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Boosting Collections Performance

Collectors walk a difficult tightrope. They need to collect overdue funds to maintain sufficient cash flow and to profitably run their businesses. At the same time, it is important to maintain relationships with loyal customers while they overcome current difficulties. This White Paper uncovers the best practices to achieve this balance.

Dick Bucci
PELORUS Associates

Staying Profitable

Striking a balance between profitably running your business and maintaining relationships with loyal customers.

"Approximately 386,000 people are employed as collectors in the U.S."

"The number of collections professionals is expected to grow by 23% by 2016."

U.S. Department of Labor.

The Collections Business

Home foreclosures are at record levels. Credit card charge-offs, up 37.5 percent, were $6.3 billion in the first quarter of 2008. With inflation and a credit crunch the average consumer is balancing who to pay monthly.

Collectors walk a difficult tightrope. They need to collect overdue funds to maintain sufficient cash flow and to profitably run their businesses. At the same time, it is important to maintain relationships with loyal customers while they overcome current difficulties.

According to the U.S. Department of Labor, there were approximately 386,000 people employed as collectors in May 2012. About one in four worked for one of the nation's 5200 private collection establishments. Credit and collections are one of the fastest growing employment categories in the United States. The number of collections professionals is expected to grow 23 percent by 2016.

The Goal of Collectors
The goal of both in-house and third party collectors is to collect all or a substantial portion of the outstanding debt as efficiently and cost-effectively as possible. However, there are two important differences:

First, in-house departments strive to maintain the customer especially if the delinquent customer has had a good record in the past and appears to be just going through some difficult times. The collection agency's primary incentive is to collect on outstanding debt. Their compensation relies on it. This is not to say private collectors are indifferent to debtors as frayed relationships reflect poorly on both the agency and their clients, but ultimately they are metric driven and not customer centric.

The other major difference is regulation. Agencies are regulated at both the federal and state levels. The primary federal legislation governing the collections industry is the Fair Debt Collections Practices Act (FDCPA). In-house organizations are largely exempt from the FDCPA but still have responsibility for protecting consumer privacy, avoiding fraudulent practices, and most importantly – maintaining a positive reputation for their firm.

The $15 billion collections industry faces unprecedented challenges, including rising costs and deteriorating debt portfolios that are eroding margins for collections agencies. The cost of entry is low; a collector needs only a telephone, computer, and a list of delinquent accounts. There are few state requirements for agencies to adhere to. Bad times for consumers translate into good times for collectors and many new entrants can be expected, adding additional pressure to margins.

How can your organization achieve success in this challenging industry? The intent of this paper is to explore the three critical factors that are central to success in the collections business: productivity, management, and compliance – and explain how integrated technology solutions can contribute to progress with each success factor.

Success Factor 1 – Increased Productivity

Agencies have little price flexibility. The path to profitability is continuous productivity improvement and reducing operating costs. For well-run agencies average operating costs are 25 percent of gross collections. Every dollar of savings translates directly into bottom-line profits. Similarly, in-house collections operating cost savings translate dollar for dollar to the enterprise bottom-line.

Collections and risk management is a labor-intensive business. Actions that can significantly boost productivity in the collections function include:

- Having the right technology for managing calls
- Segmenting and prioritizing accounts
- Developing a collection strategy and tactics
- Providing collectors with the information they need when they need it
- Maintaining accurate and up-to-date call lists
- Automatic report generation

Having the right technology for managing calls
From the cost side the key is process automation. If a function can be automated (and the cost of the investment is less than the expected savings) then it makes sense to move forward with the new or improved technology. Labor is by far the largest cost component of any professional collections firm.

Step one is implementing a predictive dialer. Automated dialing systems place calls to lists of overdue accounts. When the call is answered it is released to the collector. This saves hours of unproductive manual dialing to no-answers, hang-ups, and answering machines. Consider the following example.

These findings were based on the actual experience of CBC (Credit Bureau Collections), a firm based in eastern Tennessee:

- In a manual dialing environment (including speed dials) it can take up to 45 attempts to reach the right party
- Most collectors average only 12 to 18 minutes of each hour talking to contacts
- Approximately 30 percent of a collector's work day is on the phone attempting to collect funds from debtors
- The other 70 percent is spent on spurious activities
- If the average agent cost is $24,500, that equates to $17,150 per agent in lost productivity annually

According to Fair Isaac (Leveraging Collections Best Practices to Control Your Level of Return), "Few things can increase productivity as dramatically as automated telephony and dialer systems. Organizations easily have increased the number of accounts worked by more than 100% with effective call automation technology."

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Automated dialing systems are available in several versions, ranging from basic speed dialers to sophisticated predictive dialers. An administrator creates a campaign on a predictive dialing system and then the system automatically selects the person to be called, dials the number, waits for a human response, and only passes a call to an available agent when it connects with a human voice. Since the agent doesn't have to deal with busy signals, answering machines, network messages, and "no answers," he or she is freed up to take one "ready" call after another. The system uses sophisticated algorithms to 'predict' call connection rates and paces launched calls to expected agent availability, in essence launching many calls at once to get one live connection per agent – hence the term 'predictive' dialer.

Advanced systems have the intelligence to determine the best calling times for different numbers, based on past results. The devices can more than double agent productivity, as they eliminate manual dialing each number, answering machines and no answers. Similarly, telephony resources are also maximized.

Step two is deploying an integrated system; consisting of an interactive voice response system (IVR), intelligent call routing, computer telephony integration (CTI) and an automatic recording system.

Consider the situation where a collector leaves a message for a debtor to return a call. An IVR that answers these calls and routes them to the appropriate agent(s) concurrently pushing essential information to the agent's desktop is essential in the collections environment today.

The recording capability is needed for compliance management and agent evaluation. Best-in-class support systems are fully integrated so they function harmoniously. Unfortunately most applications in place today are not, which reduces efficiency and adds to training, internal support, and maintenance costs.

Effectively manage inbound calls

When the debtor is responding to a message or collateral piece and calling you it is critical that a live agent be available. The debtor may not call back a second time. The integrated system should include a sophisticated inbound call routing scheme that recognizes the value of the call and is capable of routing the call to specific agents based on caller touchtone entries, caller ID information or specific agent skill sets. Basic automation should allow for calls to be answered by the auto attendant or IVR within three rings and then promptly delivered to an available agent.

Now, with the right technology, it's possible to take the automation process a step further – through IVR, the caller may be presented with the option of making their payment by credit or debit card. The device recites the required disclosures and confirms payment information with the caller.

As there are no legal restrictions on the time of day that inbound calls may be accepted and processed, automated payment technology, via interactive voice response or the web, boosts productivity by effectively extending hours 24 X 7 with no additional labor requirements. Additionally, automated payments can be much more profitable to the "house" as there is no requirement to pay a commission.

Segment and prioritize accounts for maximum yield

Collectors maximize resource allocation by matching a collections strategy to the individual account. The starting point is organizing the collections data by attributes such as number of days delinquent, debt amount, amount past due, credit score, number of debts in collections, debtor income, payment history, and any special knowledge about the debtor, such as employment status, marital status, co-signor to the loan, and years at present address.

Based on their experience and statistical modeling software, organizations should be able to prioritize accounts in terms of probability of payment. A simple but effective way is to categorize contacts by risk level. Higher risk accounts obviously require different treatment, such as earlier intervention and agent contact, than low risk accounts.

Develop a collections strategy and tactics

The strategy is simple – concentrate resources where you will achieve the greatest impact. Tactics include determining who will handle each contact, how they will be handled, and how frequently.

Loans with a high probability of payment and modest balances can be handled through low-cost methods such as mailings, IVR self-service or assigned to junior collectors. Higher risk accounts will require more aggressive tactics. You may wish to assign more experienced agents to these accounts and your contact strategy may involve a combination of letters and telephone calls.

Your technology solution must be capable of supporting your tactics like routing calls to specific agents, or a pool of agents, leaving messages, connecting to an agent immediately, sequentially calling numbers in a profile and skip tracing.

Predictive dialers can be programmed to call specific numbers at pre-determined intervals. The devices keep dialing at programmed intervals until they reach a live person then connect the call to an agent within seconds. It is very important to move quickly on high-risk accounts. According to the Commercial Collection Agency Association the ability to collect on an account deteriorates at an average of 10% each month the payment is uncollected.

Maintain accurate and up-to-date call lists

According to the U.S. Census, between 16% and 21% of Americans change addresses each year. Phone numbers change even more frequently! People add/drop additional lines, change numbers, or even discontinue home telephone service altogether in favor of wireless phones. At the end of 2012, 36% of U.S. households were wireless-only. This translates to approximately 60 million wireless subscribers. Additionally, over 30 percent of American consumers have unlisted telephone numbers.

A few simple steps to follow:

- Always request "Address Service Requested" on all outgoing mail. The post office will then research the new address and return the envelope with the new address.
- Script your agents to close calls with a 'best number to reach you' and do not allow them to close the record until that is verified.
- Provide customers a change of address and change of telephone number reply card in all correspondence.
- Initiate proactive customer contact – notifying customers using IVR that you have received a payment, along with a thank you and "press '1' at this time if your profile/contact information has changed".

Very importantly, new information should be entered into the database as soon as it is available and all agents should have access to the same database. Advanced predictive dialers have list management features that automatically update all records when new information is entered into the CRM or collections management system.

Collections firms and in-house collectors typically run parallel systems – collections software and predictive dialers. It is paramount that these two systems be tightly integrated. Any delays between the time a change is entered into the collections software and it is incorporated in the daily call list can result in embarrassing calls to consumers who have already paid their bills and potential compliance violations.

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To be effective, managers need the appropriate tools to create logical workflows for their agents and to allow them to measure, report, train, evaluate and coach for success and retention

Maintaining accurate and up-to-date call lists increases productivity by reducing the number of unsuccessful contact attempts. It is important to contact accounts frequently – even if payment patterns are improving. This is a good opportunity to praise the customer for their improved fiscal management. At the same time, you may be alerted to changes to their telephone number (which often implies an address change as well.)

Provide collectors with the information they need, when they need it
Via computer telephony integration (CTI) account databases can be associated with the caller, based on the calling number or some other identifier such as an account number entered at the IVR or programmed into the predictive dialer.

As soon as a call connects, your agents' screens are populated with information from your customer database. Collectors can process inbound and outbound calls much more quickly and efficiently if the data they would otherwise have to request from the caller is already right in front of them.

Success Factor 2 – Effective Management

Technology cannot replace sound judgment, managerial leadership, and knowledge born from experience – but it can make good managers more effective. One of the challenges facing collections managers today is retaining employees as the cost of turnover to the business is skyrocketing. Agents must be knowledgeable across a broad spectrum of skills including understanding their account base, internal procedures, computer applications, and laws and regulations that define relations with debtors.

To be effective, managers need the appropriate tools to create logical workflows for their agents and to allow them to measure, report, train, evaluate and coach for success and retention.

Quality monitoring for coaching and training
Effective evaluation and coaching can only be accomplished by analyzing actual interactions. Manual methods like side by side monitoring (sitting next to a collector with a headset on or listening remotely to every call), can only be accomplished in the smallest of operations. These methods are highly inefficient and provide no basis from which to validate agent performance or prove compliance with legal requirements.

Automated systems capture voice (and sometimes data) interactions and archive it for later retrieval. Managers can use handy search features to identify and retrieve specific interactions. Collection management saves a great deal of time and money because supervisors do not have to sit idly waiting for a "coachable" call and agents are not intimated by having a supervisor sit alongside listening to the call.

Call-center grade automated recording systems come in two basic flavors – those that record all calls, often referred to as "loggers," and those that record only a small fraction of calls – known as "quality monitoring" systems. With both types supervisors and managers can listen to samples of recorded calls to assess how well the agent performed on certain key attributes.

Examples include: courtesy, accuracy, problem solving, speech clarity, compliance, and call control. Most contact-center grade recorders include evaluation applications that allow supervisors to build grading forms, score agents at the time of their choosing, and create trend reports based on agent evaluation reports. Supervisors use the completed evaluations and the archived interactions as coaching and teaching aids.

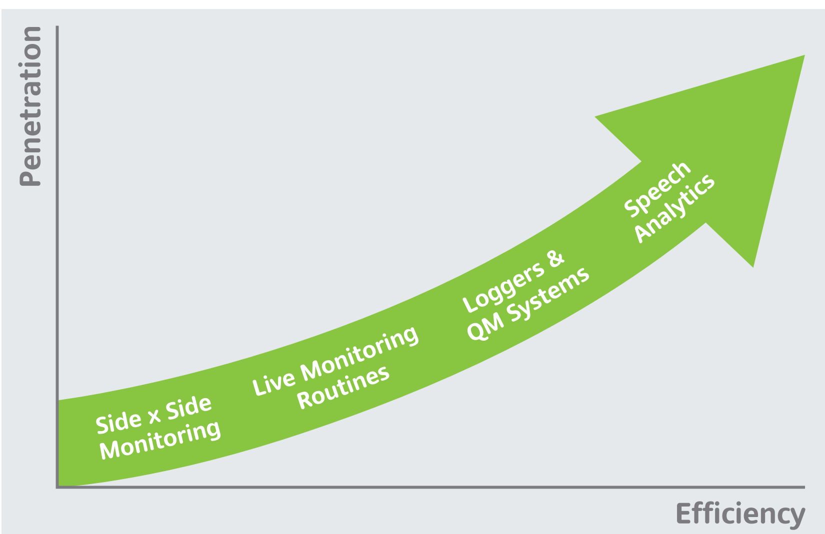
However, for compliance protection it is best to install full recording systems. Every voice interaction is captured and archived. Supervisors can quickly retrieve voice files from a console by entering search data, like date, time, agent, and calling party.

Where deployed, speech analytics can be a valuable tool for searching for specific words and phrases, and expanding the pool of reviewed calls. Speech analytics is especially important for assuring compliance. If there is a legal challenge or suspicion there may be a weak link somewhere in the professional staff, management can quickly search for key words or phrases that may signal a problem. You do not need to know the agent, date, time of day, or called party to search for this critical information.

Automated reporting
Collections firms and departments use a variety of metrics to measure and evaluate performance. Examples include right party contacts per hour, collections per hour, call duration, average handle time, promises to pay, kept promises, call abandons, callbacks per collector and many others. Creating reports manually via Excel spreadsheets can take up to 30 percent of a supervisor's time and may not be provided in time to take appropriate corrective actions.

Your telephony switch and predictive dialer are the prime sources for calling statistics. The solutions you select should have the ability to create performance reports of your design at pre-determined intervals.

Creating reports manually via Excel spreadsheets can take up to 30% of a supervisor's time and may not be provided in time to take appropriate corrective actions.



Workflows
Collectors have many duties besides calling past-due accounts. Right party contacts need to be verified. Payment terms need to be negotiated. Payment commitments recorded. Certain mandatory disclosures must be expressed. Forms must be completed and letters generated. Databases need to be constantly updated. Collectors must move through their assigned activities sequentially. Implementing the right technology solution can help automate processes and integrate workflows that present forms, scripts, and tasks, in the proper order.

Many critical statistics such as telephony occupancy and abandoned calls can be displayed in real-time, so management can react quickly to significant deviations from performance objectives.

With an integrated solution, data sources are common and reports can be generated in real-time. The reports can be easily aggregated and consolidated across centers and views can be localized to meet the specific needs of the organization.

Success Factor 3 – Compliance Management

Collections activities are tightly regulated at both the federal and state levels and there are numerous legislations that collections firms must abide by. Some, like the Fair Debt Collections Practices Act (FDCPA) apply primarily to third party collectors while others apply to both third party and in-house collections functions. We will touch on three that have the most significant impact on telephone communications with consumers..

The Fair Debt Collections Practices Act (FDCPA)
The FDCPA is the landmark legislation governing the collections industry which became effective March, 1978.
The FDCPA is designed to eliminate abusive, deceptive, and unfair debt collection practices. It also protects reputable debt collectors from unfair competition and encourages consistent state action to protect consumers from abuses in debt collection.

Such practices can cause substantial consumer injury, including payment of amounts not owed, unintended waiver of rights, invasions of privacy, and emotional distress. Although the Federal Trade Commission (FTC) is vested with primary responsibility under the FDCPA it shares responsibility with seven other federal agencies.

While the FDCPA generally applies only to third party collectors, some states such as California have state consumer protection laws which mirror the FDCPA, and regulate original creditors as well. Both third-party and in-house collectors must also be familiar with state bankruptcy and consumer protection laws.

The FDCPA includes numerous requirements for third party collectors:

Abbreviated List – FDCPA Requirements	
When calls can be placed	• After 8 o'clock antemeridian and before 9 o'clock postmeridian, local time.
Who can be contacted	• Collectors may only discuss matters of personal debts with the individual responsible for the debt. • If the debtor has an attorney then communications must be routed through the attorney, unless the attorney is unresponsive. • Debtors that have filed for bankruptcy may not be contacted.
Where calls can be made	• Collectors may not contact consumers at any place that is inconvenient to the consumer unless authorized by the consumer or a court of jurisdiction. • Collectors may not contact consumers at their place of employment if they have reason to believe the employer prohibits such calls.
Collector identification	• When calling debtors, collectors must identify themselves, including the name of their firm, and explain that the purpose of the call is to collect a debt ("Mini-Miranda"). • When calling third parties for the purpose of locating debtors, collectors must state their name and explain that he or she is calling to confirm or correct information about the debtor's location.
Ceasing telephone communication	• If a debtor refuses in writing to pay a debt or requests in writing that the collector cease telephone calls, then the collector must honor the request.
Harassment or abuse	• A debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt. • A debt collector must not use profane or abusive language. • A debt collector may not abuse or annoy persons by repeatedly calling their number and allowing the phone to ring continuously.

The FDCPA pre-empts state law only to the extent that a state law is inconsistent with the FDPCA. A state law more protective of the consumer is not considered inconsistent with the FDCPA. This can lead to conflict situations. Professional third party firms and in-house collectors should be members of one or more trade associations that can advise on best practices for handling various situations.

Telemarketing Sales Rule
The Federal Trade Commission (FTC) issued the Amended Telemarketing Sales Rule (TSR) on January 29, 2003. The Amended Rule gives effect to the Telemarketing and Consumer Fraud and Abuse Act of 1994. The TSR is the primary federal legislation governing the activities of telemarketers. Perhaps the best known component of the TSR is the popular do-no-call list. The TSR specifically exempts organizations that have an existing business relationship with a consumer.

Therefore, collectors and agencies are exempt from the TSR. However, informed observers believe it is only a matter of time before some of the provisions of the TSR are also applied to collectors. For this reason and also the fact that observing the rules is in the business interest of collectors, we should take a moment to point these out.

The TSR prohibits outbound callers from abandoning calls. A call is considered "abandoned" if a person answered the call and the calling party does not connect the call to a live agent within two seconds from the time the consumer answered the call. The FTC was trying to address the common consumer complaint of answering calls placed by predictive dialers only to find no one the other end of the line.

It is obviously in the collector's interest to minimize abandonment and modern dialers have the capability to meet the two second rule or one of the four safe harbor alternatives provided by the FTC.

Additionally, the TSR is very rigorous about the mandatory disclosure of material information. Examples are:

- The full cost to purchase, receive, or use the offered goods or services, including the number and amount of installment payments
- The total quantity of goods or services the consumer must purchase or receive
- Any conditions or limitations associated with the offer

When disclosures are verbal, they must be clear and conspicuous and expressed at an understandable speed and pace and in the same tone and volume as the sales offer. It is in the interest of collectors to be very clear and specific about the identity of the creditor, the amount of the debt, and the amount of payments in arrears. It is also prudent to record these disclosures so there can be no misunderstanding about the clarity and accuracy of the information exchanged.

Finally, the TSR requires "express verifiable authorization" (EVA) for certain types of payments. One way to comply with this provision is to record the transaction. When negotiating settlements by phone it is obviously prudent to record and archive what was agreed upon. Although agreements are always followed up by letter, there may still be some dispute over what was agreed to by phone. The call recording is your protection.

Health Insurance Portability and Accountability Act (HIPAA)
The health care industry is a large vertical for the collections industry. Many hospitals and physician's offices outsource the entire collections function to accounts receivable professionals rather than divert personnel from their core mission of providing quality health care.

As first party collectors, these organizations must be highly knowledgeable about laws regulating the collection function within the health care environment. In addition to the FDCPA, they must fully understand and comply with the Health Insurance Portability and Accountability Act (HIPAA).

When negotiating settlements by phone, it's prudent to record and archive what was agreed upon.

Fortunately, leading vendors have already thought through compliance practices and included safeguards in their applications

This Act was passed by Congress in 1996 and went into effect in 2001. HIPAA includes mandated comprehensive federal standards for the "privacy of individually identifiable health information." Collection agencies are considered "business associates" and are required to observe the same patient privacy rights as health care workers, establishments, and insurers. These latter organizations, who are the clients of third party collections agencies, are referred to as "covered entities." Covered entities must secure written agreements with their business associates that assure that patient's protected health information will be safeguarded.

The Privacy Rule permits a covered entity, or a business associate acting on behalf of a covered entity (e.g., a collection agency), to disclose protected health information as necessary to obtain payment for health care, and does not limit to whom such a disclosure may be made. Therefore, a covered entity, or its business associate, may contact persons other than the individual as necessary to obtain payment for health care services.

However, the Privacy Rule requires a covered entity, or its business associate, to reasonably limit the amount of information disclosed for such purposes to the minimum necessary, as well as to abide by any reasonable requests for confidential communications and any agreed-to restrictions on the use or disclosure of protected health information.

Managing Compliance through Technology

In addition to the regulatory bodies, leading trade associations for independent collection agencies have instituted their own ethics codes that parallel legislation and in some cases go even further to protect consumer rights. The general intent of these actions is to safe guard consumers from overly aggressive and fraudulent practices and to ensure individual rights of privacy. It is unreasonable to expect collections agents to be authorities on each law, regulation, and industry code that governs the collections business.

Fortunately, leading vendors have already thought through compliance practices and included safeguards in their applications. The technology tools most critical for assuring compliance are described below:

Outbound call management systems – Assure that outbound calls are made only during permissible hours, to the correct phone number, and at allowable frequencies.

Call management systems – Integrate enterprise Do-Not-Call Lists into campaigns and list selection criteria.

Call recording systems – Identify gaps in compliance practices, spot incidences of potential fraud, abuse, or poor communications skills; establish compliance (if challenged), train agents on compliance requirements, verify promises-to-pay and validate negotiated settlements.

Interactive Voice Response (IVR) – Automatically answers inbound calls and collects data from a caller and directs the call to the appropriate agent. For example, the device may request the caller to enter an account number, ZIP code, last four digits of their SSN, or the extension of the agent that called them. Some IVR systems can execute self-service actions like taking payment by credit or debit card, enabling 24/7 access to callers as inbound calls are not restricted to certain hours.

Scripting tools – Provide managers the ability to easily create scripts for collectors that must be recited to consumers on every call.

Speech analytics – Speech analytics is a powerful technology that can quickly scan hundreds or thousands of hours of recorded speech looking for specific expressions. The value of a speech analytics tool to the collections process is to find potential violations. For example, you can scan recordings for calls that did not express specific disclosures during a conversation. Speech analytics is only useful if the firm records and archives all voice interactions.

The following matrix shows how these various applications support your organization's compliance program:

	Call Mgmnt System	Call Recording	Interactive Voice Response	Scripting	Speech Analytics
Call times	◆				
Right party contacts	◆		◆		
Avoidance of calls to cell phones or employement	◆				
Do-not-call list	◆				
Mini-Miranda		◆	◆	◆	
Privacy compliance	◆	◆		◆	
False representations		◆		◆	◆
Avoidance of repeated calls	◆				
Harassment		◆		◆	◆
Obscene language		◆			◆
Maximum 2-second abandonment	◆				
Express verified authorization		◆	◆	◆	
Protection of private health information		◆			◆

A Suite Solution for the Collections Function

Collections organizations tend to acquire the components of what we will call the 'Collections Applications Suite' one at a time, as their needs grow and budget becomes available. The suite approach is rapidly becoming the preferred option in many environments. Solution suites deliver all the applications from a central platform and provide several very important benefits:

Tight integration
Multiple applications are most effective when they work in unison. Purchasing a unified suite means you not only gain all the benefits at once but you also have the advantage of knowing that everything is tightly integrated. All of the applications have been designed and tested to function harmoniously. Each application is administered from a common interface. As an example, user training is easier because all screens have the same look and feel.

Centralized Administration
A major advantage of the unified suite approach is centralized administration. There is no need to separately enter databases; a slow and error-prone activity. Database updates are entered only once and all the applications are automatically populated with the new information. The reporting function is centralized. There is less need to piece together reports from disparate systems and databases to get comprehensive reporting.

Single point of contact accountability
By purchasing all the applications from one vendor you have one organization for needs assessment, configuration, installation, testing, and user training. There is one service level agreement to administer and one company to call if things aren't working the way you want.

Coordinated system upgrades
A major problem with individual applications is that they all have their own architecture and software release schedules. Tracking and maintaining separate systems can be a real strain on IT departments. Fully integrated solutions on a common platform can be updated all at once and on a stated schedule.

“Now we know how our agents on the floor are spending their days. We know how much time is spent talking, listening, completing wrap-up work, and waiting for new calls.”

Jason Hiland, Conversion Specialist, CACi.

Cost savings
While the initial cost will be higher for a suite than a single application, the total cost of ownership will be lower. It is not unusual for the initial cost of any advanced collections solution to consist of at least 50 percent services. The largest piece of the initial service fee will be the cost of systems integration. Additionally, ongoing support costs are much lower for integrated suites. Upgrades and fixes are announced in advance and coordinated. Generally, the IT department does not even need to be involved. Since the system is based on open standards including common scripting languages you do not need costly specialists to make programming changes or add new custom features.

Case Study

St. Louis-based CACi started out as Consumer Adjustment Company in 1967. This 46-year record of longevity is all the more remarkable considering the highly competitive nature of the third-party collections business. CACi’s commitment to ethical and professional business practices is embodied in their simple motto: “Service, Results, Excellence”

The company has three major lines of business: first party collections-Healthcare, first party collections-Bank Card, and third party collections.

CACi, like many professional accounts receivable firms, knows the importance of investing in modern technology to stay a step ahead of competition. They installed the OpenScape Contact Center Campaign Director from Unify. The solution provides one fully integrated platform with the functionality of five systems:

- Intelligent call routing (automatic call distribution)
- Advanced interactive voice response (IVR)
- Sophisticated predictive dialing
- Voice and data interaction recording
- System wide reporting.

Prior to OpenScape Contact Center Campaign Director, CACi had a multi-vendor environment of separate solutions for call routing, outbound dialing, and call recording. Jason Hiland, Conversion Specialist, came on board just in time to put his extensive experience to good use by coordinating the implementation of Campaign Director and overseeing integration with CACi’s Latitude Collection System.

Since the transition to OpenScape Contact Center Campaign Director, Jason has seen several significant improvements:

- Because of the tight integration between the dialer and collections software, changes to the collections database are immediately extended to the daily call list. There is virtually no risk that a debtor that paid his bill in the morning would receive a collections call later that same day.
- Compliance risk is reduced because the dialer can be programmed to cease calls to debtors who have submitted formal requests and to call only during permissible hours.
- CACi can now record all calls and perform video monitoring as well. If there is a compliance dispute, management can quickly retrieve the specific interactions to verify what was said.
- The recordings are also valuable for demonstrating the quality of work to clients and to use as examples to show agents how to professionally handle difficult calls.
- Because of the tight integration with Latitude, CACi can provide up-to-date account information via IVR and even take self-service payments. This means business hours are extended to 24/7 with no increase in head count.
- With tailored reports that combine data from both the telephony switch and predictive dialer, management can make faster and more confident decisions. According to Jason, “Now we know how our agents on the floor are spending their days. We know how much time is spent talking, listening, completing wrap-up work, and waiting for new calls.”

- The agent floor now operates as a truly blended environment. Intelligent call routing directs calls to agents that are qualified and available to take new calls while other agents are handling outbound calls.
- The attended and unattended messaging feature provides callers with the option of paying by phone or by web (a feature of the Latitude software). Consumers with two jobs often have a hard time returning calls and some just prefer self-service.

So far, the most significant direct savings is elimination of the $6,000 – $10,000 CACi was spending monthly with other vendors to get the attended and unattended messaging function that is included with the OpenScape Contact Center Campaign Director solution. Jason explained that the limited reporting capability of their prior systems makes it hard to draw comparisons. However, as they gain experience with Campaign Director and further extend integration with the Latitude software CACi expects to see gains in employee utilization and revenue production.

According to Jason Hiland, "The key for a company like ours is to find technology like this that is cost-effective and yet gives us the capability to maximize our potential."

Summary

The credit and collections function is vital to every business. Managers must balance cash flow needs with customer relations objectives. At the same time, collections professionals, particularly those that manage third-party agencies, must be intensely familiar with a dizzying array of state and federal regulations.

Modern technology coupled with the implementation of best practices drive successful collections performance while relieving individual collectors of the necessity to be experts in all of the mandatory requirements of various laws and regulations.

A tightly integrated solutions suite like Unify's OpenScape Contact Center Campaign Director has significant cost and performance advantages over individually pieced together technology solutions.

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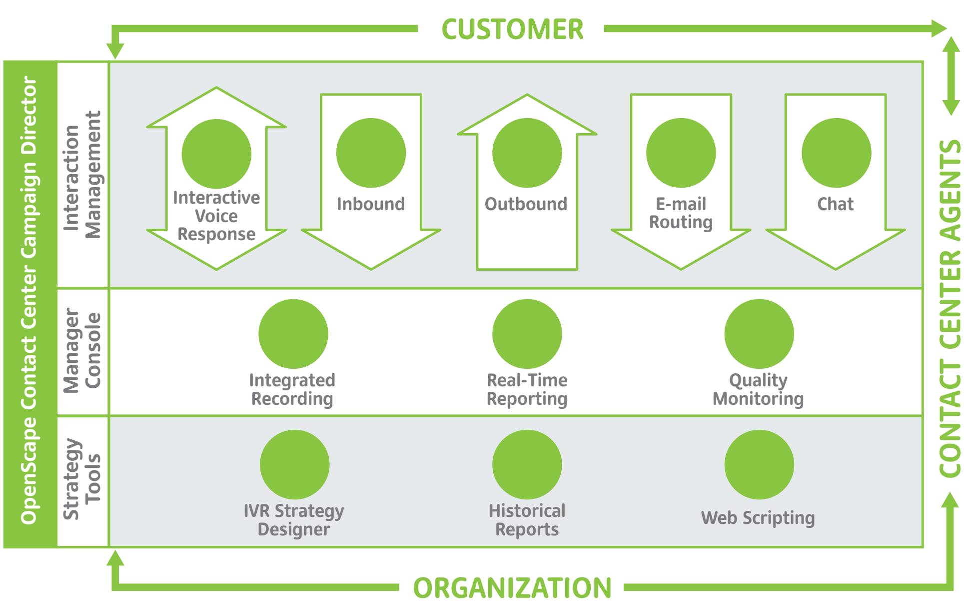
Jason Hiland, Conversion Specialist, CACi..



About PELORUS Associates

PELORUS Associates (formally The PELORUS Group) was founded in 1987 and has emerged as one of the fastest growing independent market research companies in the contact center and public safety industries. PELORUS Associates produces custom market research, whitepapers, marketing communications, and strategic planning for large global organizations and emerging growth companies.

About the author

Dick Bucci is a 35-year veteran of the telecommunications industry.
Past experience includes executive level positions in sales and marketing with leading telecommunications product vendors and value added resellers.
His market research and consulting career began in 2001 with Frost and Sullivan. In 2009 he formed PELORUS Associates, a consultancy that provides market research reports, custom consulting, white papers, and public relations services to 35 companies based in five countries.

About Unify

Unify—formerly known as Siemens Enterprise Communications—is one of the world's largest communications software and services firms. Our solutions unify multiple networks, devices and applications into one easy-to-use platform that allows teams to engage in rich and meaningful conversations. The result is a transformation of how the enterprise communicates and collaborates that amplifies collective effort, energizes the business, and dramatically improves business performance. Born out of the engineering DNA of Siemens, Unify builds on this heritage of product reliability, innovation, open standards and security to provide integrated communications solutions for 75% of the Global 500. Unify is a joint venture of The Gores Group and Siemens AG.

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