

CASE STUDY – BFSI ARM Solution

Client

Full services bank in personal and business banking services domain, specialising in issuing secured and unsecured credit cards.

Challenge

The client's primary focus on managing accounts receivables was necessitated due to vigilance on their high-delinquency rates.

The client outsourced its Accounts Receivables management to an on-shore supplier. Operation costs ran high for this on-shore supplier, despite the business model of a low cost, high yield credit issue.

Although the supplier's performance per account was good, the overall liquidation was low and they were unable to penetrate deep into the client's portfolio.

Since the supplier was a collection agency, they focused efforts on "collecting" rather than converting the account to "current." As such, the client lost many customers.

Solution

Intellicom applied a two-pronged approach to managing the client's requirements.

- In an effort to retain customers, we trained a group from the debt collection team to focus on "soft collection." This approach helped bring customers back to "current" status and smoothed the path for a continued banking relationship.
 - We operated a fully licensed consumer debt collection agency and deployed teams of collectors on accounts considered unlikely to be collected. This team
- focused on account penetration and liquidation using our internal platform, AdvantEdge.
- In addition, Intellicom built an analytics application customised to provide business intelligence to the client's operations group. The application helps prioritise accounts based on a combination of the client's internal & external scoring and bankruptcy/ NCOA (national change of address) scrubbing.

Impact

- Our solutions helped the client achieve first party collection between USD 24,500 to USD 28,400 per representative per month.
 - Charged off accounts saw collection ranging from USD 12,300 to USD 21,000.
 - Average liquidation for first party was 57% and 34% for charged off accounts.
 - There was a 55% increase in customer service resolutions, a 17% reduction in operational costs and 43% increase in account penetration.
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