



# TECHBLUE DEBT MANAGEMENT

Be Smarter. Be Faster. Be Better. Be Next.

A TechBlue Whitepaper



TECHBLUE

## Next generation debt management

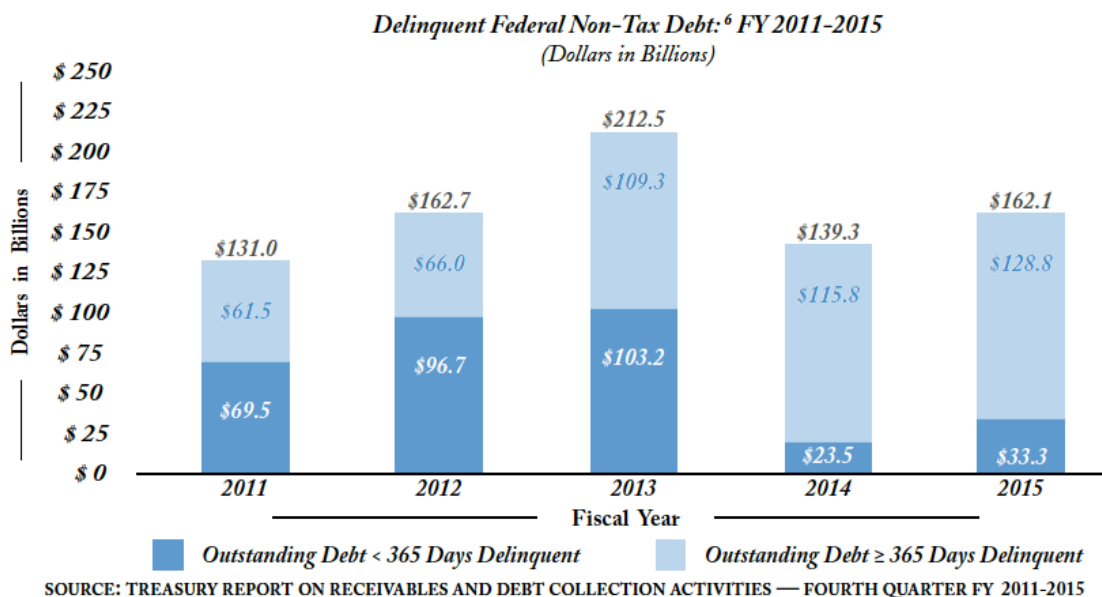
isn't about adversarial relationships; it's about creating cooperative, collaborative partnerships between lenders and debtors.

There have been many rapid advancements in both technology and business processes since the last generation of high-volume debt collection software. As a leader in large-scale debt management solutions, TechBlue is combining the advancements, in the areas of process management, debt management, advanced analytics and CRM capabilities to help lenders to:

- Optimize debt recovery strategies
- Foster more positive lender-debtor relationships
- Apply descriptive analytics to visualize the debt portfolio from key perspectives
- Apply predictive analytics to identify high-risk accounts before they become issues
- Apply prescriptive analytics to simulate and optimize debt collection treatments
- Maintain compliance with Federal regulations
- Comprehensively manage collection strategies and processes

# Introduction and Challenges

On June 13, 2011, the Presidential Authority ordered that all Federal agencies are responsible for cutting waste, streamlining Government operations, and improving performance. At the start of FY2016, the United States Government was owed \$1.3 trillion dollars while carrying \$162.1 billion in delinquent debt (Treasury, 2015).



One of the most difficult challenges of commercial and government financial organizations is in improving the operational efficiencies of debt management and revenue recovery. While many organizations are responsible for managing receivables portfolios, it is often done using legacy hardware and software that is often several decades old. Further, outdated debt collection methods (letters and calls to land lines) are becoming increasingly less effective as the populace migrates to other forms of communication such as mobile and social technologies.

The debt management organizations incur extensive costs associate with collection, revenue lost and litigation actions. The costs are direct and difficult to assign accurately, which impacts internal budgets and morale. Revenue collection budgets are often minimal which makes investments in new processes and technologies difficult.

Most large-scale collection systems were developed over three decades ago. These systems are increasingly difficult to support, and are not able to benefit from the advances in modern technology platforms and services. The lack of modern, industry-accepted standards means that additional custom code, time and budget are required to integrate and further the legacy platform.

# TechBlue Debt Management

For debt management organizations, both commercial and federal, the management and collection of debts has never taken on a higher level of importance. Economic factors around the world are continually influencing debtor's ability and willingness to repay debts.

While several traditional debt management approaches are still viable for some organizations, evidenced by the viability of legacy software solutions, debt management organizations are quickly finding that effective debt management requires changes to strategies, technologies and organizations.

Successful debt management now requires highly optimized capabilities that focus on automating decisions, creating customer segmentations, and applying advanced analytics to predict debtor behaviors and prescribe treatments to maximize revenue.

Now more than ever, a new paradigm is needed. One that will not only replicate legacy debt management capabilities, but one that will enable more automated, proactive, and data-driven functionality to build better lender-debtor relationships, retain valuable customers, and generate financial outcomes that can be more effectively forecasted and managed.

The TechBlue Debt Management Solution integrates predictive and prescriptive models, customer data, customer-driven constraints and automated decisions to optimize the way leading organizations are reaching higher performance levels.

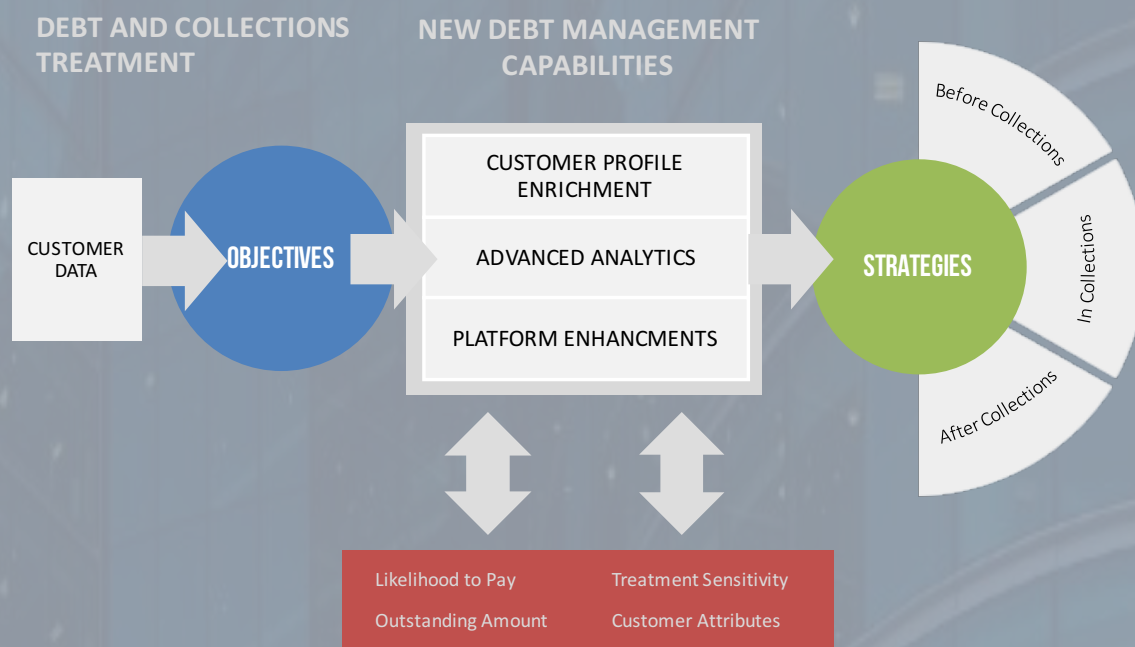


Figure 1: The TechBlue Debt Management Paradigm



# Successful Debt Management

It has to make sense, before it can make dollars.

In a world where people are constantly challenged with competing priorities, it's no secret that knowing more about them, their influences and their behaviors is key to success in many ways. Debt management is no different. And with technology advances of the last few years, knowing more about debtors is proving invaluable to recovering dollars more effectively and efficiently.

In general, thinking about debt management from three high-level perspectives helps to create a strategic foundation for how to reach higher performance levels. And for each perspective, knowing more about debtors is key, and the benefits are proven:

*Before Collections* – Knowing more facilitates effective risk assessment, cross-functional monitoring and proactive consultation.

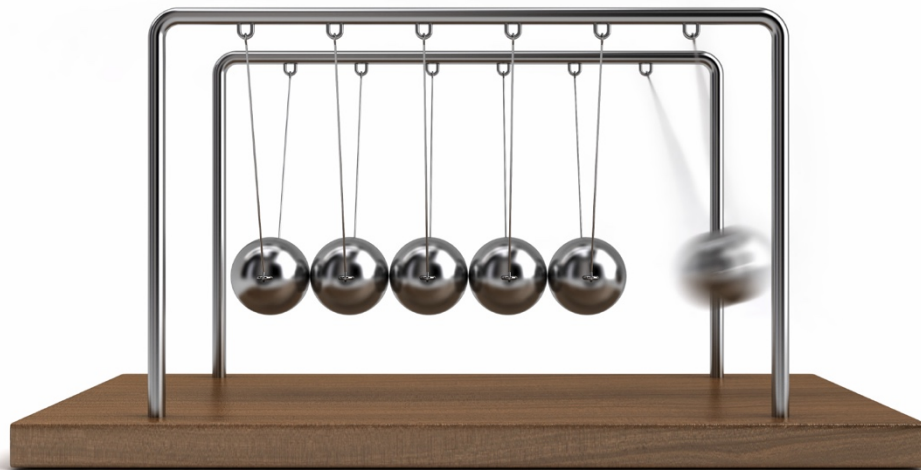
*In Collections* – Knowing more facilitates attainable treatments, optimized collection case handling, and greater probability of full recovery.

*After Collections* – Knowing more facilitates more efficient debt write off and debt sales to 3<sup>rd</sup> party organizations.

## Core features of the TechBlue Debt Management Solution:

- Underlying data stores
- Workflow
- Advanced analytics
- Automated decisioning
- Comprehensive reporting
- Real-time communication

## Technology vendor partners:



# TechBlue Debt Management System

The TechBlue Debt Management System facilitates improved revenue collection, debtor relationships and automated proactive debt portfolio management and collections. The solution is highly configurable, enabling the system to better respond to evolving trends, legislations and debtor behavioral patterns, while avoiding product customizations with high development and ownership costs.

The screenshot displays the TechBlue Debt Management System interface. The top navigation bar includes the TechBlue logo, the system name, a search bar, and user profile icons. The left sidebar contains a menu with categories like Financial Transactions, Work Management, Financial Admin, Treasury, Portfolio, Processing, Setup, New Business, Compliance, and Reports. The 'Setup' menu is expanded, showing sub-items such as Organization, Offices, Departments, Workgroups, System, External Services, User Admin, User Defined Pages, Documents, Custom Views, File Registry, Rules, and Customer. The main content area is titled 'Customer Edit' and features a 'Customer View' tab. This view includes a 'Customer Info' section with fields for Company, Customer, Group Code, Credit Limit, Hold, Address 1, Address 2, City, State, Zip, Country, Contact, Phone, Fax, Email Address, and Web Address. It also displays a 'Balance 30 Days' table with values for \$115,995.88, \$47,246.91, \$15,467.67, and a Total Balance of \$178,710.46. The interface includes buttons for 'Add Company', 'Add Customer', 'Update All', 'Update Customer', 'Filter', 'Search', 'Help', 'About', and 'Close'. The footer indicates '© Copyright 2017 TechBlue, Inc.'

Although we standardize on several technologies for integrations and core functionality, our solution is powered by “best-in-class” vendor technologies. Coupled with our expertise, models and integrations, the TechBlue solution delivers key benefits that improve debt management and collections. By sustaining a vendor-agnostic capability, our customers are able to make changes to underlying infrastructures and vendor platforms to benefit their operational objectives. Regardless, the TechBlue Debt Management System can be adapted and reconfigured to generate the same operational performance and outcomes.



## CUSTOMERS

Self-service resolution, improved relationships



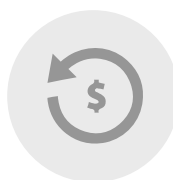
## PERFORMANCE

Improved analytics-based strategies, shortened time to resolution



## WORKFLOW

Highly configurable, measurable performance



## RETURN

Decreased operational costs, increased collection revenue



## COMMUNICATION

Improved debtor connection, behavior-targeted letters



## INTEGRATION

Reporting, security, 3<sup>rd</sup> party apps, regulatory compliance

# What we do

## Threats, Risks, Opportunities and Performance

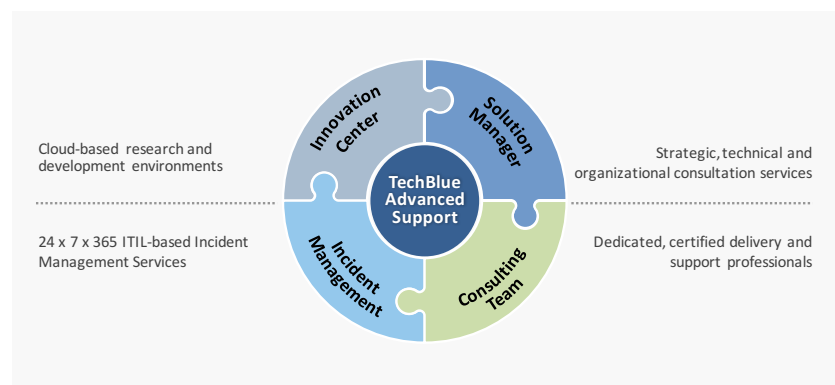
Over the past 11 years TechBlue and its personnel have worked with some of the highest performing businesses and organizations around the world, including Internal Revenue Service, Department of Defense, US Treasury Inspector General for Tax Administration (TIGTA), Singapore Ministry of Manpower, Volvo and Wells Fargo. To this day, our solutions are facilitating improvement of mission-critical systems, applications and business processes.

Contact us to learn how TechBlue can deliver Debt Management solutions for your organization.



We are equally known for what we think as much as what we do, and our approach to consultative services is based on knowledge gained from over 30 years of solution delivery. Our project success is based on teamwork and collaboration, coupled with measurable and repeatable delivery processes which reduce risk and maximize value for our clients.

TechBlue Advanced Support is at the core of our delivery approach. Designed to maximize functionality, availability and scalability of systems and processes, TechBlue Advanced Support consists of four complimentary offerings: TechBlue Incident Management, TechBlue Consulting Team, TechBlue Solution Manager and the TechBlue Innovation Center.



TechBlue is a consultative firm delivering solutions that optimize operational performance. We excel at transforming organizations to be smarter, be faster and be better in dynamic and rapidly changing business environments.

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