

CCT in Practice

Ofcom compliance, high efficiency and state-of-the-art technology combine for leading UK Debt Collector

Company Overview

Equidebt is one of the leading UK specialists in the purchase and collection of receivable portfolios in the consumer finance sector - they collect debt on behalf of corporate clients and purchase debt from clients that they subsequently collect.

The company was founded in 1992 to deliver a debt recovery service to the financial services community, based upon a highly ethical approach. At the time, there was a gap in the market for such a service and maintaining a highly ethical reputation still provides the company with a major differentiator.

Based in Wellesbourne, Warwickshire, Equidebt employs 150 people, with 100 directly involved in collections activities and the remainder in 'back office' functions.

Issues

- Business strategy and operational efficiency constrained by limitations of existing technology.
- Business telephony platform out of production; limited spare parts; limited support.
- Existing Noble dialler solution not suitable for Equidebt's specific dialling profile.
- System resilience directly impacting collections.
- Multiple business applications introduced piecemeal, and not fully optimised.
- Multiple support partners and contracts.
- Disparate systems didn't support the detailed management reporting and business insight required.

Solution

- Replaced Nortel Meridian Option 11c with highly resilient Avaya Aura Communication Manager telephony platform.
- Noble dialler replaced by Avaya Proactive Contact dialler. Highly configurable to optimise agent productivity for each client campaign.
- Agent idle time reduced by 75%.
- Call volumes have increased by 70% without increase in headcount, saving £250,000 in opex.
- Introduced automated payment facility using IVR, ensuring collections can be made even when the office is closed.
- If answer machines are detected, calls are presented to an 'outbound IVR': a 'virtual agent' leaves a personalised message, freeing up agents for the next call.
- PCI DSS compliant recording introduced, with Verint i360 integrated with Equidebt payment application
- Refined implementation of call blending - outbound agents prioritise answering inbound calls, substantially reducing call abandon rate to 2%
- Integration with Casflow to screenpop contact details
- Comprehensive test plan to de-risk 'big bang' roll out



Background

Based in Wellesbourne, Warwickshire, Equidebt employs 150 people, with 100 directly involved in collections activities and the remainder in 'back office' functions.

The company continues to enjoy success and has developed a growing reputation as a core service provider to the financial services sector. They take huge pride in their reputation as an ethical consumer debt recovery company which also serves to ensure that they protect the brands of their clients during the collection process.

Equidebt addresses both the debt collection (DCA) and debt purchase (DP) markets, two separate markets differentiated by the age of debt, the nature of the collection process and the value versus cost-to-recover of the debt itself.

Technology refresh - platform for profit growth

The debt collection market, whether DCA or DP, is characterised by high volume, commoditised processing. For most collections organisations or departments, the watchwords are process efficiency, agent productivity and regulatory compliance.

Technology plays an increasingly significant part in the success or failure of a debt collection operation, ensuring a competitive market offering and significant margin improvement if the

correct combination of technology is deployed well. Equidebt had recently transformed their web presence and online payment services. The next priority was to enhance the technology driving their core contact strategy.

Martyn Wells, IT Director at Equidebt, explains: "The various platforms and applications that many businesses use have evolved over a long period of time. Eventually, they actually pose a business risk rather than contributing to a commercial return. We were certainly constrained by our technology platforms rather than enabled by them".

For business telephony, Equidebt had relied upon a Nortel Meridian Option 11 for a great many years. The product was no longer produced or supported by the vendor, finding spares was a problem and day-to-day support was on an informal, best effort basis.

The existing Noble dialler wasn't appropriate for the profile of Equidebt's DCA campaigns as it demanded large groups of agents to derive outbound efficiencies. Reliability was also a concern. Time lost to system outage had directly impacted collections and, consequently, customer commitments.

Further, in order to improve agent productivity and reduce idle time, improvements were sought in areas such as management reporting, Answer Machine Detection (AMD) capability, setting of agent owned recalls, import/export of data and campaign flexibility.

"Our various applications, such as text

messaging and Veritape call recording, had been integrated by various 3rd parties", continues Mr. Wells.

"We needed to replace, update and better integrate our core platforms, consolidate our support environment and, fundamentally, introduce a dialling solution that met the needs of the business".

Exploring options and determining ROI

While the requirement to overhaul the communications infrastructure was well understood, the process of predicting the rate of return was crucial in order to secure the necessary investment.

Mr. Wells outlines the approach taken by his team: "We analysed the component costs of our various services over a 12 month period, studying agent efficiency and the impact of downtime".

"We then undertook a lengthy due diligence process, looking at hosted diallers, software and hardware diallers and then set budget expectations with the Equidebt Board, based on a hard dialler solution".

The team at Equidebt analysed all of the key vendors, using a balance scorecard to assess the merits of each of them.

They shortlisted Altitude, Aspect and Avaya and reviewed case studies, conducted site visits and undertook financial due diligence on both the vendors and potential business partners.

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Martyn Wells IT Director

“Our scorecards included the dialler functionality that we needed now, some ‘must have’ capability for the future, as well as a list of ‘nice-to-have’ functions”, explained Mr. Wells.

“For each vendor, we benchmarked product capability against each of our requirements and used the results to assess the impact on headcount and collections. Our key consideration was would we collect the same amount of cash with fewer agents, or more with the current number of agents?”

“Historically, Aspect has had a strong reputation but we didn’t like the back office solution based on Microsoft Lync which required us to boot up our PCs before we could use the phone, and to wear a headset”, continues Mr. Wells.

“It was clear that Avaya had the strongest overall package. We were able to show our investors that we could achieve a reduction in operational costs within 12 months”.

Significance of a new relationship

Outlining the importance of selecting the right partner, Mr. Wells explains: “We were going to implement a full replacement of our complete outbound and inbound capability and to do that relying fully on a brand new business relationship, replacing the 4-5 relationships we already had. That’s as significant a consideration as selecting the underlying technology itself.”

From various Avaya seminars and dialler

user forums, CCT was already known to the business so was evaluated as one of the specialist contact centre channels that could provide the Avaya solution.

“We were immediately impressed with the approach that CCT took, compared to the many other organisations that we met. Other providers came and pitched their product, pitched themselves and the size of their service centres”, continues Mr. Wells.

“This seemed a cold, clinical approach to selling and didn’t inspire confidence in the context of a long term relationship”.

“Instead, CCT explained that they’d like to come in to look at what we’re doing and how we do it, to see if they could help to refine the business case, test our assumptions and consider other opportunities for improvement. Their proposal was then presented from Equidebt’s perspective and it highlighted that CCT understood the debt collection market and had taken the time to understand the specifics of our business within that. We really appreciated this personal approach.”

Overall solution

The new solution provides the foundation for future business expansion.

As Mr. Wells explains: “The Avaya Proactive Contact Centre product enables us to manage the challenge of running multiple dialling lists concurrently and to blend inbound and

outbound with ease. And we selected the Avaya Communication Manager as our back office replacement as it provided the resilience required by the business coupled with the ability to scale up as required”.

Overall components of the solution

- Avaya Communication Manager 5.2
- Avaya Proactive Contact v4
- Avaya Voice Portal
- Verint i360 Call Recording & QM
- AVST CallXpress Unified Messaging
- Tiger Call Logger

- **Dialling rate/pacing:** Within 6 months of go-live, the volume of outbound dials has increased by c.70%. As a result, the volume of Right Party Connects (RPC) has also increased;

- **Agent efficiency:** Agent idle time has been reduced by c.75%. Integration with the CaseFlow collections platform provides basic screen popping;

- **Operational cost saving:** Instead of having to recruit an additional 10 heads as originally planned, the existing team has been able to handle the increased call volumes, equivalent to a £250,000 operational cost saving;

- **Blending:** The new solution prioritises inbound calls without impacting outbound performance, This has significantly reduced the abandon call rate to approx. 2%;



- **List Management:** No more cherry picking. CCT's dialler specialists have helped to shape data selection criteria and how campaigns are set up, so that even small groups can be targeted.

Now, Equidebt can be extremely flexible in how agents are assigned to specific clients or VIP targets;

- **Recording & QM:** Verint solution records screen activity as well as the call which has really helped with training. Customer data can be tagged to calls to make the record easier to find;

- **PCI DSS Compliance:** PCI DSS integration was straightforward, using pause and resume.

A desktop payment application takes full control of the agent desktop until payment has been completed and then hands back to the agent.

Verint's native APIs ensured ease of integration with the new payment system;

- **IVR for "blaster" campaigns:** IVR is used for outbound blaster campaigns; & as an out-of-hours payment service;

- **Bespoke AM messaging:** The dialler and IVR work in tandem – when an answering machine is detected, a text-to-speech solution allows the IVR "virtual agent" to leave a personalised message;

- **Management information:** Now have granular detail of small groups and can prove that Equidebt is dialling compliantly, even at very fast rates.

Reality of 'big bang' implementation

CCT replaced Equidebt's entire business communications platforms over a single weekend. At the heart of the project was a comprehensive, shared test plan. Every function and every variable was tested to ensure there were no surprises on go-live.

"One of the key things that made this project such a success was the test plan," explains Mr. Wells. "It took six weeks to execute end-to-end before we were able to turn everything green. We had so many dependencies, considerations and compliance risks so, to implement over a weekend, it had to be bullet proof".

According to Mr. Wells, working in true partnership with CCT has been an extremely positive experience: "CCT's people are definitely experts in their field and I can't sing their praises highly enough. Our teams meshed really well, we worked hard and tested hard together. There were some niggles, as you'd expect, but CCT's voice and dialler specialists were on site and escalations worked well when needed".

Introducing a high performance predictive dialler does represent a cultural change for many organisations, but there was no negative impact on Equidebt's agents. Mr. Wells explains: "We spent a lot of time preparing training materials. In the two weeks prior to go live everyone went through a training programme, with the outbound

agents receiving further guidance. We provided a raft of information and help on the intranet and provided team leaders with crib sheets and FAQs".

"We opened on the Monday and were able to collect cash, which was the most important thing", continued Mr. Wells. "As we turned up the pacing of the dialler, the team became more convinced of the possibilities that we'd modelled".

Process analysis & profitability

Equidebt now has a leading-edge, future proof technology environment that is sufficiently flexible to support their business ambitions. The next step is to review Speech Analytics, an extension to the Verint i360 product suite that will provide Equidebt with deep insights into the entire collections process.

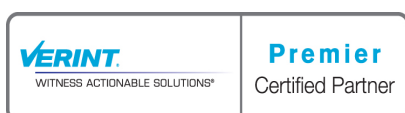
Mr. Wells articulates the significance of its potential: "We want to make more informed decisions about how we collect money. I'd like to understand the triggers for specific debtor behaviour, how collection rates correlate to segmentation and collection strategies and to tie that to demographics.

"With the high volume, commoditised nature of our business, process analytics will allow us to determine the results of any and every change we make and ultimately to be able to understand the determinants of profitability".

It's clear that Equidebt has travelled a long way in a short space of time.

To find out how the team at CCT can help to transform your outbound operations, simply call or email us...

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