

Raiffeisen Bank Serbia, among the top five banks in Serbia, joined forces with Diebold Nixdorf for a branch transformation project that took place under the motto "A transformational journey, end-to-end." The objective of the partnership was to harmonize and intertwine efficiency, processes and design in the bank's Serbian branches. Following an in-depth analysis of two branch types, Diebold Nixdorf's experts presented recommendations for cost reductions, efficient branch processes and optimal resource utilization. A new and revitalized design concept was created for three branch formats that will enable and support new branch processes and strengthen the power of the bank's brand.

## Bank Overview

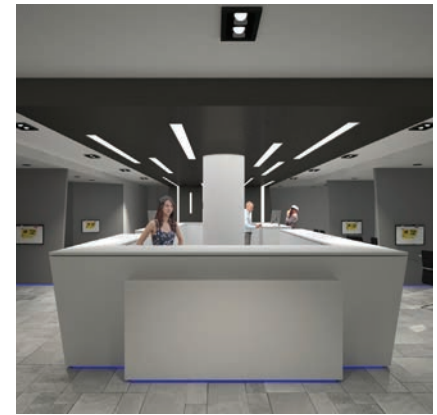
### Raiffeisen Bank Serbia

Belgrade, Serbia



**1,582\*** employees,  
**83** locations, **126** ATMs,  
**€ 1,885** million in assets

\*Source: Annual Report 2014



## SCOPE

### Branch process consulting

- Independent view of two selected branch formats (full-service and compact) through analysis of all current transaction data and process-related data
- Comparison of current situation with best-practice performance indicators
- Definition and validation of potential future scenarios
- Recommendations for process optimization, cost reductions and optimal resource utilization

### Branch design consulting

- Design consulting for a uniform branch appearance that supports all processes and services defined in the consulting phase
- Master design proposal for major branch formats (full-service, compact and mini-branch)
- Branch renewal blueprint

## SOLUTIONS & OUTCOME

- End-to-end view of all branch-related processes and components
- Support for branch process efficiency with a modern branch design (e.g. 24/7 self service area in small branches)
- Process and design standardization across all branch formats
- Significant cost savings through migration of teller transactions to self-service through recycling ATMs and assisted services.
- Consulting results were a starting point for measures to optimize processes, reduce costs and grow revenue through more efficient resource usage
- New open floor-plan branch concept enables improved customer service and increases customer touchpoints

## Phase I: Efficient Branch Processes. Improved Customer Service. Reduced Costs.

### INITIAL SITUATION

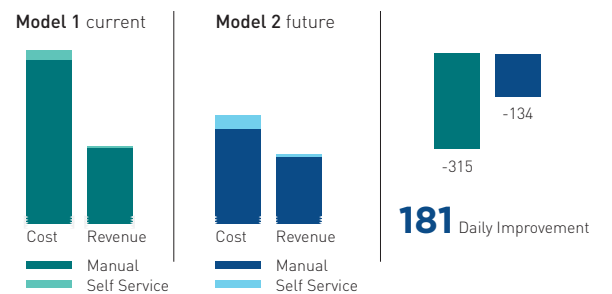
The branch is still the most important customer touchpoint for Raiffeisen Bank Serbia. However, 70% of the services provided by its employees consisted of routine transactions at teller windows. The consequences: long lines for customers, less time for consulting and sales, and the cost burden of inefficient processes and missed sales opportunities.

### SOLUTIONS

Now motivated to redesign their branch processes and leverage the potential of its branch formats, they relied on Diebold Nixdorf branch transformation experts, with their extensive expertise in retail banking. Their approach combined an in-depth analysis of the bank's current situation with a consideration of specific customer needs and wishes in a consulting project carried out for two Raiffeisen Bank Serbia branch types, the full-service branch (Bezistan) and the compact branch (Piramida).

### Branch Optimizer

#### Cost and Revenue: Overview



| Model 1        | Costs       | Revenue     | Difference  |
|----------------|-------------|-------------|-------------|
| Manual         | 2510        | 2217        | -293        |
| Self Service   | 31          | 9           | -22         |
| <b>Sum</b>     | <b>2541</b> | <b>2226</b> | <b>-315</b> |
| <b>Model 2</b> |             |             |             |
| Manual         | 2279        | 2182        | -97         |
| Self Service   | 48          | 10          | -38         |
| <b>Sum</b>     | <b>2327</b> | <b>2192</b> | <b>-134</b> |

Replacing the existing ATM with a Cash Recycling System offers significant improvement potential of **57.5%**

### PROJECT OBJECTIVES

- Provide a holistic view of the present situation for defined branch types
- Identify savings potential through the migration of manual transactions to self-service
- Optimize resource utilization per service point
- Make recommendations for optimized front office processes
- Simulate future scenarios (including the number and type of workplaces, new processes based on new technology and best practices, staff headcount, the number and type of self-service devices, etc.)

## Results & Recommendations

### FULL-SERVICE BRANCH SCENARIOS:

- Change in work schedule for three employees
- Share of automated withdrawal transactions increased to 80%
- Replacement of existing ATM with Cash Recycling System (8-cassette version to cover two currencies)

### FULL-SERVICE BRANCH RESULTS:

- Moving employee shifts from morning to afternoon reduces customer waiting times significantly
- Replacement of the existing ATM with a Cash Recycling System offers significant cost reduction potential of 57.5%
- The simultaneous introduction of two automated teller safes (ATS) for both the quick and discreet cash desks offers a total improvement potential of 106%

### COMPACT BRANCH SCENARIOS:

- Increase the share of withdrawal transactions at the ATM to 80%
- Introduce an ATS for the quick cash desk
- Replace existing ATMs with Cash Recyclers (8-cassette version)

### COMPACT BRANCH RESULTS:

- The number of employees at the quick cash desk can be reduced by one FTE by shifting cash transactions to self-service
- The replacement of existing ATMs with cash recycling systems led to an improvement of 14%.

## Phase II: One Design Strategy. Three Branch Formats.

Design consulting for Raiffeisen Bank Serbia's branch network.

### INITIAL SITUATION

Raiffeisen Bank has 85 branches across Serbia. Today, every branch has a different branch concept and interior design, which lowers the recognition potential of the bank's brand. To improve the customer experience and strengthen the power of the brand, the bank asked Diebold Nixdorf to recommend a new branch design concept in addition to combining the findings and recommendations from the first consulting phase with that new design.

### SOLUTIONS

Based on the preceding branch process consulting, Diebold Nixdorf created design proposals for three branch formats:

- full-service branch (Bezistan)
- compact branch (Piramida)
- mini-branch (Sajam)

The scope included the inspection of design opportunities onsite, conceptual design work with new floor plans, 3D isometrics and perspectives in the form of colored drafts, as well as portrayals and explanations of components, including ambient lighting, color and material options.



“The redesign of our branch processes relied on the branch transformation expertise of Diebold Nixdorf. With its unique approach of combining branch process optimization with an appropriate design concept, Diebold Nixdorf is the right branch transformation partner for us.”

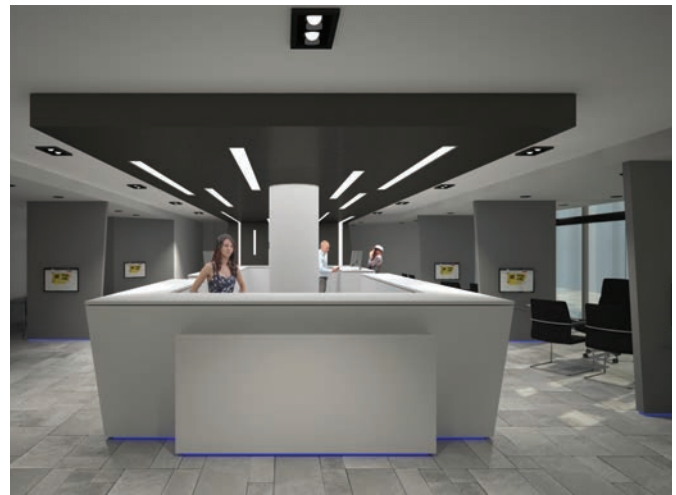
— Jelena Aksic,  
Head of Retail Branch Distribution Division, Raiffeisen Bank

### DESIGN CONCEPT FOR BEZISTAN FULL-SERVICE BRANCH

#### Current Situation



#### Proposed Layout



The recommendation to combine the two cash desk workstations was implemented in the design proposals. These proposals envision a 360° counter bar where the customer can be served flexibly from every position. Staff is positioned centrally within the branch to maintain customer contact, while routine transactions are migrated to self-service. With the design approach proposed by the branch process consultants, operations at the full-service branch are optimized and efficient. At the same time, the branch staff is close to customers to provide service and focus on customer needs.

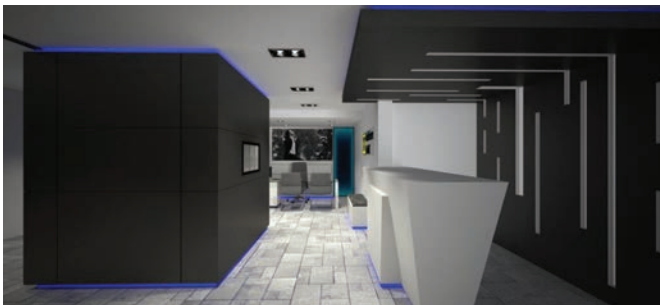
### DESIGN CONCEPT FOR PIRAMIDA COMPACT BRANCH

#### Current Situation



#### Proposed Layout

The proposed layout for the compact branch includes the introduction of a 24x7 self-service area to extend customer service outside business hours.



### DESIGN CONCEPT FOR BEZISTAN FULL-SERVICE BRANCH

#### Current Situation



#### Proposed Layout

