

Is Your Collection Agency's Back Office Driving Compliance?



CHECKLIST



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Make sure your collection agency has committed to compliance with a meaningful investment in the back office.

The most urgent threat to a debt collection agency's perfect compliance record is a live call between a collector and a debtor. But since that interaction is the primary driver of collections, ARM executives cannot eliminate that threat altogether. Rather, they must have a deliberate and mature back office in place for before, during, and after the collection calls are made.

Before making a single call, collection agencies must address several very important back office functions. The long-term return on investment in compliance far outweighs the upfront costs. This is the mindset of a next generation collection agency.

Review this brief checklist to see how your collection agency stacks up:

- ✓ **Incentives** – Ongoing training is not enough to keep individual collectors compliant. Making compliance a part of collector bonus programs will incentivize good behavior. In addition to traditional bonuses for collection performance, offer a cash reward for a perfect compliance record over the course of a tracking period.

- ✓ **Complaint Handling** – Any complaints that do come in should be centrally handled and resolved by a dedicated complaint specialist. Afterwards, all complaints need to be catalogued and reviewed by a compliance team, which should include management and legal representation. This review process is essential for identifying complaint trends, both company-wide and among individual collectors.

- ✓ **Call Recording** – Record 100% of consumer interactions. Not only will you have a record of what is said, but the recordings are invaluable in both legal compliance training and in collection effectiveness training. An internal quality assurance team should score a sample of calls for each collector over a period, on both effectiveness and compliance. This score can be used as a KPI for incentive bonuses and performance reviews.

The proceeding was a part of a larger piece on using back office processes to drive compliance. For the full paper (which is more than twice the size of this one), please contact Anthony Mazzacano, Chief Strategy Officer at Monarch Recovery Management, Inc., at 800-220-0605 x. 2166 or amazacano@monarchrm.com.