



CGI provides IT and business process services to financial institutions around the world including 24 of the top 25 banks in the Americas and 17 of the top 25 banks in Europe. Our banking solutions support the credit life cycle from originations through collections and recovery. CGI's collections solutions, including Collections360™ and CACS®, help organizations maximize the effectiveness of collections treatments.

### **How has the credit crisis changed the collections business?**

The dramatic rise in bad debt due to the economic downturn has taxed the traditional collection model — there are too many debtors in the system; it's easier for debtors to hide, and therefore harder to find and reach them; and the model is too labor intensive and not scalable.

Business conditions demand organizations look at collections more strategically. Yet corporate finances are constrained and investment in new solutions or technology is simply not an option. Organizations must find ways to improve collections without significant new investment capital.

### **What impact will the many loan modification programs have on the collections industry?**

The proliferation of loan modification programs makes it increasingly difficult for agents to fully evaluate and treat customers consistently. In response, the collections software industry has quickly mobilized to develop new tools like Dynamic Scripting and Workout/Forebearance processing (available in the latest release of CGI's CACS® product). These tools automate the customer evaluation and decision-making processes while guiding the agent through the information gathering and negotiation process, and allow new programs to be quickly introduced through automation and on-line agent training, resulting in greater compliance and customer satisfaction.

### **Are there new technologies that can help businesses reduce collections costs and improve results?**

Unlike in other areas of credit and customer service, the Internet is virtually untapped as a collections channel. In addition to providing capacity for over-stretched collectors, the Internet provides an alternative "self-cure" option for customers who appreciate the anonymity offered by online collections. CGI's Web Promises™ is a 24 x 7 web channel that facilitates agent-less

collections activity and customer data capture. Web Promises helps organizations deal with high collection volumes efficiently and cost effectively and it can scale with minimal operational impact. Web-based collections lets consumers interact on their own timetable, without confrontation, via an easy to use self-service portal.

### **Do you have any recommendations for the readers of CCR about how they can improve their processes and their bottom lines?**

Solutions that support greater data access, enhanced strategies and advice, and more efficient workflow will be most valued. Some in-house solutions can help increase collector effectiveness, such as online and IVR channel options, use of third-party agencies, and use of analytics and account segmentation to better assign right treatments to each customer.

Organizations should also explore the cost advantages of outsourcing business processes (BPO) and technology services (ITO). Even for certain business processes, like collections, that might have once been considered 'core', benefit can be gained from outsourcing technology infrastructure hosting and applications management, as well as the related business processes and people.

CGI offers Collections360™, a single, integrated platform with sophisticated tools for managing all phases of the receivables management operation, offered in a managed service environment. Unlike traditional collection operations that rely heavily on costly labor, CGI's comprehensive approach combines CGI's industry-leading collections, data services and decision management with a dedicated team of collectors. The result is that collectors work both smarter and more efficiently, using sophisticated tools such as CACS and Strata® to determine who is most likely to pay—and then they concentrate efforts on those individuals.

Collections360 reduces operating costs and accelerates the reduction of net credit losses, and the managed service model minimizes client upfront investment and holds down costs. ■



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