

## BEST COLLECTION PRACTICES

# GOOD COP/ BAD COP

By Krista T Walsh, President  
KC Collect!

Krista was the valedictorian of her graduating class of Holland College in 2000. She then went on to work as a credit manager for a local home heating company specializing in receivables management and customer relations. With over 6 years business management and collection experience, Krista opened *KC Collect!*, the first women owned and operated collection agency in the province of Prince Edward Island. In the fall of 2007, Krista made commerce history by becoming the first Canadian to earn the Certified Financial Collection Professional (CFCP) designation.

***Professional collectors should always be looking for new and more effective methods to use while trying to recover a debt. With these popular techniques, the professional collector can work as a part of a team, as an individual, or as a combination of the two in order to achieve success in debt recovery.***

### The Policeman

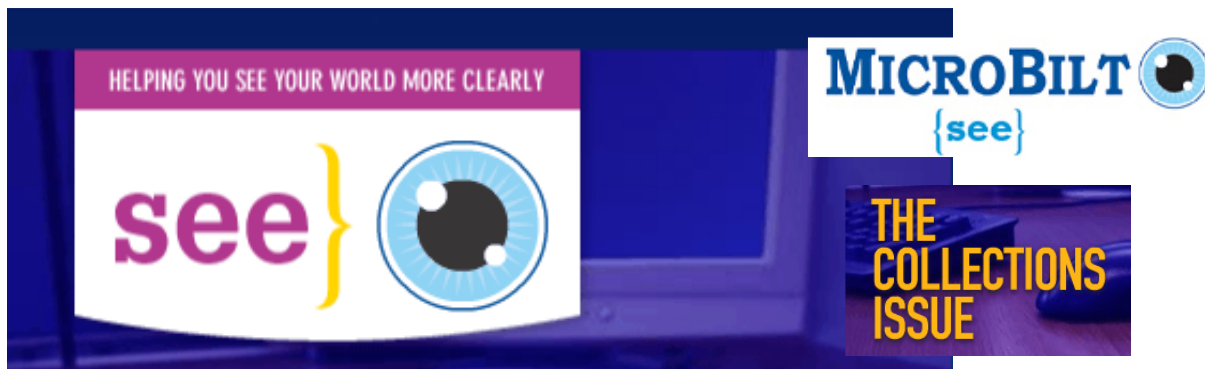
This joint questioning technique is a collection tactic which requires a team of two collection agents to play against each other. Each team member takes an opposing approach to try to solidify payment from the debtor.

When one of the collection agent takes a very aggressive, and sometimes threatening approach, he is quickly perceived by the debtor as the 'Bad Cop' from whom no mercy could be expected. This strong-armed approach promotes a negative interaction between the debtor and agent and, if played out correctly, should pave the way for the 'Good Cop'.

Once the stage is set for the Good Cop, this person will appear and play the role of one who is sympathetic, will act supportive and understanding, and will, in general, show sympathy for the debtor who is being so blatantly mistreated by the Bad Cop. The Good Cop will also defend the subject from the Bad Cop, suggesting that he calm down and/or stop being quite so harsh. This allows a safe haven for the debtor to move towards, and he may feel that he can cooperate with the Good Cop as a result of this new formed relationship of trust and/or from fear of the Bad Cop. It is the intention of this technique that the debtor may then seek to rectify the overdue account out of the bond which was formed with the Good Cop.

### The Chinese Torturer

In ancient times it was believed that the Chinese used a method of persuasion that involved intermittent, yet persistent drops of water landing upon a person's body. The success of this tactic when used to



obtain results was often credited to its ongoing persistence and randomness. This constant method of delivering the message shows the debtor that the collection efforts are serious and will not stop until the recovery is complete. The key ingredient to the Chinese approach was that the water droplet was to land on a person at unpredictable times. Thus there was the element of anticipation mingled with dread that slowly unnerved the person who was in a constant state of waiting. To be equally effective, the collection agent must then adjust his schedule so the debtor can expect a visit, but will never know for sure when and where the next contact will be made.

### **The Vacuum Cleaner Salesman**

This personal approach is usually used when more familiar and routine attempts to make contact and recover have failed. The goal is to arrive at the door and catch the debtor off-guard and unprepared. By not making an appointment, the agent sends out the strong message that he is prepared to make house calls over and over again until payment is tendered. Once the debtor understands how serious and inconvenient such impromptu visits can be, he will be more inclined to rid himself of this burden and make a payment.

### **The Clergyman**

This soft approach can also be known as a Velvet Touch. This is used to recover an account while keeping a positive relationship between the client and debtor. This non-aggressive method gently encourages the debtor to reveal the reasons for the overdue account. Most times it requires the debtor to confide their financial situation to the collection agent and together devise a payment plan suitable for both parties.

Once you have determined which approach which will be the most effective with the debtor, you will be better prepared for any objections that the debtor may present while trying to repay their debt. Learning how to approach each debtor individually will dramatically increase your chances of collecting the debt.