

Strategic Settlement Campaign

Lifts Overall Average Collections Recovery by 17.65% in Just Three Months

+ The Client

A regionally accredited private college with 13,600 students enrolled across 23 campuses in Minnesota, North Dakota, Florida, Wisconsin, Illinois, Kansas, and online.

With proactive help from the College, Windham's account specialists had more negotiation room for a speedy resolution.

The Situation

A classic case of collection's diminishing returns. Older accounts and small balances left the College with a high number of outstanding tuition accounts, including primes and second placements ranging from 90 days delinquent to three years.

The College needed a new recovery program that could:

- + Reduce the size of these outstanding portfolios quickly while recouping the most money possible
- + Clean up portfolios to make account and vendor management simpler and more cost effective
- + Identify and resolve disputes in a timely manner

Windham's Approach

Windham and the College developed an incentivized settlement campaign targeting accounts with outstanding balances of at least \$100 and placed for more than 60 days. The College agreed to deviate from its normal processes and release transcripts to students who settled their accounts. They also temporarily increased settlement authority up to 50%, giving Windham's account specialists more negotiation room for speedy resolution.

The success of this campaign relied on:

- + Running targeted call campaigns
- + Increasing skip tracing on high-balance accounts
- + Sending settlement letters
- + Using voice capture technologies and a proactive service approach to anticipate secondary questions and reduce follow-up calls
- + Engage in proven best practices for compliance
- + Isolating the drivers of delinquency
- + Prioritizing higher FICO scores
- + Identifying and resolving disputes in a timely manner

Windham's Approach

- + **Prioritize Higher FICO Scores** – FICO scores, which are similar to credit scores, were prioritized in order to focus efforts on borrowers considered to have a higher likelihood to pay. A structured settlement process that focused on identifying and resolving disputes helped speed up recovery.
- + **Root Cause Analysis to Identify and Resolve Issues** – trend analysis helped Windham identify several common factors that contributed to students' tuition delinquencies. These were reported back to the College for long-term solutions to help prevent these issues in the future.
- + **A Team of Subject Matter Experts for Better Customer Service** – the campaign's account specialists were well-versed in both tuition accounts and settlement negotiations. This ensured the team could find the best repayment options for borrowers and that they only applied the lowest allowed settlement percentages when really needed. Able to anticipate common stalls and questions, account specialists could resolve disputes faster and more accurately, providing a better experience for borrowers and quicker balance recovery for the College.
- + **Clear, Consistent Client Communication** - weekly calls with the College relayed valuable performance and revenue updates, as well as outlined next steps for meeting monthly goals. Reviewed delinquency drivers and trends involving recovery challenges.

Windham's Results

- ✓ In three months, Windham increased the College's overall 25-month average recovery by **17.65%**.
- ✓ During the campaign, Windham's average monthly collections for the College increased by **264.83%** of a normal collections month.
- ✓ 69 accounts were **paid in full** and 66 accounts settled their balances.
- ✓ Affordable and quick resolution increased student and parent satisfaction levels during the collections process. More students now had access to their transcripts, allowing them to go back to school or transfer.
- ✓ Smaller portfolios made account and collections vendor management simpler and more cost effective.
- ✓ Recovery success increased exponentially during the tax time window when borrowers had a greater ability to pay.



264.83% increase in collections



69 accounts paid in full



Affordable and quick resolution