

WHITE PAPER

# Maximize Your Collections Call Effectiveness:

The Case for Intelligent Call Strategy  
Management



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## Overview

What's the measure of an effective collections organization? While metrics may differ according to individual company goals, a noted non-prime lender of auto loans had a commonly accepted—but critical—target to achieve: a measurable increase in its Right-Party-Contacts (“RPC”), Promises-to-Pay and promises kept. After all, collections success hinges on achieving the most RPCs.

That makes perfect sense. After all, if you can reach more right parties at the right time (when they pick up the phone at a time they are also willing to listen and act on your offer) you'll improve your ability to balance agent costs with productivity. The trick is in reaching them at the right time, within compliance and without annoyance. Taken a step further, once you have your calling strategy and you are ready to execute, it becomes crucial to execute your strategy with consistency and effectiveness.

The auto finance lender had, for some time, embarked on a call optimization strategy. Among other things, it had optimized its dialer and had developed in-house risk based scoring models to drive targeted call lists. Sound familiar?

What it needed was a different approach to attacking the RPC problem. For example, it began to consider the importance of Champion/Challenger testing as a rigorous operating practice, especially around RPC metrics. The lender also realized what many other collections organizations do: they attempt to up their RPC rate by increasing the intensity of the number of calls and campaigns is simply a numbers game, that quickly reaches a point of diminishing returns where the cost of intensity outweighs the benefit of RPCs. In addition, this viewpoint ignores the reality of:

- **Call compliance issues.** While the main goal of collections is to increase dollars collected and prevent further delinquencies, collections operations must do this while working within business and budget constraints, and complying with state and federal regulations.
- **Call value.** Companies need to focus on increasing their RPC rates to those leads that carry the most value—in terms of dollars and loyalty.

## Reach More Right Parties ... Collect More Dollars

So the question for the financial services organization—as well as for anyone else looking for lift in their RPC rates—is: “How can you reach more right parties?”

The answer lies in your outbound call strategy. The typical approach to developing a call strategy begins with segmenting the population and prioritizing them by key characteristics, such as demographics, future value, risk, etc. A collections target is then set for the campaign, and finally the campaign is executed until the target is met. This approach, however:

- Results in high penetration with low response rates.
- Fails to consider that individuals within segments will not behave the same or have the same likelihood of making a Promise-to-Pay.
- Fails to utilize agents with optimal productivity, leading to dissatisfaction and turnover.

To reach more right parties and gain higher Promises-to-Pay, outbound call strategies need to go a few steps further. Using predictive analytics, companies are doing just that.

Call targeting software solutions solve the question of “When to Call,” using predictive analytic call targeting to create optimal calling schedules that increase RPCs. The result is both an increase in collections and a substantial rise in agent productivity.

Such an approach has several distinct advantages. An analytically driven software solution can:

- Enable specific calling objectives such as calling high-risk accounts first.
- Sequence your leads into the most productive calling schedule, versus a non-scientific top-to-bottom calling strategy.
- Generate more Right-Party-Contacts without additional agents, versus adding to your resource costs to improve results.
- Distribute work based on call centers’ actual agent resources, versus forcing calls into a short “primetime” that rarely aligns with actual staffing patterns.

Financial services organizations are using such solutions, including **CallTech™** from ALI Solutions. By deploying this Best-Time-To-Call software, these companies are gaining 15 to 20 % higher RPC’s, as well as their highest-ever levels of agent productivity which results in more dollars collected.

## Raise the Level of Your Campaign Execution

Even the best calling strategies, however, need flawless campaign execution to be successful. In today’s complicated call center environment, this can become very difficult. A common approach to campaign management begins with segmenting the campaigns into multiple calling lists based upon time zone, state-specific regulations and other characteristics. Campaigns are then assigned to specialized agent groups and policies are administrated manually throughout the day. Probable results of this approach include:

- High manual intervention, resulting in starting and stopping processes for intraday strategy changes and policy management.
- Regulatory compliance issues—both state and federal, including violating the Do-Not-Call lists.
- Underutilization of agents with optimal productivity, leading to dissatisfaction and turnover.

To avoid these pitfalls, innovative call centers have discovered that centralized list management, can automate and simplify dialing operations.

Such solutions, including ALI Solutions’ **OnQ™**, which centralizes and automates outbound campaigns, list management and policy compliance, can greatly simplify your dialing operation from creating the entire day’s or week’s campaign, to ensuring you meet goals and quotas despite staffing fluctuations. Such a solution reduces expense by enforcing calling rule compliance and makes the dialer management staff more effective through real-time monitoring and reporting.

Automated, centralized campaign management has many distinct advantages:

- Conducts bias-free Champion/Challenger testing to ensure continuation.
- Applies continuity strategies for late list arrivals, versus disrupting your workflow and productivity to accommodate late lists.
- Enables dialer managers to seamlessly manage calling lists, adhering to calling schedules and reducing agent downtime.
- Shares workloads across multiple centers to increase productivity and continuity, versus operating dedicated dialers that restrict workflow optimization.
- Executes rules to automatically ensure regulatory compliance at both the state and local level, including the Do-No-Call laws.

The auto finance lender mentioned earlier, implemented an analytically based approach of Intelligent Call Management and realized significant benefit:

- Reduced roll rates.
- More Promises-to-Pay.
- Better adherence to call frequency compliance.
- Increased RPC's, particularly during non-prime calling hours.
- Better aligned call targeting and dialing with risk, value and behavior characteristics of individual accounts.

Interested in hearing more? [Contact us](#) to learn how our patented Intelligent Call Strategy Management Solutions—**CallTech** and **OnQ**—can help optimize your collections organization.

## About ALI Solutions

A leading provider of contact center solutions and the leading brand providing best-in-class analytics applications to the collections market. ALI's solutions empower business users to maximize agent productivity and optimize customer contacts through advanced contact analytics, automated decisioning and dynamic campaign management. Since 1992, many of the world's most successful companies throughout North America and the Asia Pacific region have chosen ALI because its solutions enable them to proactively communicate with their customers more effectively, thereby improving business performance and enhancing their customer relationships.

For more information, contact ALI Solutions at 512-328-8215 or visit [www.ALIolutions.com](http://www.ALIolutions.com).

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