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Debtors In Disguise ?

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With Halloween quickly approaching, it seemed appropriate to reveal that some debtors often go incognito to avoid debt repayment. After we determine the disguise that the debtor is concealing behind, the likelihood of collecting the debt will increase dramatically

The Chameleon

This type of debtor is the hardest to collect from. They will do everything that they can to avoid contact. They use the out-of-sight-out-of-mind mentality. Chameleons are known for their ability to change their color and disguise themselves. These debtors will often pretend they are not home, they will stop answering their phone, and sometimes they will even hide behind people or objects when you see them in public.

On those rare occasions when you do make contact, the chameleons will try everything to get you off track. They will try to direct the focus on less important circumstances surrounding the account. For example, they may suggest that it is your fault that the letter was sent to the wrong address; or perhaps your company was not suppose to cash a check until a certain day; or maybe they never got your messages because you were leaving them at the wrong number. The chameleon is very talented at this and the list seems endless at times.

Solution: Remain focused. No matter what the excuse, no matter how impressive the disappearing act, no matter what the disguise, you must get control of the conversation and keep it until your focus becomes the most important one. Be persistent.

The Warrior Ant

This debtor is a hard worker. They are by nature and purpose very proud, and they will not easily ask for help. They try to go to work every day, and they honestly believe that if they work just a little harder they will make the money necessary to pay off the debt. The problem is there is ALWAYS something that comes up and takes their money. Working harder and longer does not solve the problem, it just makes them more tired and less likely to be receptive to help. The ant has lost focus despite the best intentions.

Solution: Show respect to these debtors and gently supply them with ideas on how to better budget. If possible or necessary, let the debtors think it was their idea.

The Laughing Hyena

The hyena laughs when being pursued or when dealing with great fear. It is an escape mechanism. The hyena never plans an attack, but likes to take the route with the least effort and risk. This type of debtor is not exactly grounded in reality. They believe that it will all work out. Tomorrow. Somehow. They believe that the payment date at the end of the month is fine because the money will just appear from somewhere. If they do not have the money today, it will be here tomorrow.

Solution: Direct the debtor in the direction that will yield the best results. Begin by asking questions that will allow the debtor to understand the reality of the situation. The debtor must make a workable and realistic plan, AND STICK TO IT.

The Pot Bellied Pig

This debtor will probably throw some sort of temper tantrum. During the conversation, it is most likely that they will fuss, yell, cry and vent in some dramatic display of emotion. Like the potbellied pig, they can seem stubborn and unreasonable. For the collections agent, it is imperative to know where this frustration is coming from is the key. This debtor is likely reacting this way because they are mad at themselves, their situation and their financial inadequacies. They want to take care of the debt but have no idea how.

Solution: Explain to the debtor that the frustration is normal, that you empathize with the situation, and that you are willing to work together to find a successful answer.

Once you have determined the debtors= disguise, you will be more prepared for the reactions, and you will have a better opportunity to overcome any objections that the debtors present while trying to repay their debt.

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