



Speech Analytics Case Study

Reduce CFPB Compliance Risk and Improve Collections with Speech Analytics

Co-presented by:



Introduction

Collections contact centers and Accounts Receivables Management (ARM) firms face a constant challenge: being able to maximize payments while staying compliant and up to date with new rules and regulations. Speech analytics can help ease this challenge by analyzing every agent contact – either during or after the call – to eliminate compliance risk, improve agent performance, and increase recovery rates. The following case study highlights how one ARM firm was able to leverage speech analytics to proactively reduce complaints and prepare for Consumer Financial Protection Bureau (CFPB) audits.

Case Study

Founded in 1974, Southwest Credit Systems L.P. is a national provider of ARM services to small and large companies in the Communications, Education, Utility, and Financial Services industries. Like many other ARM firms, Southwest Credit is facing a changing regulatory environment. New CFPB regulations will require that firms prove that policies are being adhered to, in addition to supplying well documented improvement strategies when non-conformity is found. The challenge facing Southwest Credit's Quality Assurance (QA) Department will be tracking, at an agent level, that policies are being followed a high percentage of the time.

Before implementing speech analytics, Southwest Credit's QA procedure was typical of many firms. It included a 32 point scorecard and 7 agent audits per month. These results were then shared via various team and executive level reports. Southwest Credit realized that there was a problem, however. The volume of calls represented in the audits was less than 5% of the total. This small sample size was not a statistically valid representation of the overall population, making the results of enforcement and improvement strategies impossible to accurately measure.

Now that speech analytics is in place, Southwest Credit sees data from 100% of their calls, as opposed to just 5%. The company also found that the accuracy of speech analytics, at 90-95%, is on par with the manual audits. Other benefits include being able to create search strings to locate all calls that fit a certain criteria. Southwest Credit's Hot Call procedure, for example, allows the QA department to provide timely feedback on contacts that reference bankruptcy language, dispute language, and escalation language. Agents and management teams also receive scorecards and reports on a weekly and monthly basis that highlight what actions can be taken to improve their overall quality scores.

Case Study (cont.)

This structure and granular view gives the QA department confidence that their data is accurate and prepares them for any CFPB audits. It also allows Southwest Credit to accurately document the results of their continuous improvement strategy, which is another major component of CFPB oversight. Using speech analytics to monitor 100% of calls allows the QA department to quickly identify areas of opportunity. Analysts drill down and discover the root cause of the problem, which makes it easier for the team to develop the right strategy for improvement. After the strategy is implemented, the effectiveness is measured and if the process works as intended, the QA department moves to document the process. This continuous improvement strategy working alongside speech analytics technology helps Southwest Credit stay ahead of the curve and eliminates any surprises from CFPB audits.



Fig. 1—Southwest Credit's Continuous Improvement Strategy

One of the first projects the QA department used speech analytics for was tracking escalation language. The hope was to identify some easy areas for improvement and subsequently reduce the number of complaints. The QA team at Southwest Credit built out several different language strings that could indicate an escalated call and then applied this category to the consumer side of the conversation. The results of this 1 month monitoring period can be seen in Fig. 2.

Case Study (cont.)

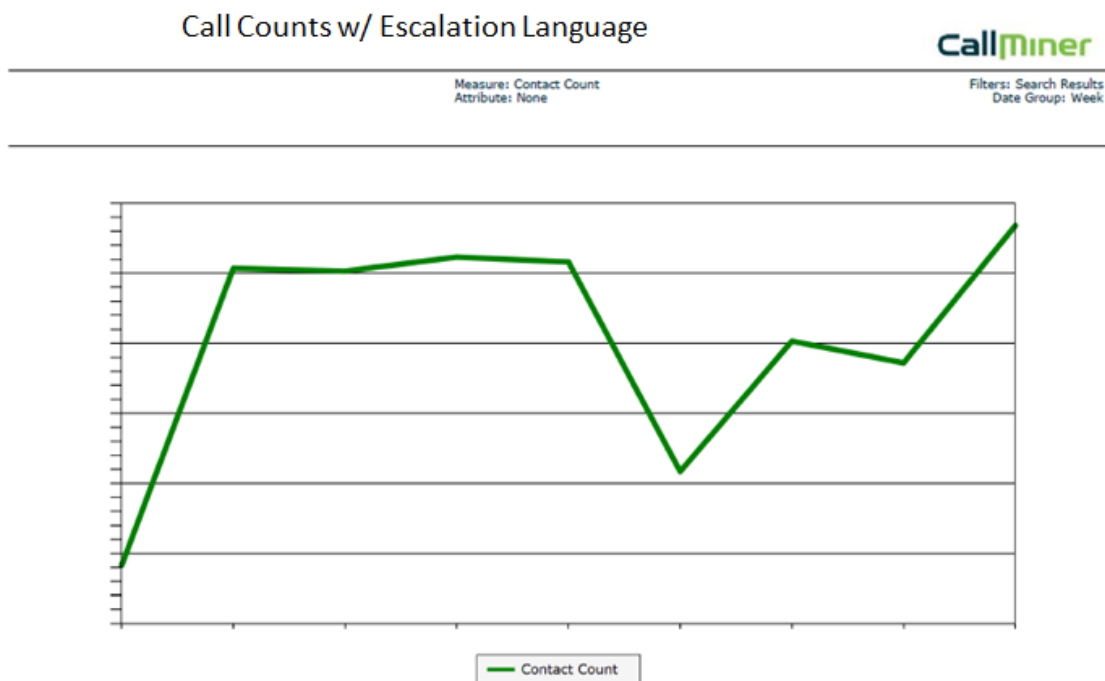


Fig. 2—Call Counts with Escalation Language (1 Month Period)

The next step was to identify why escalation language was rising. As a standard practice, Southwest Credit has its collectors disposition each call. These dispositions are attached to every conversation as stored meta-data which is pulled into the speech analytics software. This data revealed that a majority of calls that had escalation language were coming from Disposition C. Digging further, Southwest Credit analysts were able to identify the exact language that occurred most often in these escalated calls. This gave a clearer picture as to why escalations were increasing.

The insights provided by speech analytics were immediately identified as a training opportunity. Southwest Credit modified its New Hire Training to ensure that all future agents were trained more specifically to prevent the escalations from happening. In addition, CallMiner's software was able to easily identify which current agents needed to be targeted for re-training. At this point, the first 4 steps of Southwest Credit's continuous improvement strategy are represented: Monitor and audit, identify the opportunity, develop the strategy, and implement the strategy.

Case Study (cont.)

The next step, monitor effectiveness, is crucial in determining if the right strategy was implemented. Fig. 3 shows call counts with escalation language over a 6 month period, including the initial month shown in Fig. 2. It is clear that the strategy is showing positive results. Escalation calls have decreased by 66% over this timeframe. Southwest Credit documented the non-conformity, the steps that were taken to correct it, and then reconciled the results with the initial project goal of decreasing the overall number of complaints. Fig. 4 shows the success that Southwest Credit had – overall regulatory complaints have been decreased by 32%.

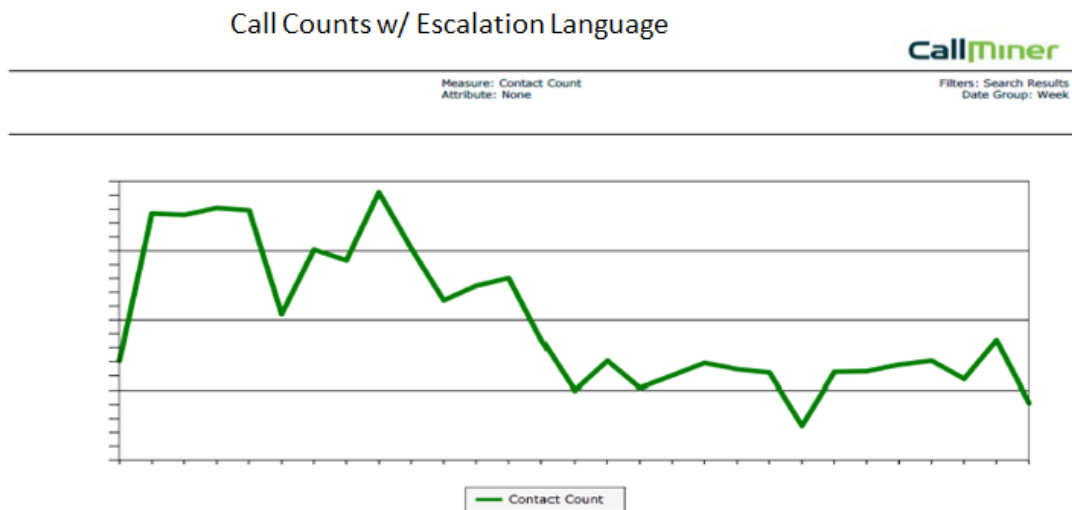


Fig. 3—Call Counts with Escalation Language (6 Month Period)

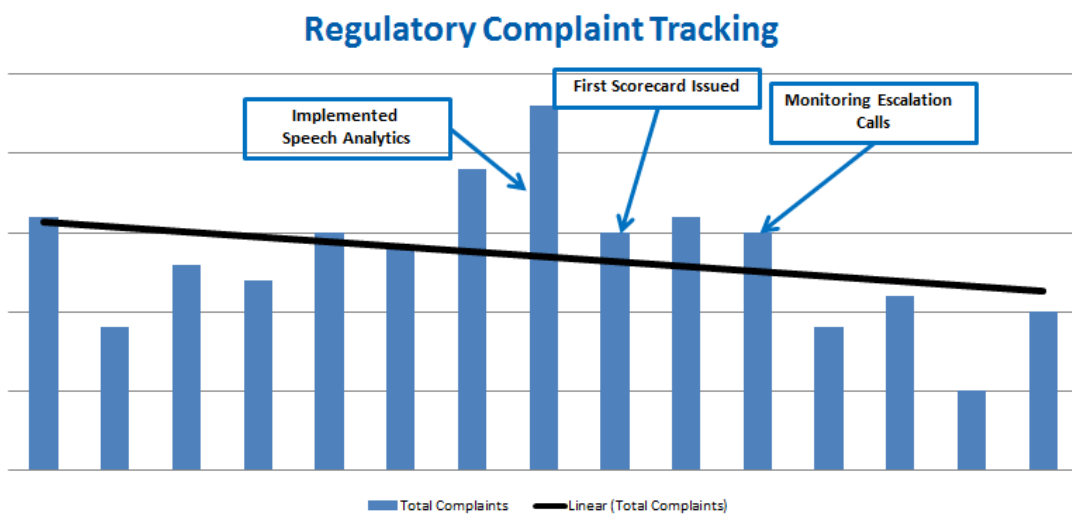


Fig. 3—Overall Regulatory Complaints have dropped 33%

Conclusion

In a time when lawsuits, complaints, and CFPB audits are increasing, Southwest Credit is taking steps to improve their processes and prove their compliance. After implementing speech analytics, Southwest Credit was able to see data from 100% of their calls, not just a sample. They used this insight to track escalation language, identify training opportunities, and ultimately reduce the number of regulatory complaints. In addition, speech analytics has become an integral part of Southwest Credit's continuous improvement process, allowing the company to accurately measure and develop new strategies.

Additional Information

About CallMiner—CallMiner is the leading cloud-based conversational analytics solution for improving agent performance across all contact channels (voice, social, email, chat), by automating Performance Management. Unlike complex analytics that require a sophisticated fulltime analyst, CallMiner Eureka pushes actionable insights directly to the people who need and can act on the data, from the VP who manages contact centers and/or BPOs, the Supervisor who manages a team of agents, and to Agents themselves. CallMiner has solutions tailored for improving sales effectiveness, driving positive customer experience, and for monitoring compliance. <http://www.callminer.com>

About Southwest Credit—Founded in 1974, Southwest Credit Systems L.P. is a national provider of accounts receivable management services to small and large companies in the Communications, Education, Utility, and Financial Services industries. Our experience across the various industries enables us to provide our clients superior industry knowledge to maximize their recoveries. At Southwest Credit, our goal is to provide our chosen partners with professional account receivables and consumer service solutions based on Value, Integrity and Performance. <http://www.sw-credit.com>

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