

Winning the Collection Argument



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Tell me and I'll forget,

Teach me
and I'll remember,

Involve me and
I'll learn.

- Ben Franklin

What is Collections?

- Webster defines collections as: the act or process of collecting.
- Kevin's Definition:
 - At its root, collections is a conversation between two parties, one trying to get paid, the other trying to avoid paying.

Why would a customer not pay their bill within terms??

- Don't have the money.
- Forgot
- Dispute
 - Real
 - Imaginary
- Legal issues
- Banking issues
- PO?
- Government Entity
- Death/severe health issue

Why do people get angry when they can't pay their bill?

- Debt Stress Syndrome.
- Fight or flight
- Professional Debtor personality

De-escalate the situation

- Keep calm, they are mad at the situation not you.
- Note your appearance, and facial expressions. You can hear it on the other end of the phone.
- Listen and take notes
- Don't get into personal attacks.
- If you are losing control, end the conversation and tell them you will call them later.

Effective Communication

- Take control of the conversation.

Project

Effective communication

- Study shows that 70%-80% of our day is in some form of communication.
- Communication is a two way street
- Only 7% of communication is verbal!
- So what's more important, what you say or how you say it?
- Sacred silence.

Before the Conversation

- Get your self composed, be ready to have a conversation
- Be focused on this conversation and nothing else.
- Pull up as many notes as you can, as quickly as you can. (This may not always be possible.)
- Exchange pleasantries.

Don't fret the small talk

DON'T FORGET THE Chit Chat

- What is small talk/Chit Chat?
- How long should it last?
- How do I do it?
- What is it good for?
- How can it help me?
- What should I do to capitalize on it?

The conversation

- Step one: Make your you owe me money statement.
- Step two: The see what happened story.
- Step three: Come to an agreement.
- Step four: Ask qualifying questions.
- Step Five: Test the Water.
- Step Six: Close the Deal.
- Step Seven: Reinforce the Deal.
- Step eight: Follow up.

Step one: Make your you owe me money statement.

- Be careful of your word choice.
- Your statement should be no longer than one sentence.
- Give your information then be quiet.

Step two: The “see what happened” story.

- Have a note pad ready, you’ll need it.
- Let the customer talk as long as they are willing to give up info.
- Listen for inconsistencies, and contradictions.
- Listen for any kind of agreement that the debt is owed.

Step three: Come to an agreement.

- Sometimes you have to be creative with your agreement statement.
 - For example:
 - You agree that you want this situation resolved.
 - You agree you owe the debt.
 - Others??

Step four: Ask qualifying questions.

- What do you actually want to know.
- Don't be afraid to question the customer story.
- Ask leading questions when relevant.
- If you think the customer is giving you false information ask the same question multiple ways.

Step four: Test the Water.

- Do a see if you have an agreement to pay.
- If you don't have an agreement to pay go back to step 3.
- Repeat as many times as necessary.

Step Five: Close the Deal.

- Get the customer to agree to specificity.
- Have the customer repeat the agreement.
- Make sure the customer knows that you are writing it down/putting notes on the account.

Step six: Reinforce the Deal.

- After closing the deal repeat the agreement.
- Make sure the customer agrees to the agreement again.
- Don't be afraid of being annoying. You should be.

Step seven: Follow up.

- Follow ups should be as specific as possible. May 15th at 3:00 PM.
- If the customer does not perform, call them on it. DO NOT CALL THE CUSTOMER A LIAR.
- When talking to the customer use words like assume, or I thought.

Issues

- Can not get the collection closed now what?
- I have come to an agreement before and all promises to pay have been broken.
- I have caught my debtor in a lie, should I call him/her out on it?
- Others??

Questions??????

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