
South African telecoms company optimises collections process with solution from TransUnion

The collections process is an essential one for any business extending lines of credit to customers, including telecommunications contracts. However, many organisations are faced with the challenge of collecting outstanding debt with limited resources to action the process. Optimising collections is therefore essential to maximise success and profitability. When a local telecoms company was faced with inefficient collections processes, outdated contact information and poor prioritisation methods, they turned to leading global credit and information management provider TransUnion to provide the solution.

“Outstanding debt and non-payment of accounts are an issue for all credit facilitators, and ensuring the collections process is as efficient and effective as possible is essential. Many organisations make use of prioritisation models, however, these are typically only run once a month, and are conducted manually. This not only causes unnecessary delays, it is frequently the case that data is out of date and has become redundant, particularly with regard to ability to pay and contact details. In order to address this challenge, TransUnion built a daily, automated process for the telecoms company that provides the freshest possible collections data, prioritised according to the ability and willingness to repay debt,” explains Jaycee Wolfswinkel, Solution Advisor, Decisioning at TransUnion.

Utilising TransUnion’s DecisionEdge platform, the Collection Manager Solution interfaces with credit bureau data to obtain the latest contact details and credit information. The telecoms company sends through a list of delinquent accounts via a secure data transfer method, after which automated validation of the quality of the upload is conducted. An automated, customised cleansing and prioritisation model is then applied and the information is sent back the same day, in the correct dialler format for ease of integration into the company’s collections processes.

Collections staff are thus able to start every day with fresh, accurate and up-to-date data, improving efficiency and requiring almost no human intervention. The Collections Manager solution plugs into existing technologies, so there are minimal integration challenges or expenses, improving collections efficiency in a cost effective manner that does not require major technological investment.

As a result of the solution, the telecoms company has moved from a monthly collections process cycle to a daily one, utilising the existing collections staff complement, which offers a number of benefits. Collections rates have improved dramatically, because staff have the most up-to-date contact information and leads are automatically prioritised in order of the likelihood of the customer to respond and repay. Errors associated with outdated information and human error are minimised, and time-consuming manual processes are eliminated, ensuring staff can spend more time on actual collections rather than data cleansing.

“The prioritisation process is based on an analytical model that has been refined over many years. It takes into account the historical collections behaviour of the consumer, estimated income and other credit bureau or debt commitments, to predict which customers will be most likely to respond to collections efforts, as well as who will have the means and funding available. Since this is now done on a daily basis, it is far more accurate, and collections staff can spend their time and effort on accounts that are more likely to yield results,” says Wolfswinkel.

Collections Manager addresses a need in practically every credit-facilitating organisation to improve the collections process while reducing overhead costs and without necessarily increasing staff complement. The solution offers a unique advantage as it is delivered on a single automated platform that integrates directly into client systems and diallers. By automating processes and enabling intelligent decision-making abilities by augmenting the efficiency of existing systems, Collections Manager is a cost effective solution that improves the collections function, and thus improves the bottom line.

About TransUnion

We are a trusted provider of global information solutions for assessing and managing risk, driven by a belief that information can help advance our industry, facilitate commerce and ultimately increase the standard of living for consumers around the world. In that light, we see information differently—not just for what it is, but for what it can help people accomplish. Because when businesses and consumers have access to more complete and multidimensional information, they can make more informed decisions and achieve great things. We call this Information for Good.

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