

Industry: Services, Industrial Waste Management
Solution: Blended BPO
Results: Significant reduction in expenses, \$30 million in cash generated, and the elimination of severely delinquent accounts

Summary

At the direction of a new CFO who mandated a reduction in collection costs, this customer approached RMS BPO about our blended solution to small- and large-balance portfolios. RMS BPO transitioned the portfolio over a three month period and began a structured treatment plan to improve portfolio performance while maintaining customer service levels. Consequently, the customer experienced a 50% reduction in costs, over \$30 million in cash generation and the virtual elimination of delinquencies beyond 90 days.

Customer Profile



This billion-dollar company specializes in the clean up of hazardous and non-hazardous waste. They approached RMS BPO to reduce their overall cost of collections. The customer had previously attended an RMS BPO seminar on the benefits of a blended approach to portfolio management.

RMS Solution

In consultation with the customer, and after careful review with an eye towards retaining sensitive customer relationships, RMS BPO segmented the client’s portfolio using our unique Blended Onshore-Offshore Outsourcing Solution. This was implemented in stages over a three month period.

- Dialer, inbound and final-demand work was serviced out of our Gurgaon, India Service Center.
- High-balance work (balances \$3,000 and above) was handled by our Lehigh Valley and Canada Service Centers.
- Dispute resolution, cash application issues and payment processing (credit cards, speed-pays, etc.) were also serviced out of the Lehigh Valley, PA Service Center.
- Management and technology resources were U.S.-based, providing the convenience of in-person meetings.
- A focus on cost reduction and maintaining the customer’s critical relationships was implemented.

“Our customer, a \$1 billion company, welcomed our blended solution as a means of reducing their overall cost of collections by close to 50%. They gained the upside of a BPO solution, including price point and U.S. management, while avoiding the downside of completely off-shoring.”

Trey Lundt
Account Manager

Results

RMS BPO provided the customer almost a 50% reduction in costs, decreasing their expenses by approximately \$600,000 per year and generating significant cash flow. Management and technology were both based in the U.S., providing the customer cost efficiency and convenience. Key results included:

- Reduced overall collection costs by almost 50%, decreased operating expenses by approximately \$600,000 per year.
- High-balance work (balances \$3,000 and above) was serviced out of our Lehigh Valley and Canada Service Centers.
- Retained high level of service in terms of dialer connects, and inbound calls per hour, from the two service centers.
- At the start of the engagement, only 68% of the customer’s portfolio was defined as “current,” (90 days or less). RMS BPO eliminated delinquency and grew “current” A/R, including credits, to 101%.

