

# Why FIs should resolve to outsource their ATMs in 2019

Jan. 17, 2019

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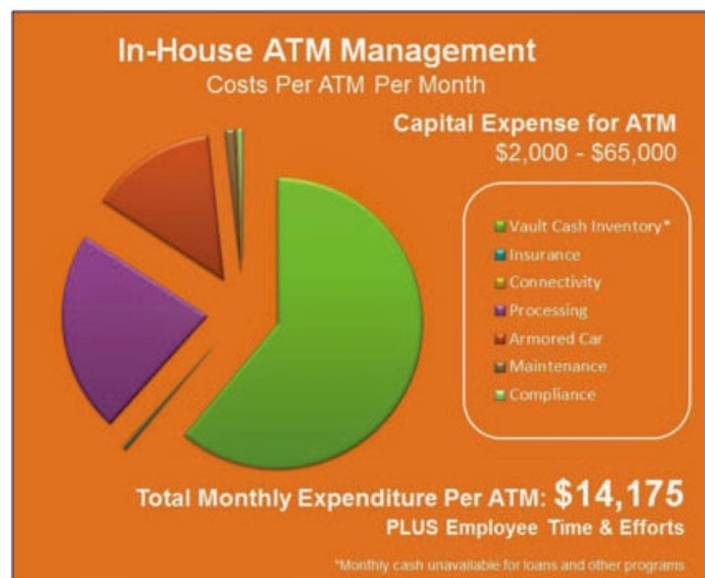
Financial institutions need to have ATMs in easily accessible, convenient locations in order to retain and attract account holders.

However, due to changing technology, increasing compliance requirements and growing security risks — not to mention the upcoming migration to Windows 10 — it can be financially and operationally overwhelming for banks and credit unions to manage and maintain their aging ATM fleets.

Rather than continue to struggle through another year with terminal upgrades and updates, management and repair, many banks and credit unions might find that ATM outsourcing presents a fiscally sound and sensibly time-saving alternative to owning and operating their own fleet.

Judging by recent cardholder trends, the majority of financial institutions today are allocating a greater portion of their budget and human resources to the development and implementation of mobile, online and other electronic banking tools.

More often than not, this means that resources devoted ATMs and the introduction of new functionalities to serve account holders want are being stretched thin.



*source: Star Financial Services*

ATM outsourcing can reduce an institution's overall operating costs and eliminate the challenges posed by maintaining regulatory compliance across an ATM fleet. Additionally, outsourcing can reduce stress on a bank or credit union's limited human resources and improve customer or member service across all touch points.

## **What ATM outsourcing can do for your FI**

**Reduce operating costs** — When financial institutions outsource their terminals with an ATM partner, they benefit from reduced operating costs and unlike with traditional managed services they only have one vendor to manage.

An ATM outsourcing partner should be able to consolidate all services and fees required to operate an ATM into a single monthly payment, freeing up a substantial amount of capital.

**Eliminate ATM compliance challenges** — One of the greatest benefits of ATM outsourcing is an institution's ability to drastically reduce or eliminate its responsibility for maintaining compliance in ATM-related matters.

All regulatory responsibility such as upgrading or replacing terminals, installation of software patches, as well as security and fraud protection are addressed by the outsourcing provider.

**Improve customer service** — A financial institution's primary goal is to stimulate growth and increase revenue by providing loans and other financial services to account holders. The location and capabilities of an institution's ATMs undoubtedly play a key role in attracting and retaining account holders. But, outsourcing this aspect of account holder service can ensure not only that account holder needs are effectively met with improved uptime and enhanced functionality, but also that their needs across other channels are more readily met by staff freed from the distractions of having to attend to non-customer-facing ATM-related tasks.

If reducing operating costs, eliminating ATM compliance headaches, and freeing up capital and human resources to focus on more customer-centric services without sacrificing ATM uptime and reliability, is appealing then make outsourcing your ATM fleet your New Year's resolution.

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