

## Checklist

# Debt collection software or debt collection agency?



How should you go about recovering money from overdue accounts? Does it make sense to invest in debt collection software and standing up your own in-house recovery operation? Or would you be better off partnering with a debt collection agency?

### Let's look at how they compare:

	In-house Debt Collection Software	Debt Collection Agency
Retain full control of the customer experience	✓	✗
Little to no impact on operating expenses	✗	✓
Contingency fee model - only pay for success	✗	✓
Easy integration/implementation	✗	✓
Direct integration w/ ARM software	✓	✗
Instant competency - no need to hire or build specific skillsets	✗	✓
Insulation from compliance risk*	✗	✓
Fast reconciliation**	✓ / ✗	✓ / ✗

## Important Notes

\*Insulation from compliance risk does not equal immunity from compliance risk. Creditors are still responsible for providing oversight and conducting due diligence of third-party debt collection agencies, including ensuring agencies can perform their services in compliance with applicable laws and regulations.

\*\*Fast reconciliation has a lot to do with back-end integration. Reconciliations can be very fast internally, if everything is properly integrated and configured. They can also be very fast depending on your debt collection partner. A key question for any prospective agency should be how they are set up to handle recovery reconciliation.



## Optimizing your recoveries along the overdue account lifecycle

Many companies use a combination of in-house recovery operations and debt collection agencies, typically servicing early stage accounts internally and then placing them with collection agencies if they're unable to collect over a certain period of time.

But it may make a great deal of sense to partner with an agency earlier in the lifecycle of overdue accounts. Specifically at the point where your expenses exceed the agency fees on gross recoveries. To dig a bit deeper, you may want to check out our white paper, ***Navigating the debt collection software tipping point.***

### About InDebted

InDebted is an intelligent consumer debt recovery solution, disrupting the broken industry of debt collection. Fueled by machine learning, InDebted gives businesses the power to take a truly modern and customer-first approach to collections, globally. By using InDebted to deliver tailored experiences and personalized communications on the digital channels customers prefer, businesses can maintain positive relationships with their customer base while increasing the success rate on recoveries.