

Verify, Verify, Verify

Accurate Information Leads to Collection Success

In our mobile society more consumers are moving geographically for economic reasons, so finding your consumer can be one of the greatest challenges faced in your debt recovery effort. And finding the consumer is no guarantee of getting paid. Verifying that the consumer information on record is correct and determining their moral obligation to pay is essential for successful collections. So before making the call, begin by reviewing the file again to determine if the consumer is likely to pay the delinquent balance when found.

Certainly, the ideal account is one that includes good credit bureau reports, in conjunction with up-to-date home phone numbers, cell phone numbers and home addresses, but sometimes reaching the consumer feels like detective work.

Review the File Thoroughly

- Go back over the application – is it complete? Does it include a cell phone number and E-mail address?
- Go back over the collection notes to be reminded of previous conversations. Has the consumer’s location been verified on every contact? Has the consumer made a commitment to repay?
- Look at the previous conversations to see if phone, letter, or E-mail had been the most successful in reaching the consumer.
- Do the collection notes indicate the consumer’s commitment and ability to repay the debt? Consider age, geographic location, and depth of debt as factors.
- Check the records to see if the consumer has applied for new credit at the financial institution. That record may have new information.

Consider gathering missing data from public information sources such as published phone numbers, addresses, certain DMV records and other information available through public web sources. Military locators can be useful also. The Internet has free data base sites that have limited value but can fill in some blanks. Additional information can be gathered from other public records such as magazine subscriptions and utility information.

Ask the Right Questions

The next step is to ask questions, gathering information needed to resolve the delinquent account balance. The better you know the file and consumer history, the more you ‘get into’ the call to establish points which will increase the likelihood of finding short- or long-term payment solutions. You want to create a win/win for the financial institution and the consumer.

- When speaking to the consumer, verify information by asking open-ended questions, such as, "What is your address?", rather than asking, "Is your address correct?"
- Giving the consumer a choice of answers will prompt a response, such as, "Do you prefer to receive information by phone or email?"

Reaching a dead end while attempting to locate the consumer or working with a consumer that does not meet payment terms is an indication that your time may be better spent elsewhere. At this point, assigning the account to a third-party collection agency is a resource that should not be overlooked.

TriVerity, has worked with over 2700 financial institutions nationwide as a full-service collection agency, providing delinquency management services and collections training exclusively for financial institutions. The Loan Service Center provides first-party collection services to minimize loan loss by managing early-stage delinquency. The Collection Academy offers a curriculum of collection processes with tools that will be effective in your collection department. For more information: www.triverity.com