

6 Ways to Create a Culture of Learning in a Collection Agency

August 19, 2010

by Brett Sivits
The Intelitech Group
August 19, 2010

Many organizations do not understand that training is only a part of the learning process. Learning is much more and it's learning that leads to strong independent employees who have the ability to be superstars. I have trained hundreds of employees over the years and have learned that their ability to perform a basic task is almost never the problem. The problem is that they perform that task either poorly or inconsistently.

The employee's competence level is not always the result of poor trainers or training material; it is often because someone forgot that in order for an individual to be effective in any position, you can't just train; the employee must also learn. Learning requires that the teacher must believe and value what they are teaching; it requires dynamic teaching and a great deal of follow through. Training is too often an afterthought without a plan. It's just a series of events that either conveys the intended message or most often mindlessly explains a seemingly random series of policies.

A debt collection agency absolutely depends on the success of its collectors. Often a collection floor is a company's only revenue source, or at least a significant portion of it. It is my opinion that in order to truly train collectors or any employee, an organization must do more than create a training regiment. They must create a culture of learning and continuous feedback. To create such a culture, an organization must do the work and be committed to it over a very long period of time.

1. Soul Searching

The first, and often ignored, step is to determine what you intend to teach your employees. It is not simply a decision about which policies to teach and in what order. In fact it's more than just policies and procedures.

Before you begin training new or existing employees you should completely understand the values and policies you plan on conveying to your employees. Every organization has "the way we do business" and it's always different and it's those differences that are the reason we are all still in business. Differentiation is important and there really is no one right way to do things. However, the organization should be aware of those differences. Those differences are not all operational; they are the values used to make those operational decisions. However, awareness is not enough; the purpose of mission statements and value statements is that those principles are never lost. They should not

just be line items to be put on the website or sales materials; they should be posted prominently in your office as reminders that every policy and procedure should be based on those values and if they are not, those policies and procedures should be reconsidered. Those values should be communicated to new and veteran employees throughout their employment. Employees will not be tired of hearing them repeated in meetings and trainings over and over because, if done correctly, they will be embodied in your culture and they truly become the guiding principles of your organization.

2. Create a Vocabulary

This may sound strange, but words are not always the best method by which to communicate. Words are fragile and are not always understood in the same way by everyone. Each listener uses their own personal filters that can change the meaning drastically and thus have the ability to change the meaning of your well-crafted culture statements. What, then, are you to do? First, define your own vocabulary.

Let's start with words; there is jargon in the ARM industry that we throw around. With all of your employees, especially your new employees, make sure you define them. Jargon acts as a barrier and many in your organization only partially understand what you are saying and are guessing at the rest.

Find words that are positive. I recently worked with a telecommunications company and they were attempting to replace the word "problem" with the word "opportunity". This is a simple change that if you were to try for even a day, you will find it changes the flavor of what you are saying.

When you are training, it's important that words are defined and that everyone uses them consistently. Ensure that your values are part of the definition of these words. Words can be powerful and do have the ability to communicate, but only if they are safeguarded.

One way to safeguard the meaning of words is to add to the corporate communication lexicon by adding other means of communication. There is a reason that every nation has symbols and songs. Those things communicate information differently and will give your new vocabulary context. Create images that have meaning for your employees. If the leader of your company is well liked by your employees and embodies your culture, then is it so strange to find a way to put pictures of them in your building? If the building itself has meaning or if your city has a landmark that speaks to your values, then use it. If you can't think of an image that embodies your values then create one.

3. Document, Document, Document

Once you have created a vocabulary, you must document the process by which you will train your debt collectors. Your initial training should have a set curriculum with a set time schedule. Clients and potential clients are already starting to ask for this kind of documentation, but you should have a plan and stick to it. If you don't have guiding

documentation, it becomes very difficult to hold your trainers and yourself accountable. The documentation should be updated as you make changes.

4. Daily/Weekly/Monthly

Your plan should include regular training opportunities and monitoring. Employees need to understand your expectations and that you will be reviewing constantly to ensure their understanding and compliance. You must understand that you should be willing to teach every day, every minute. By teaching them every day, you are demonstrating that you are willing to invest in them.

- Daily training and monitoring should be quick and on the spot. If you find a problem, address it immediately. Employees crave feedback and we should find a way to deliver it in a meaningful way.
- Weekly trainings should also be quick and simple, but should be a sit-down meeting. It is an opportunity to review the trends of your daily interactions and take a minute to teach or reinforce better behaviors.
- Monthly trainings should review trends in an employee's performance over the last month, but they should also be instructional. Carve out more time to review policy, procedure, and principles. Don't get caught up in the fires that inevitably pop up on a collection floor. Take a moment to teach principles that will improve a collector's success.

Don't forget that performance reviews and training should not be scary. Be positive and try to help the employee understand that the principles you are teaching are beneficial to the company as well as to them personally.

5. It's a Big Deal

The reason you decorate your house for Christmas or birthday parties is because it's a big deal. It's human nature to change your environment for events or occasions that have meaning. As a result, when you announce a policy like this, do it in a place that is new and/or different. The act of simply going outside will make an impression on your employees. They are more likely to remember it and realize it's important to you. If you are so inclined, decorate your office, get refreshments, do something different!

Now that you have set the stage, don't unveil a policy or procedure, unveil a culture. The culture will usually not be radically different than the status quo, but it will highlight principles and be a codification of which the company already is. Importantly, it should also be a declaration of what the company wants to be in the future. If the change is radical, then be prepared to hype the event that much more and, most importantly, be prepared to follow through.

Dramatic changes often generate stress in our employees, causing questions...lots and lots of questions. You should be prepared to answer them, though not necessarily amongst the balloons and streamers. Allow your staff to voice their opinion and when

it's constructive, find a way to absorb it into your new culture. When it's not constructive, take note and make sure those employees don't become the obstacle that hinders the rest of the group from growing.

6. Follow Through

Finally, and maybe most importantly, you will need to follow through. If you are training on a daily, weekly, and monthly basis, then you will need to follow up on a daily, weekly, and monthly basis. Everyone in the organization needs to know that a particular training is not simply a suggestion but the requirement. When something doesn't work, then by all means take suggestions and make changes. But the phrase "they want us to do it that way, but everyone does it this way" should never be uttered on your collection floor again. Those individuals charged with actually training staff should be fully committed to your process and your vision or they should be in another position. Adherence to the culture should be absolute. I say that with firmness, but remember, I believe that all the technology and leadership will not save your business unless your collectors are acting at their peak performance.

The follow-through stage is a lifetime commitment and requires vigilance. It requires that everyone in the office, including you, adhere to those guiding principles. It is possible to see a change in your staff immediately, but they will not know you are truly committed to the change for months or years later. Many of them are waiting for the moment to pass so they can return to old behaviors.

Training your staff is not, in my opinion, simple. It is very difficult and time consuming but commonly the staff is the most expensive portion of your annual budget and deserves your attention. Organizations spend thousands of dollars on new technology to put the "right" debtor on a silver platter for the collector, but are your collectors and staff prepared to take advantage of that amazing opportunity? The culture of collector training is more than a training schedule and a couple of binders full of information. Collector training should be one of the most important things you do and remember the entire staff has a hand in creating a collector.

About Brett Sivits

Sivits has worked in the collection industry for seven years, rising through the ranks at a strong regional collection agency from Part Time Collector to General Manager. Sivits now holds the position of Associate Partner with the Intelitech Group and along with many others serves clients across the country in all sectors of the collection industry.

About The Intelitech Group

The Intelitech Group provides consulting and technology solutions to help agencies achieve optimal results. Leveraging industry expertise and market intelligence with the latest technology innovations, The Intelitech Group brings extensive knowledge, insights and practical tools to help agencies delve deep into all facets of the organization to measure, analyze and implement results-oriented solutions. For more information visit: www.intelitechgroup.com.