

MainSource Bank

MainSource Bank slashes costs by overhauling account opening process using Lexmark multifunction products (MFPs)

Challenge

MainSource Bank is growing and although that fact has resulted in many positives for the company, it has also created new challenges. One of those challenges was the morass of different makes and models of printers, scanners, copiers and fax machines that littered its branches. The dozens of disparate devices were costing the bank a great deal of money to acquire, operate and maintain—especially the copiers that were tied to expensive monthly click charge and maintenance contracts. Essentially, the bank inherited whatever equipment each new bank already had installed and all of that inconsistency was causing problems and costing money.

With the bank's growth also came new customers opening lots of new accounts. As that volume increased, the bank's processes began to show limitations. Each day, all new account paperwork was packaged up by branch personnel. Couriers drove to each branch, picked up the paperwork and delivered it to one of three operations centers. This process was expensive to maintain, including salaries for drivers and truck maintenance. Even the cost of bank bags that carried the documents increased as the bank acquired more branches. Once documents were received at the operations centers, errors or missing information were sometimes discovered, causing the documents to be sent back to the branch to be corrected. This wasted time, increased costs and impacted customer service.

"The process just wasn't sustainable, secure or consistent," said Andy Saner, vice president, director of operations, MainSource Bank. "We spent over \$500,000 per year on courier costs including vehicles, maintenance, insurance and courier staffing. But more importantly, we had no visibility or tracking of the documents themselves and where they were in the review process. So, answering customer questions was impossible until the documents were entered into our systems at the operations center. The expense and the delay was just too big." MainSource Bank needed a better solution that could grow as the bank grew and provide more visibility to the status of each new account in the approval process.

First, MainSource Bank eliminated its courier system and began using a third-party overnight delivery service. This provided a consistent, scalable and reliable infrastructure for document delivery from the branches to the operations centers and provided a basic level of tracking—at least to the package level once documents left the branch. While this approach saved approximately \$100,000 annually, there were still challenges and limitations with the process.



Meet MainSource Bank

MainSource Bank is a community-focused, multi-bank financial services oriented company with 85 offices in four U.S. states. Its assets total approximately \$2.9 billion.



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“It was a step in the right direction but the cost savings were not significant enough and we still didn’t have the tracking we needed to provide the level of customer service that was truly required for our customers,” said Saner. “And, it didn’t address the volume of devices we had in the branches or eliminate our expensive copier leases.” Saner soon learned that Lexmark, the provider of the bank’s monochrome laser printers in its branches, had a recommendation.

Solution

Lexmark recommended replacing the copiers throughout MainSource Bank branches with Lexmark MFPs equipped with its Account Opening solution that automatically scans new account signature cards directly to the bank’s operations centers. Doing so would eliminate MainSource’s expensive copier leases and enable new account paperwork to enter the bank’s approval system immediately. About \$200,000 annually in copier/scanner/fax maintenance, supplies and support costs have been eliminated.

Bank associates now scan new account paperwork right at the MFP. They load the account documentation into the auto-feed scanner on the MFP and select the large, “new account opening” icon on the full color touchscreen eTask panel. The document is automatically scanned and enters the bank’s routing process. Intelligence built into the Lexmark software specifically for MainSource Bank automatically detects errors in the documentation and prompts the bank associate to correct any mistakes or add missing information even before the documents are routed. This can now occur while the customer is still in the branch. This eliminates errors, speeds up new account openings and improves customer service. Now, new accounts are processed and opened the same business day and MainSource Bank has immediate visibility to where each new account is in the bank’s process. At best, new accounts were previously opened in four or five business days with the old process.

As the bank reviewed this approach, Lexmark advised that installing MFPs would also consolidate devices in the branches. There would no longer be a need for separate printers, scanners and fax machines because Lexmark’s MFPs could handle all those functions in a single unit. There are now three Lexmark devices in each MainSource Bank branch. One or two Lexmark monochrome laser printers for the tellers, and one Lexmark MFP for printing, copying, faxing and for automatically scanning new account signature cards directly to its operations centers.

“All of the devices and our account opening process is the same, no matter what branch you go to,” said Saner. “This has been a huge improvement in our ability to serve our customers because we can now immediately answer questions that we couldn’t answer before.”

MainSource Bank also decided to become a Lexmark self maintainer and had its own service technicians certified on Lexmark devices. These techs perform on-site maintenance of Lexmark devices as needed and Lexmark provides next day replacement warranty service as part of its contract.

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Results

According to Saner, MainSource Bank has achieved a positive return on its investment in the Lexmark solution in the first year.

MainSource Bank now has a standardized and optimized set of devices throughout its branches. The bank's copiers and expensive click charge and maintenance agreements are gone. Consumables ordering and fulfillment for the bank's new Lexmark devices is simplified because every branch has the same set of devices. Maintenance has been simplified as well now that its own technicians have been certified to service the Lexmark devices. "Lexmark's overall philosophy is to help us achieve our goals," said Saner. "That's the kind of partnership we need and at every turn, Lexmark has met or exceeded our expectations."

The bank also has a sustainable, consistent and secure process for new account openings. New accounts are opened for customers the same business day instead of four or five days later. Immediately scanning documents into the bank's system gives bank personnel near-instantaneous visibility to where each is in its new account opening process, which has improved customer service. Costs associated with the courier approach and overnight shipping have also been eliminated.

"We have made a very significant and strategic investment in Lexmark and Lexmark has made an equal investment in us," said Saner. "We're already looking at ways that we can further leverage our new MFP technology and our partnership with Lexmark."

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