



**Building the Foundation**  
◇ COMPLY ◇ A Vital Part of Collections

**C = Complex Issues**

*"Some problems are so complex that you have to be highly intelligent and well-informed just to be undecided about them" - Laurence J Peter*

In recent years, it seems that even normal collections have become complex. To stay current with regulatory requirements, many credit unions have developed procedure manuals, brought in outside trainers and created positions specifically to handle out-of-the-norm, complicated files. Even with all the measures taken, dealing with multiple state jurisdictions, collecting through Native American reservations, and deceased member complications, to name a few, can be daunting. Combine that with the evolution of member attitudes toward debt (e.g., taking on more of it, more casual about repayment, wanting more control over the process, expect better service & flexibility from creditors), well complexity just keeps growing. Many credit unions are looking for ways to concentrate their collection resources in order to drive higher results and address complex changing regulatory requirements.

Knowing that employing member-friendly collection approaches that are less costly and more productive, here are some practices used by CU Recovery:

- Identify files that may have a complex twist to its collection early. Members moving to another state or files that are potentially fraudulent are examples that would fall into this category.
- Contact the member in the way most likely to succeed – by phone nets the best results, but some prefer other methods because they are less embarrassed than talking with an agent.
- Cultivate relationships when accounts are not delinquent, it puts your credit union in a better position to collect if they do become delinquent. These members are more likely to be receptive to educational info and offers of assistance.
- Resolve in a flexible, customer specific manner – how members are treated when their accounts are delinquent may affect their loyalty later.
- Concentrate resources where they make the biggest difference. Analyze data to recognize accounts that may self-cure and concentrate on accounts where contact efforts are more likely to change the member's behavior.
- Know what happened and what's working, right away – create the ability to test new approaches, measure results and adjust strategies without delay.
- Know when you don't have the answers or how to proceed. Contact legal help or the experts at CU Recovery.

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 active delinquent loan portfolios. 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](http://www.curecovery.com)