



If I Completely Automate My Business, What's in it for Me?

CHECK-CASHING PIONEERS HAVE SOME ANSWERS | BY ABBY HANS

By now you've probably read a few articles in this issue of *Currents* and many of your questions about technology have probably been answered. Last year I wrote a column in the June issue of *Currents* about technology and interviewed a few FiSCA owners. Their views ranged from single-store owner Glen DiGravio

of Massachusetts, who uses the Monroe 3190 system and the Western Union Hypercom money order system for his two teller windows, to Luis Portillo of El Paso, Texas, who has an in-house computer programmer for his own point-of-sale (POS) system for his five-location chain.

Since the June 2005 issue of *Currents*, I have spoken with some Illinois FiSCA members about their ventures into the world of computerization and have found that they generally like the choices they have made. I have concluded that the desire of the owner to "get up to speed" was a major factor in their getting their foot into the door of the world of technology. Once they started on their computerization journey, however, there was no turning back.

So for this issue of *Currents*, I decided to speak with a couple of software vendors based here in Illinois. Their companies are both what I would call "pioneers" in the check cashing software business. They have existed side-by-side for over twenty years, and they both have given their customers the tools they needed to streamline their businesses and provide some real efficiencies as well.

Masis Sarkisian, of B.E.S.T. Inc. of Des Plaines, Illinois, has been in business since 1982. Masis states that by going the full POS route "the owners can have one cashier do the work of one-and-a-half tellers" because of the efficiencies that are built into his software. Masis' approach is to streamline the number of teller key strokes. "Instead of going through steps A, B, C and D to get to E, I find a way to get from A to E by avoiding B, C and D." The way he accomplishes this is by "listening to the foot soldiers – the cashiers." Masis makes an effort to seek input from the check-cashing cashiers as well as the location owners. He states that he has

spent a decade "polishing the software." One gratifying response that he receives from owners is "they did not anticipate the simplicity and ease with which new cashiers are being trained." This obviously is a big plus of computerization.

One unexpected result of computerization is that Masis sees nontraditional businesses getting into the check-cashing business. "Businesses that used to do check cashing as a sideline now want to automate and use check cashing as a business model. These businesses include grocery stores, phone card stores, liquor and convenience stores."

Digital Currency Systems (DCS) of Northbrook, Illinois, is headed by Todd Gagerman. Todd has grown up in the check-cashing industry. His father, Jerry Gagerman, and Jerry's wife, Irene started DCS in 1986. Since taking over as president of DCS in 2003, Todd has revamped DCS and has made fraud detection a high priority. Todd says, "(Check-cashing) policies and procedures can be more efficient when a computer system can enforce limits on the tellers."

The use of a series of "red flags" in the DCS POS system alerts the tellers about questionable customers. If locations are networked, a red flag warning needs to be entered only once and all locations will have that information.

DCS uses a modular approach to location computerization. Their signature card program, Sigcard, and bill payment systems, BPS, are widely used in the industry. Todd feels that his full POS systems have done wonders for his check-cashing clients, especially those that choose to network their locations and share customer Sigcard information. "You can instantly see on your screen if a customer has been to one of your other locations. This helps in detecting

fraudulent activities."

Obviously, by using computers in check-cashing locations you can, as Todd states, "address the issues of transaction speed, fraud detection and risk management."

One advantage that both Todd and Masis promote is the management tools that computerization gives owners. The multitude of reports that owners can get from their systems allows them to more accurately view their business and take corrective measures in all or selective part(s) of the business.

Both companies have gone to great lengths to incorporate various third-party applications, such as bill payments and check verifications, personal check verifications, as well as OFAC information, auto license registration and foreign currency exchange, into their software. B.E.S.T. and DCS have made these applications transparent to the cashier/teller, which saves time at the window.

...SEEK INPUT FROM THE CHECK-CASHING CASHIERS ...

On a personal note, I have found the computerization of our Checkexpress locations to be a great help. Accuracy and "customer time at the window" are critical in our business. We all loathe having to "stay after" to find a mistake in an "end of the day balance." The use of software does help in cutting down the time required take care of a customer and finding an insidious mistake at day's end.

So, if you've been hesitant to computerize your locations, grab your son, daughter or grandchild and let them show you how computers can help you. Then get out your old IBM Selectric and show them how fast you used to be. Just don't hurt yourself picking it up. We need you at the window. ■

Abby Hans is President of Checkexpress, Chicago, Illinois, and former FiSCA Chairman. You can e-mail him with your questions at abby@mycheckexpress.com