
Stepping Back

In today's environment of constant and instant communication (how many of you are email slaves?), it is more and more difficult to sit back and take time to think and reflect on where your organization is going; how you are performing; and if you are really accomplishing what you want and doing so in the best possible way.

Everybody, from time to time, should take a step back
and watch himself go by.
---Thomas Watson Sr., *Founder of IBM*

The Company and Its People

A good place to start would be the organization itself. Here are a few questions you might want to ask yourself:

Let's start with an easy one - is your organizational chart up to date?

Moving on, do you have published vision, mission and core value statements? And, most importantly, does everyone know what these are and support them? Does management live them on a daily basis? If you asked anyone in the organization what these were, would they know the answer?

If you think of vision and mission as an organization's head and heart,
the values it holds are its soul.
---From *Making Common Sense Common Practice*,
By Buzzotta/Lefton/Cheney/Beatty (New Leaders Press)

How would you describe your company's culture? How would you describe yours and your executives' management style? Are you satisfied with your answers?

Do you have a formal process in place to recognize the future leaders, the "stars" in your organization? How often do you go through your entire organization to make this assessment? And once you have identified those individuals, how are they developed and mentored to make the "move up"? Or do you find yourself always hiring from the outside when you expand or experience management turnover? Is this what you want to do?

What training programs do you have in place for management? When was the last time all training programs were reviewed or redeveloped? When was the last time management attended collector or call center representative training? Have your training programs been reviewed by an external training or industry professional?

When were your interviewing and hiring practices last reviewed? Do you use a patterned interview for all types of positions? Do you use more in-depth, insightful interview techniques for key positions such as, having the candidate do a presentation about themselves, their experience and management approach as opposed to the traditional Q&A session? Or Google, a company much in the news these days, has an interesting approach. They have manager candidates write an essay on how they are going to add value to Google. What a great way to get to know how an individual thinks about things and what they consider important as well as being able to assess their writing and communication skills!

Do your employees know what their job is? If asked could they answer that question and why what they do is important to the success of the company? Quality expert, W. Edwards Deming has stated that eighty percent of American managers cannot answer with any measure of confidence these seemingly simple questions: *What is my job? What in it really counts? How well am I doing?*

I have seen this for myself in reviewing employee survey results a few years ago from a large company – in only one department did 100% of the employees say they knew what their job was (it happened to be the recovery department!). In many departments the percentage was more in the fifty to sixty percent range.

It is obvious that having employees that understand what they are doing and why it matters is an essential element in a company's success.

The Work We Do

Let's move over to the operation itself for a couple of minutes. The questions you may want to contemplate in the Ops area will be very specific to the business you are in: ARM service provider, debt buyer or credit grantor.

Here are some examples:

Are there procedures and processes for adding a new client or on the client side – adding a new agency? Are they documented? Are there check off forms for set up? How are clients or agencies qualified? How is “what is the right fee” determined? Again, are these items documented and are they serving their purpose? What is the approval process for all of these? Are we doing something because it has *always been done that way*?

ARM providers and debt buyers: How customer-centric are you? What do you do to retain your customers and grow revenues? Are work flows documented by work type/client/portfolio, etc.? Who and how are work procedures determined? How often are they reviewed? What are your client analysis metrics? What do you measure and why?

Credit grantors and debt buyers: When was your audit process – content and conduct – last reviewed? How are the effectiveness of fees and incentives measured? What is your placement strategy and how is the business segmented? And, of course, is it documented and when was it last reviewed? When was the last time it was *changed*?

All call centers: When was the last time you measured contact rates by time of day and day of week? Have you done this at a major client or work unit level? When was the last time you checked a file rotation sample at an account level to verify all accounts are receiving attempts at various times of day and night; not just some accounts based on their location in the list?

Do you use all the reports you are paying to produce, if the answer is noyou may be able to save time and resources producing them?

And, the last example but not least, when did you last review all of your vendor pricing and their service levels?

And Now....

When we have completed our mental tour of the organization, we may have identified some areas for *CHANGE* so I wanted to suggest a few ideas on that popular topic.

I saw a sign once in a cubicle at a software development company in Boston that made me smile, it said, “Change is Good, You First!”. It struck me as capturing the *normal* human reaction to change for many people. It makes a good ice breaker when discussing change with a group.

Change is the one constant an organization should have. We should be looking for opportunities to reinvent, reengineer, process improve, etc. at all times but change should not be done for the sake of change alone. Careful consideration should be given to the *value* of a change.

Here are a few questions you and staff may want to ask when considering a change:

- Will it help serve customers better?
- Does it give a competitive advantage?
- Does it free up time for value/revenue producing activity?
- Will it help us make better decisions?
- Can you explain it simply and quickly without any presentation materials?
- Does it support new business opportunities?
- Will it help you do your job better?
- Are the total of ALL costs far less than the benefits?
- Is it a time saver or a time stealer?
- Are the results of the change measurable?
- Are the benefits short-term, perhaps, even with long-term negatives?
- Does it mask other underlying problems?

If we don't change the direction we're going, we're likely
to end up where we are headed.
---*Chinese proverb*

Well, here we are...we have stepped back to look at ourselves. I hope I have provided some ideas to consider for your Company and encouraged you to take some time for a walk or a quiet time in a comfortable chair to ask yourself about where you are heading and if it is the right direction...*time to just think about things.*

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