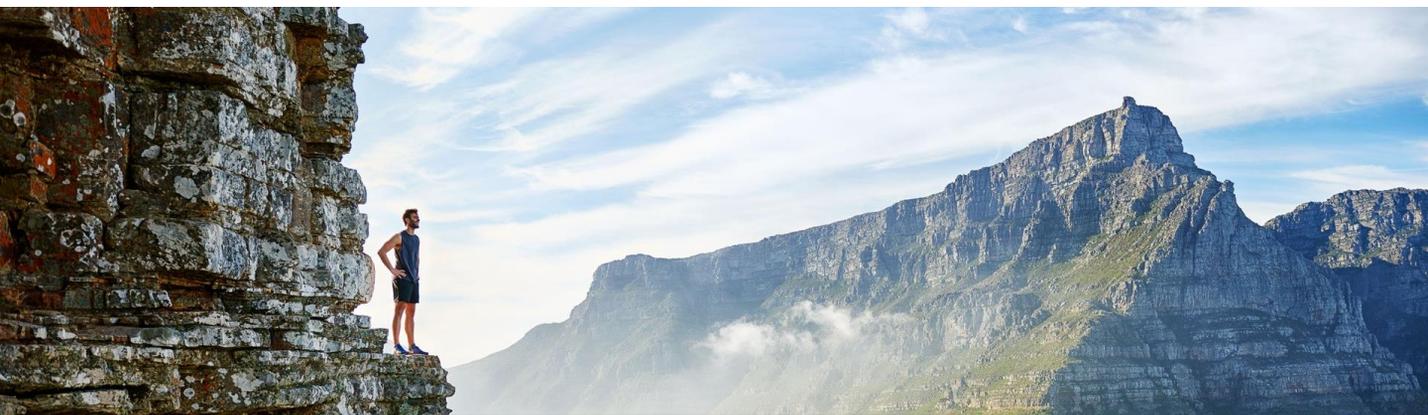


AI Solutions for Collections Compliance



How Artificial Intelligence Helps
Navigate the New Compliance Landscape





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Collections Compliance is Changing

Compliance management has always been a part of the Collections and Recovery business, but never before has the compliance landscape been so dynamic. With changing regulatory leadership and emphasis, and stricter guidelines from clients, agencies find themselves scrambling to maintain agent compliance while keeping costs under control. To meet these challenges, agencies industry-wide seek faster, more reliable, and more efficient compliance monitoring and training processes.

In the Collections contact center, “traditional” approaches to compliance QA are fading away. The manual process of sampling, listening to, and scoring calls “by hand” cannot provide the coverage or timeliness required by modern, competitive agencies.

Airtight compliance, QA efficiency, and fast feedback are no longer just a competitive advantage in the Collections arena – they’re now must-haves if agencies hope to survive.

... and so is Technology

Collections firms, large and small, long ago realized that automation is the key to outperformance. Power-dialers, predictive dialers, and smart-routing ACDs are now universal. Purpose-built Collections CRMs, WFO packages, and Agent Desktops offer automated workflows to keep human workloads to a minimum.

But Compliance remains underserved by automated solutions. QA staffs continue to listen to hundreds of calls, start to finish, struggling to make objective assessments of agent behavior, and trying to identify trends from scattered data points. Agent training often remains a slow and untargeted exercise.

A turning point has arrived. Powered by new advances in speech recognition and artificial intelligence, Compliance automation is now a reality. For early adopters, it has already become an indispensable solution, and with a track record of success an industry-wide transformation is now underway.



The Power of Compliance AI

Today, AI is everywhere. From refrigerators that stock themselves, to self-driving cars, to virtual assistants on our smartphones, artificial intelligence is bringing its power to every part of our lives. From marketing to manufacturing, entire industries are being transformed as intelligent, automated solutions are adopted. What can AI bring to a collections compliance team?

Coverage

AI-driven compliance solutions work by performing speech recognition on call recordings and analyzing each spoken word or phrase to ensure proper agent behavior. Working in the cloud, thousands of hours of calls can be evaluated each day, for 100% coverage of borrower contacts. If a potential violation occurs anywhere, anytime, AI will find it.

Objectivity

Unlike a Quality Analyst, who may have a generous mindset while evaluating one call, but be more exacting when judging another, AI systems are by nature consistent and objective. Every call and every agent is evaluated fairly on the same applicable criteria, eliminating appeals and complaints related to performance reviews.

Efficiency

AI solutions perform their work in a fraction of the time that human evaluators require, enabling agencies to be maximally responsive and adaptive. While traditional feedback loops – from issue identification to agent training to ongoing measurements of success – can take months, AI-driven automation can **detect and correct in a single day**. Team leads and supervisors have intraday visibility into compliance performance, and can immediately conduct targeted training sessions using specific call examples and scenarios provided by the automated system.

How it works

AI-driven compliance monitoring combines automated speech recognition with advanced analytical models to generate alerts and reports which measure compliance across every call, collector, and group.



Transcribe

Automated Speech Recognition accurately transcribes 100% of call recordings.

Analyze

Natural Language Processing and Machine Learning techniques are applied to transcripts to find potential compliance violations.



Score

Results of analysis are compiled into KPI scores at the call, agent, and agent group level.

Report

Scores are presented in Scorecards and Reports that reveal which agents, groups, and call types are sources of Compliance risk.



Train

Targeted training is conducted to eliminate compliance violations.



Actionable Analytics and Optimized Outcomes

In Collections – as in every industry – advanced technologies are only as worthwhile as the business outcomes they enable. AI solutions for compliance management are designed not only to analyze huge volumes of data, but also to present actionable analytics – key information such as scores, alerts, and examples that can be leveraged for business value.

Call, Agent, and Team Scoring

The key capability of AI compliance solutions is automated scoring of calls based on compliance and script adherence criteria. Aligning with the practices of manual scorecarding, scores may be pass/fail, 0-100, or “M-out-of-N”-type assessments. Individual call scores can then be aggregated to show the performance of particular agents, teams, or call types. By assigning appropriate risk thresholds, and leveraging dashboards and reports, agencies know specifically where positive behaviors need reinforcement.

Monitoring and Alerts

For supervisors and legal teams who do not always have time to review a dashboard, compliance automation solutions provide alerting capabilities via email, text message, and desktop popups. Whenever a potential violation has occurred, or when any agent or group slips below an acceptable risk threshold, staffers are instantly notified, offering the opportunity for same-day remediation.

Targeted Training Examples

Along with scoring, Compliance Automation can produce highly granular, targeted examples of both positive and negative agent behavior. Particular calls – and specific locations within them – are provided for agent training and legal review.

The Big Picture

Even for agencies who consider their compliance risk to be well-managed, enhancing current processes with an automated solution can provide significant benefits.

Beyond potential cost savings, both regulators and clients are inclined to look favorably on agencies demonstrating a commitment to compliance with automated, AI-driven, 100% coverage solutions. Demonstration of a strong compliance program can be critical to winning and keeping business – an unexpected driver of revenue.

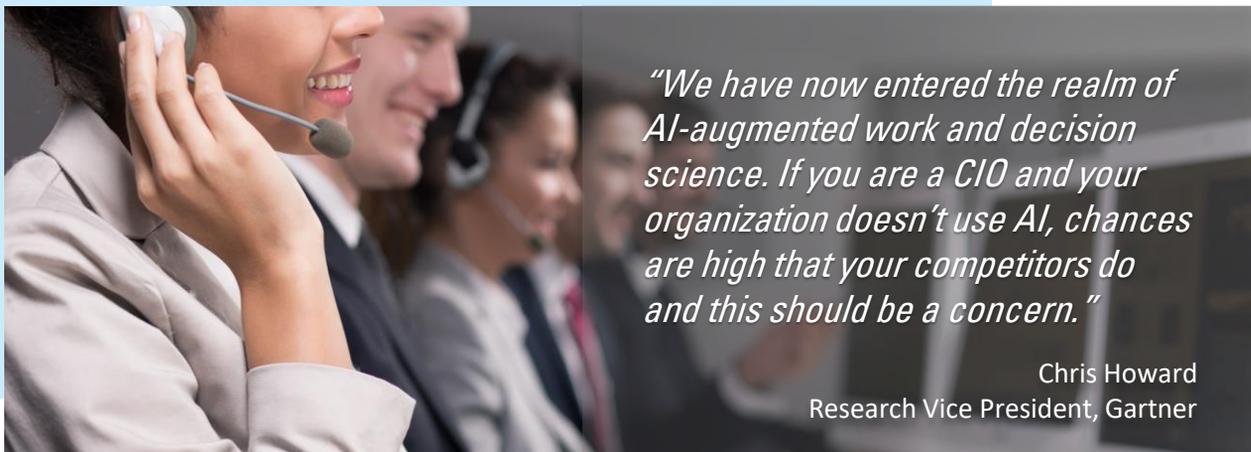




Entering the AI World

Call centers, no matter the number of agents, often behave like “big boats” – it can be tough to quickly and easily change direction. Technological upgrades like new phone systems or desktop software can have year-long trajectories. New procedures and process improvements can take just as long to roll out and become standardized.

Onboarding an automated compliance management tool might seem to fall into the same category. Fortunately, in most cases the benefits of compliance automation can be realized with low-touch integration and seamlessly fit into existing workflows.



Systems Integration

Unlike years ago, most telephony systems and collections software platforms, whether on-premise or in the cloud, offer APIs for automated import/export of call and debtor data. These are the principal sources of data for compliance automation systems, and it means that IT departments don’t have to devote significant resources to systems integration. Providing appropriate levels of access to the right APIs is all it takes.

Migration

Compliance AI doesn’t need to radically change existing QA and compliance processes. Rather, it swaps out tedious human-effort steps for fast machine-driven steps, for a non-disruptive migration. Sometimes called “augmented intelligence” or “additive intelligence”, a typical result is either a reduced need for QA headcount, or the ability to refocus QA staff on revenue generation and optimizing collector efficiency.

Change Management

The critical change that needs to be managed when implementing a Compliance AI solution is not technological – it’s about developing trust in an automated system. Both agents and leadership require a demonstration of accuracy and effectiveness. Most stakeholders come to prefer the objectivity and targeted feedback that AI provides, but building confidence must be an active pursuit.



Choosing the Right Solution

There are several software solutions on the market offering automated compliance monitoring. These solutions describe themselves with a variety of names – “speech analytics”, “conversational intelligence”, and “interaction analytics”, among others. Despite their different labels, most of these offerings look superficially similar, making vendor selection a challenge.

As a class, nearly all available solutions provide similar core functionality: transcription, analysis, and reporting. On closer inspection, however, key differences emerge – and what is right for one agency may not be right for another.

Ease of Use

Compliance AI solutions have differing levels of sophistication and analytical scope, which often translates to varying levels of complexity for the end user. Some “compliance” solutions are more like general toolkits for conversational analytics, while others are tailored specifically for compliance use cases. Be sure the sophistication and ease of use of your selection is appropriate for your target users.

Collections and Compliance Focus

Vendors have varying degrees of focus on compliance and collections, versus general conversational analytics. Some offerings have “collections packages” that may meet your needs; others are purpose-built for the Collections and Recovery industry. If your business ranges beyond “pure” Collections, consider software that also has Voice of the Customer or Sales Performance capability. If Collections is your main business, look to solutions with an industry focus.

Accuracy and Analytical Power

As a class, AI and Speech Recognition technologies have advanced dramatically in recent years, but there remain considerable differences in power and accuracy of Compliance AI solutions. Some vendors are on the cutting edge, others are behind the curve. While some solutions rely on simple “word spotting” for their compliance detection models; others incorporate Machine Learning and neural-net-based models. Ask for an analytical “tour” of each of your short-list solutions, with an eye toward accuracy and power of Compliance models. Most vendors will offer a POC implementation for evaluating their capabilities on your own call data.





Setup, Support, and Maintenance

Some vendors require services engagements or fees for system setup, training, support, and ongoing maintenance and configuration. At the other end of the spectrum, some solutions are designed for turnkey setup and self-service and training. While some vendors maintain a close customer relationship throughout the lifetime of an implementation, others have a more transactional approach to selling their software. None of these approaches is right or wrong; take care to find the model with the right level of customer support and available expertise for your business.



Pricing / Total Cost of Ownership

Several different pricing models are available for Compliance AI solutions: per seat, per call, per hour of audio, per user, and combinations of these. Installation, training, services, support, and maintenance may be separate line items. Some software works best with a team of dedicated analysts; other packages are targeted at enabling users in existing roles. Be sure to factor in total cost of ownership when making an ROI case for a Compliance AI solution.

Try Before You Buy

Most Compliance AI vendors are eager to deliver pre-sale POCs that highlight the strengths of their solutions. Take advantage of these offers to get not only get a sense of the capability and usability of the software, but also a feel for level of partnership and expertise of the support team. After identifying a preferred vendor on paper, engage with them for a POC as the next step forward.

About Prodigal

Prodigal builds AI-driven solutions for Collections and Recovery optimization.

Inspired by the team's experience working with collection agents & managers at lenders like Fundbox, ZestFinance, and Prosper, we aim to bring servicing and collections into the modern age of analytics and machine learning.

Prodigal Voice is the world's first conversational intelligence engine built from the ground up specifically for the needs of the Collections contact center, including Compliance, Performance, and Operational Efficiency.

Prodigal is backed by Y-Combinator, Accel and other leading investors.

Made with love in Mountainview, CA.

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