE</b> How can we operate more efficiently in order to reduce costs while providing a high-quality consumer experience? How profitable are our branches and ATMs? How can we better mitigate operational risks?	<b>3</b> <b>DEVELOP ROADMAP</b> Which branch transformation solutions are going to have the greatest impact on our business? How do we prioritize various channel investments over the next three years? What is the most appropriate branch layout, given our retail strategy?	<b>4</b> <b>IMPLEMENT SOLUTIONS</b> How do we maximize the value of investments in branch transformation solutions? How do we ensure consumers adopt new solutions? How do we engage employees to support new solutions?	<b>5</b> <b>MONITOR IMPROVEMENT</b> Did we achieve the ROI associated with the investments required? What impact did the new solutions have on transaction migration and consumer experience? What steps need to be taken to improve performance if goals/expectations are not being met?
	Network Optimization			
	Market Analysis			
	Branch Efficiency Assessments			
		Branch Concept Planning		
Deposit Automation Deployment				
			Deposit Automation Implementation	
Teller Automation Deployment				
			Teller Automation Implementation	
In-Branch Self-Service Strategy & Implementation				
		New Branch Concept Implementation		
	Physical Security			
	Security & Fraud Program Assessment and Development			
	Fraud Risk			

**1 2 3 4 5**

No matter your progress toward a transformed branch channel, Diebold Advisory Services offers packages to assist you. Certain packages are most helpful at specific steps in the process and are labeled accordingly.

## PHYSICAL DISTRIBUTION NETWORK MANAGEMENT

### Network Optimization ① ② ③

Diebold advisors analyze existing distribution networks, determining the financial contribution and value of each branch and ATM, consumer demographics, transaction volumes, and market potential. Advisors will make recommendations related to de novo branches and off-site ATMs, branch closures and relocations, and off-premise ATM relocations/removals to create an optimal distribution mix. All recommendations will be supported with financial justification and prioritization of recommended actions.

### Market Analysis ① ② ③

Diebold advisors assess market characteristics and growth potential while identifying market coverage gaps and sub-markets for potential entry. Advisors will recommend strategies to capitalize on high-priority opportunities for de novo branch expansion. You can expect an in-depth assessment of market characteristics, identification of higher-potential gaps in distribution network coverage and estimated financial return from investing in proposed de novo locations.

## BRANCH EFFICIENCY IMPROVEMENT & CONCEPT PLANNING

### Branch Efficiency Assessments ② ③

Diebold advisors analyze branch operational data and conduct on-site visits to a representative set of branches to observe consumer/staff interactions, branch layout and traffic flow, and branch operational processes. Advisors proceed to offer prioritized recommendations, with supporting financial justification, that highlight opportunities to improve teller/platform processes, refine existing staffing models, job descriptions and training, enhance the consumer experience, and deploy technology that facilitates suggested changes.

### Branch Concept Planning ③ ④

Diebold advisors create concept plans for different branch types (e.g., hub, spoke, mini-branch, etc.) that illustrate branch layout and traffic flow, as well as placement of technology components, for de novo locations or existing branches. Advisors will then provide you with recommendations regarding creation of desired consumer experience and staffing for each branch concept. You will be provided with a financial model to quantify the incremental business required to justify investment in building a new branch or remodeling an existing location.

## BRANCH TECHNOLOGY—PLANNING & IMPLEMENTATION SERVICES

### Deposit Automation Deployment ① ② ③

Diebold advisors will analyze your consumer base to understand demographics and channel usage behavior and preferences. Advisors then collaboratively determine the optimal deployment strategy and business case for the roll-out of deposit automation across your footprint. You can expect a prioritized implementation plan for deposit automation, transaction migration goals per branch location, and a business case with ROI and payback metrics.

### Deposit Automation Implementation ④ ⑤

Diebold advisors develop a comprehensive execution plan to ensure you are able to fully maximize the value of your investment in deposit automation to achieve related branch transformation objectives. Advisors develop a playbook with training communications and marketing strategies, while providing recommendations on process changes related to the branch and back office, employee training/engagement, consumer adoption/communication strategies, and a reporting framework for measurement and analysis.

### Teller Automation Deployment ① ② ③

Diebold advisors utilize insights gained from assessments of branch operations, transaction levels and staffing to collaboratively determine the optimal deployment strategy and business case for the roll-out of teller automation. Typical outcomes of this process include a prioritized implementation plan across your branch network, recommendations for the number/type of units to be installed for each branch, and a business case with ROI and payback metrics to support investment in teller automation.

### Teller Automation Implementation ④ ⑤

Diebold advisors create a comprehensive execution plan to ensure you fully maximize your investment in teller automation. Advisors will define training requirements and materials for employees, create key message elements and communication vehicles, identify opportunities to streamline transactional processes, and improve consumer interaction in the branch. You can expect a measurement framework to assess impact of teller automation on operating costs and consumer experience.

## NEW BRANCH CONCEPT IMPLEMENTATION

### In-Branch Self-Service Strategy & Implementation 1 2 3 4 5

Diebold advisors work with you to implement a pilot of in-branch self-service units in one or multiple branches, assessing processes and transaction activities in those branches to define the target customer experience and drive more in-branch self-service channel traffic. Advisors collaborate with you, strategizing on technology implementation, development of employee training, consumer adoption strategies and a framework to measure pilot results against established success criteria.

### New Branch Concept Implementation 3 4 5

Diebold advisors develop a comprehensive plan to assist you with implementation of new branch concepts/formats (e.g., tellerless branches, mini-branches, etc.) by defining the target consumer experience for a particular branch concept and the metrics required to measure branch performance. Advisors then address changes to human capital elements required to ensure the success of a new concept—such as job descriptions, recruiting strategies, training, performance evaluation criteria and incentive plans—and will identify process, technology and equipment changes required to support a new branch operating model.

## SECURITY & FRAUD ASSESSMENT/STRATEGY

### Physical Security 2

Diebold advisors assist in developing security procedures required to support new branch operating models. To mitigate risk, advisors will address key risk factors by conducting branch and ATM risk assessments. The outcome of this effort will include a ranking of each location by risk level and may also include an assessment of and recommendations for improvements in your branch and ATM electronic security environment to reduce losses and improve operational efficiency in a measurable manner.

### Security & Fraud Program Assessment and Development 2

Diebold advisors assess key security and fraud-prevention metrics, such as incident and loss data, and will review governance, policies, standards, systems and reports to ensure they are scaled to effectively reduce risks. Advisors will interview stakeholders to understand how services are delivered across your organization, ultimately creating a prioritized list of program gaps and concerns along with recommended improvements for both immediate and future consideration.

### Fraud Risk 2

Diebold advisors analyze demand deposit account charge-offs to gain an understanding of fraud instances that could have been detected and calculate savings based on reduced charge-off rates. Typically, you can expect the identification of opportunities for improvement in this regard, either through process changes, policy adjustments, third-party services or implementation of technology solutions. Advisors will also assist by quantifying the potential ROI in new fraud-detection solutions and providing fraud risk assessments for other delivery channels.



# TAILORED

Strategies are customized to account for factors that make every institution unique.

Regardless of what you need to reach your branch transformation goals, Diebold Advisory Services can assist. To connect with a Diebold advisor, call 800.806.6827 or email [requests@diebold.com](mailto:requests@diebold.com).

How can I improve branch efficiency and enhance customer experience?

How should I prioritize my branch transformation initiatives?

Which solutions will generate the greatest return on investment?

## DIEBOLD CAN HELP

