



Building the Foundation
◇ EXPERT ◇ Collection Resources

E = Experts at Your Fingertips

X = Extra Help, Taking a Pro-Active Approach

Current economic forecasts indicate that loan growth will continue for the rest of 2015. A recent Wall Street Journal article cites that the overall consumer base is healthier due to a stronger economy and falling jobless rates. While a perfectly balanced loan portfolio is the ideal for lenders, it may not be the reality when consumers have more flexibility and more capacity to make purchases – wherever the terms are the best. In a competitive pricing environment credit requirements are often loosened, resulting in increased bad debt.

Knowing that an abundance of new loans are being written, your collection department will want to be thinking proactively in preparing for the increase in delinquent loans. Here are some things to think about:

1. Weigh department capacity vs the efficiency that will be needed to handle more files.
2. Review all of your collection policies and practices – are they clear and at every desk?
3. Review your space, time and resource (people) constraints.
4. Take a look at areas that you don't have expertise in and will need more training.
5. Set up a call frequency schedule and make early dials of past due accounts a priority.
6. Create a fallback plan for times when the workload stretches staff too thin to be effective.

Taking a proactive approach to managing your collection department will ultimately reduce bad debt and improve cash flow. The best results will include a resource review, a training plan and knowing what you need from an outsource partner:

1. Look for a history of experience specifically with credit unions.
2. You'll want an extension of your staff, not a call center.
3. Look for collection expertise that your staff doesn't currently have.
4. An outsource partner should have a visible CU philosophy, even to delinquent members.
5. Through the collection process, you'll want your outsource partner to strengthen member relationships and to have a mindset that the goal is to help the member become financially righted.

CU Recovery and The Loan Service Center collectors are solution providers with the credit union member philosophy as the basis of all interactions with the members. There is no status quo with CU Recovery. As the needs of credit unions change, so do the services provided.

The CU Recovery, Inc. & The Loan Service Center, Inc. collection teams are your solution for all subjects relating to minimizing loan loss and maximizing recoveries from non-performing loans. Their experts can work with any loan type from zero days delinquent to charge off. Designed to meet your needs, *CU Recovery* is a full service collection agency dedicated to maximizing recoveries on charged off loans. *The Loan Service Center* provides staffing solutions for credit union collection departments to minimize losses on their active delinquent loan portfolio. The *Collection Academy* offers a curriculum of collection processes with tools that will be effective in your collection department. For more information: www.curecovery.com