With the recent downturn in the economy, there is far more debt to recover but the capability of the individual to repay has been significantly diminished. Debt collection agencies are not only faced with the prospect of ageing debt on their books but the debt collection arena is becoming far more competitive as agencies vie for the same business. The need to reclaim at least part of the outstanding monies from each customer and help them sort their debt issues is becoming ever more crucial.

APEX Credit Management is a specialist organisation providing credit management, debt collection and debt purchasing services. The company has grown over the last 10 years and is now ranked within the UK’s Top 10 Debt Collection Agencies.

THE CHALLENGE
Steve Mound, Chief Operating Officer (COO) at Apex states; “With the significant downturn in the economy, and its impact on people’s ability to repay, we realised quite early that we needed to look elsewhere to optimise our processes and boost our collections revenues. We aim to be recognised as the leading ethical debt management provider in the UK and, as such, are always proactively looking for ways to improve our service. Speech analytics has provided us with a major opportunity to do just that and significantly build our competitive advantage.”

The company prides itself on its fresh approach to debt management with its highly trained UK team, state of the art technology and its real commitment to help people resolve past credit difficulties. APEX clients include some of the largest global blue chip, banking and public sector organisations. In fact, last year, the company was awarded Debt Purchaser of the Year by Credit Today - the UK’s leading commercial and consumer credit magazine - and, was also recognised as ‘One to Watch’ in The Times ‘Top 100 Best Companies to work for’.

Faced with an increasingly regulated environment and the need to demonstrate compliance, one of APEX’s key roles is to protect the reputation of its clients. But in order to operate efficiently, it also needs to maximise any revenues collected on their behalf. With more than 380 hours of talk-time per day APEX realised that their current sampling of a limited number of calls per agent per month wasn’t giving them the visibility of what was happening in their front line interactions.

Richard Furlong, Contact Strategy Manager, adds; “In the debt collections industry, the real challenge is to understand what is happening at the point of interaction between the customer and the agent. How many Promise-to-Pays (PTPs) are actually being asked for? How many full balances are actually being requested? Are key compliance phrases being used by the agents? Our random sampling was only allowing us to understand about 1% of our calls. This made it extremely difficult to pinpoint what changes were needed to improve services.”

THE SOLUTION
Nexidia’s speech analytics technology analyses 100% of recorded calls to quickly extract accurate business intelligence. Richard continues, “The free Proof of Concept (POC) was very attractive to us. Nexidia took 2,000 hours of audio and clearly identified specific processes that were having a major impact on our revenues collected. It highlighted a significant revenue opportunity for us, outlining exactly how many payment attempts were being made, xidia’s
the high percentage of calls over 5 minutes, and the number of calls with compliance issues. Some of the results caused us to reflect on our processes. There were areas where we thought we were performing well which, when analysed, showed major discrepancies. Our challenge was to focus on the actions that would give us the biggest immediate returns. In this business it’s hard enough getting hold of people, so it’s vital that we make the most of each call and Nexidia are enabling us to do just that.”

CHAMPION CHALLENGE

In order to accurately evaluate the effectiveness of the solution, APEX set up the Champion Challenge, in which an existing high performing team – the Champions or control team – were measured against the Challengers, a new team with comparable skills and length of service but that was managed closely using the speech analytics capabilities. Both teams were charted against conversion rates, cash collected, call audits and other factors.

The Challenge team initially focused on increasing the number of calls in which full balance was requested as this had been identified as an area needing improvement. However, this understandably caused a spike in hang ups. So a new strategy was quickly devised to concentrate on ‘missed opportunities’, utilising the daily data extracted from Nexidia to focus on all relevant Right Party Contact (RPC) calls. Three weeks in, the conversion rates - from RPCs to Promise-to-Pays - in the Challenge team shot up and continued to rise month on month way above any other team in the business. In the first month four agents significantly improved their performance, and by the end of the Challenge all 10 had made great progress. Speech analytics has now been rolled out across the company with a resultant 4% rise in conversion rates across the business in the first month alone.

COMPLIANCE & COMPLAINTS

Whilst increasing revenues collected on behalf of clients is crucial, Nexidia’s speech analytics has also enabled APEX to demonstrate regulatory compliance on 100% of its calls. The ability to access the actual spoken word of all agents and correct as necessary has dramatically improved their compliance capability. The company strives to meet the many regulatory guidelines including the Office of Fair Trading, Debt Collection Guidelines, Credit Services Association and Debt Buyers and Sellers Guidelines, as well as the Data Protection Act.

INCREASING REVENUES COLLECTED

Steve Mound comments; “We are part way through implementing some of the key changes and are well on our way to achieving the benefits identified in the POC. In six months we’ve increased conversion rates by 15%. Plus our increased rate of Promise-to-Pays has driven up cash collected per agent hour by 30% over the same period. This flies in the face of the market downturn with its diminishing returns.”

Nexidia was the final piece in the puzzle of business restructuring which saw the implementation of an SAS system to control contact strategies based on previous call experience, which feeds information, about who to call and how often, into the Noble Systems Dialler. Nexidia’s speech analytics works with the Noble predictive dialler to document Right Party Contacts and analyse the detail on each call to extract detailed customer information – invaluable for further action.
Initially the focus of the project was to concentrate on increasing collections revenues; however, the management information created has been invaluable throughout the company. The legal department, tracing and the complaints teams have all had access to great effect. Complaint enquiries that were previously taking up to two weeks to extract all relevant customer calls can now be pulled together in about 10 minutes, saving huge amounts of time and effort, and enabling a more immediate response back to the customer.

FAIR PERFORMANCE REVIEWS
Having the detailed analysis of all calls made by the team delivered to the Team Manager’s desktop each morning has dramatically reduced the hours they spend searching for relevant calls to audit. Information is now available at the click of a button. Approximately 30 hours per month per Team Manager has been saved and is now being reinvested in 50% more weekly coaching and auditing. Also, as 100% of an agent’s calls are taken into account, coaching and mentoring are now far more targeted. The team manager is able to focus on specific issues to help the individual build their skill and confidence. So rather than seeing speech analytics as Big Brother, the agents really appreciate the fair performance reviews it facilitates.

Julie Wilde, the Challenge Team Manager, states, “Previously most of my time was spent looking for 5 calls to audit each month for each of my 10 agents. Now I’m able to spend far more structured coaching time with each agent on a regular basis which has developed a great team spirit. Whereas before they would be left alone for a whole month, they now feel valued and proud to be members of a successful team. Audit scores have also jumped by 20-30% over the same period.” During the six month pilot the Challenge team demonstrated the lowest attrition rate in the business.

APEX

COMPETITIVE ADVANTAGE
Steve Mound continues, “Nexidia have been an excellent partner to work with. They have added their technical expertise and married it with our knowledge of the Collections market and its systems to produce a solution that is not only delivering major benefits now but will uncover new innovative approaches for many years to come. They have always delivered on their promises. The product ‘Does what it’s says on the tin’. It is now fully embedded as part of our total solution to the market which is now attracting some notable attention from both existing and new clients.”

Speech analytics has given APEX a real competitive edge by providing insight into all collector activity and all their calls. It has enabled the company to enhance performance and deliver an improved service to clients in a contingent business environment.

Steve concludes, “At Apex we are a homogenous business, we aim to do one thing well, which is engaging people to resolve their debt issues. We believe we are setting new standards in dealing with people with financial difficulties. I believe this level of compliance and consumer engagement can only help our industry to demonstrate how serious we are about treating customers fairly.”

Nexidia – Headquarters +1 (866) 355 1241
3565 Piedmont Road NE, Building Two, Suite 400, Atlanta, GA 30305, USA

Nexidia – UK +44 (0)20 8973 2440
Gainsborough House, 2 Sheen Road, Richmond TW9 1AE, United Kingdom

© 2010 Nexidia Inc. All rights reserved. All trademarks are the property of their respective owners. Nexidia products are protected by copyrights and one or more of the following United States patents: 7,231,351; 7,263,484; 7,313,521; 7,324,939; 7,406,415 and other patents pending.