Overcoming Staffing Issues to Meet Your Recovery Goals

Techniques to Build and Maintain Your Collections Team

ConServe
Accounts Receivable Management

Introduction:
Overcoming Staffing Issues to Meet Your Recovery Goals

The War for Talent. The Great Resignation. The Quiet Quit. No matter what you call it, or what phase of this challenging labor market we are in, it has never been harder for credit unions and other institutions to find, keep, and motivate good people.

There are a variety of factors contributing to this unique hiring environment, and as many of you know, it is not entirely new. Attracting and retaining top talent has always been a persistent challenge for many employers. Unfortunately, the COVID-19 pandemic only added to the complexity. As work arrangements and economic realities evolved, the priorities, wants, and needs of employees shifted as well.

Today, it's going to take more than a post on a job board to find the people you need to manage critical business functions. Instead, a more holistic approach to the new employer-employee relationship will be required – an adjustment that most progressive organizations are already embracing.

Techniques to **Build & Maintain Your Collections Team**

1 Re-evaluate Compensation

The first place to start is to evaluate your current compensation strategy. Workers are actively searching to maximize their wages, and there is no shortage of open positions, particularly with the expansion of remote work opportunities. At the same time, corporate recruiters are combing the pages of LinkedIn to identify candidates who may not be looking currently, but who would jump at the chance to increase their take-home pay.

Not surprisingly, an increase in pay is the biggest driver for employee retention. Of course that is not always economically viable.

At a minimum, you need to benchmark salaries and roles to ensure your wages are in line with industry standards. From there, you can proactively define and communicate career opportunities to ensure your people see a clear and attainable path to more income, which can also increase the odds that they will stay with your institution. Developing and upskilling responsibilities and talent can play a key role in these efforts, and they can also help employees feel more valued.

2 Get Creative with Benefits

While salary is of primary importance, the benefits you offer come into play as well. Traditional benefits, such as health care and a retirement plan, can be vitally important to an employee. For others, however, these benefits are often not quantified. Regularly communicating Total Compensation, or the full value of an employee's salary plus benefits, helps them understand how much they are receiving from the institution.

Another key consideration when it comes to benefits is to offer packages that allow employees to customize them based on their current needs. One size does not fit all, and the more flexibility you can provide, the more value your workers can derive. A common framework for this involves considering the various generations in the workplace. Older generations often value retirement health care and retirement. Younger generations might prefer student loan paybacks and other financial wellness programs. Your best bet? Poll your employees and find out directly from them what benefits they would find most important.

3 Consider More Flexibility

Another area where many companies have had great success is with more flexible work arrangements. **Fully remote and hybrid environments have become much more accepted due to the pandemic, particularly for those with back-office, non-customer-facing roles.** Employees have responded positively to the increased work-life balance these arrangements afford, and will be less likely to move to companies that don't offer this same level of flexibility.

The next evolution of the flexible workplace involves not just where employees work, but when they work. Measures of performance and productivity will need to keep pace, but this additional freedom to work when it makes the most sense for the worker and their family, can be a critical benefit when it comes to attracting and retaining employees. This can add to overall employee well-being and loyalty.

4 Get Serious About Culture

A final shift we've seen is more employees assessing company culture when it comes to selecting an employer. They want their work to be meaningful, and the organization's values to align with their own. For credit unions, this means being intentional and proactive with your culture, rather than just "letting it happen." What is your mission? How do you treat your members? How do you treat each other?

When this vision for an organization's purpose and values starts at the top, it will consistently permeate the rest of the organization. But culture doesn't stop there. You must proactively communicate it, and make it a central part of your organization's brand. When people at the institution buy in, they can be your biggest proponents, and help add to your talent pipeline with direct referrals and the social amplification of job postings.

The next evolution of the flexible workplace involves not just where employees work, but when they work.

Outsourcing: The Alternative to Building Your Own Team

With technology investments or the move into a new market space, the first decision is whether to build, buy, or lease. The same applies to your collection efforts. Many financial institutions have built their own teams to manage collections and other back-office operations. However, the opportunity to outsource those functions has only grown more appealing, especially with the challenges institutions are facing with staffing and training these teams on their own.

Here are the top reasons credit unions and other organizations are choosing to outsource key business processes, such as collections.

1 Gain Better Control Over Costs

In this time of unpredictable wage growth and growing inflationary pressures, the ability to build and budget manageable fixed costs has never been more crucial. The stability provided by a structured outsourcing arrangement often makes excellent financial sense. However, outsourcing can provide more than predictable expenses. In its 2020 Global Outsourcing Survey, Deloitte found that 70% of companies who leverage outsourcing did so for cost savings.

This should come as no surprise when one considers the true costs of employee turnover. Recruiting. Hiring. Onboarding. Training. It all adds up, and the costs are only rising. When you factor in the previously mentioned wage pressure around employee retention, it is easy to see why outsourcing all the expenses and management related to these efforts can add up to real savings for organizations looking to better manage costs.

70%

of companies who leverage outsourcing did so for cost savings.

2020 Global Outsourcing Survey, Deloitte

ConServe
Accounts Receivable Management

2 Reduce Strain on Current Staff & Systems

In addition to monetary costs, bringing on new employees is a huge consumer of resources. Particularly in a specialized field like collections, it takes a great deal of time and training to help a new team member become truly effective. When you outsource these operations, your partner takes on these efforts. Better yet, they are fully staffed in such a way that you don't experience the dips in productivity that come when replacing a valuable worker.

This brings us to a truly hidden cost of turnover – the extra burden and stress on the employees that remain. One thing we all know is that the work doesn't go away just because the people who are responsible for it do. If your employees find themselves stretched too thin to cover roles you're trying to fill (or refill), they're going to quickly burnout and become flight risks themselves. By outsourcing the bulk of the operation, you can avoid the domino effect of turnover.

ConServe
Accounts Receivable Management

3 Access Specialized Expertise & Infrastructure

An often-under-valued advantage of outsourcing business processes like collections is the fact that you can gain access to greater expertise, experience, technology, and resources. Reputable organizations are well-staffed, well-trained, and equipped with the latest techniques and technologies to maximize recoveries. **Because they're this specialized, they can invest in digital engagement tools, speech analytics, and other tools to improve efficiencies and results – all of which you can benefit from without having to approach that steep learning curve yourself.**

When it comes to learning curves, the experience necessary to make the most of these various tools leans heavily on organizations that truly understand the business of collections. From prioritizing and analyzing your inventory of accounts, collection agencies are able to assess and adjust the approach to the training to deliver personalized and professional service to your members. This organizational knowledge is difficult – often impossible – to replace.

4 Streamline Process Management

A key benefit of outsourcing is that it allows your organization to offload important (but non-strategic) processes to a trusted partner. As a result, your team can focus on the things that are truly important to the mission of your institution, knowing that essential back-office operations are being handled effectively and professionally. That means more time for new innovations, for deepening member relationships, and for responding more quickly to changing market dynamics.

In addition to handing off project and process management, outsourcing allows you to hand off the many compliance challenges that come with consumer-facing operations like collections. Security and compliance can be huge process issues – issues that simply cannot be avoided or ignored just because there is a labor shortage. When you choose a proven collections provider, you can rest easy knowing that they are the experts in what they do.

What to Look for in a Collection Agency

While outsourcing collections can help you boost efficiencies, recoveries, and member satisfaction, you need to find the right partner to gain those advantages. With more than 7,000 collection agencies in the United States, it's important that credit unions work with an agency that understands their brand and their members.

Credit unions should select an agency that is familiar with their business, as well as all state and federal rules and regulations enacted by the agencies that govern their financial services and products. That means proper employee training and strict adherence to the highest standards of customer service and professionalism.

Equally important, it's essential to hire an agency with a proven track record of successful collections in the industry. Look for an agency that not only promises results, but also provides real-time dashboards and analytics that give you access to key performance metrics, as well as regular reviews to ensure alignment on collection strategies and outcomes.

Most important, however, is that credit unions select a collection agency that prioritizes data security and understands its implications to both their business and their members. Focus on the agency's dedication and commitment to data security to determine if they can help you merge the needs of your members, your team's training, and the importance of data security to ensure your member's information is, and remains, safe and secure.

Let's **Get Started!**

Call **(866) 761-0700**, email **salesinfo@conserve-arm.com**, or visit **conserve-arm.com/meet-conserve**

ConServe
Accounts Receivable Management