



## The Cash Management Focus Of Retailers

When looking to execute their remote cash capture activities effectively and efficiently, in 2011 retailers are focusing their efforts on two key areas.

by Ed McGunn

As part of our continuous effort to keep abreast of retailers' remote cash capture improvement priorities, we conduct multiple surveys during the year. They go out to a number of industry segments including specialty retail, fast casual restaurants, quick serve restaurants, and c-stores. In 2010, after compiling the results of 12 surveys, the top two cash-handling priorities were: 1) reduce cash shrinkage (the number one issue to 52% of respondents); and 2) increase staff productivity (48%). These findings were reinforced by another survey we conducted in 2011 focused on c-stores. The two most serious cash handling issues to c-stores were inefficient cash handling and cash shrinkage from internal theft (69% and 64% respectively). Importantly, it does not look like either of these two issues is going away; more than 80% of respondents thought the seriousness of each issue has remained the same or increased since last year.

Staff productivity, or inefficient cash handling, focuses on remote cash capture activities performed by retail staff during normal daily operations ... specifically the time employees spend counting cash, recounting cash, reconciling discrepancies, making bank deposits, and trying to determine accurate cash positions. Unfortunately we all understand cash shrinkage from internal theft. Retailers know that addressing these two issues can have a direct impact on profitability.

To address these issues retailers can employ a number of process improvements, enabled by either a business-rated traditional drop safe or a smart safe with an integrated bill acceptor. While the former provides a secure enclosure for cash and can help with these issues, the latter provides a number of distinct advantages when it comes to remote cash capture.

A smart safe with bill acceptors can consistently and accurately read all denominations and provide automatic counts of money received, while protecting against counterfeit currency. With a bill acceptor, a safe's door is opened less often, thereby reducing direct access to the main bank of funds. The less often a safe door is opened for any reason, the safer the assets inside. These features not only reduce the threat of theft, shrinkage, and counterfeit currency, but also provide businesses the ability to securely execute cash transactions in a closed-safe environment across the enterprise. With automatic counts, less time is spent counting cash, and the opportunities to create cash discrepancies are nearly eliminated.

The latest generation of smart safes can be connected to a communications network via an Ethernet or wireless connection, taking retailer's cash management capabilities to an even higher level. Managers can understand their cash positions quickly, and do so either on-site or remotely. They can also set up email alerts so they are notified when specific transactions or events occur, view or download deposit detail and employee usage logs, and run a wide range of financial analysis reports. This includes visibility of safe activity and cash positions across all of a retailer's locations. In addition, access to any safe can be granted and monitored remotely to aid in enforcing business rules and identifying procedure violations. Retailers have never had such visibility and control in managing their cash flow across operations, down to the transaction level.

Installing a smart safe will not only reduce the cash shrinkage but also increase staff productivity. By having a defined set of remote cash capture procedures in place, enabled by an intuitive, easy-to-use, and easy-to-learn smart safe, retailers can realize a positive impact to their bottom line. Perhaps most importantly, they will have happier customers as staff can spend more time with them, rather than handling cash. ■



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