



# **TECHNOLOGY-ENABLED, INSIGHT-DRIVEN, NPL MANAGEMENT**

Lisbon, May 2022

**QUALCO**

# agenda

## About QUALCO

The modern collections & recovery technology ecosystem/Q360 Suite Overview

Omni-channel offering new capabilities

Business Consulting Services

QUALCO provides expert debt portfolio management solutions and services. Our mission is to respond to the challenges of the Debt/Credit and Risk landscape through model-driven, technology-enabled solutions.

## **360° Solutions**

From early arrears to legal stages, in-house collections to panel management we'll help you maximize the potential of your debt portfolio

## **20+ Years of Experience**

For over 20 years, we've been servicing the decision-making, analytical and operational needs of leading financial institutions in Europe and beyond

## **Fast Growth**

Engaged solely in collections & recoveries, QUALCO is a privately owned company. In 2018 PIMCO, the multinational US investor took a stake in our business

## **International Pedigree**

Great pedigree across banking, lending and utilities. We serve over 70 customers in more than 30 countries

## **5 Offices Worldwide**

Business development center in UK, production center in Greece and offices in France, Cyprus and Brazil

# QUALCO Group

## QUALCO

QUALCO, the financial technology arm of the group, provides expert portfolio management tools, enabling organisations world-wide to adapt swiftly to local market and industry needs and maximise their performance in recoveries.

[LEARN MORE](#) →

## Quant

QQuant Master Servicer offers underwriting advisory services/transaction handling and end-to-end loan servicing to Greek banks, institutional funds and alternative asset managers, covering the whole spectrum of non-performing asset classes.

[LEARN MORE](#) →

## QUALCO UK

QUALCO UK is an established provider of recovery solutions to international banks, and the energy/utility and telecommunication industries in the UK.

[LEARN MORE](#) →

## QRES

Q Real Estate Services is an independent RE Asset Management entity, offering intergraded and value enhancing solutions with regards to REO and RE Collateral management.

[LEARN MORE](#) →

# CUSTOMER PORTFOLIO

## BANKING & FINANCIAL INSTITUTIONS



## SERVICERS & FINANCIAL SERVICES



## ENERGY



## RETAIL, TELCOS AND OTHER





# INSTALLED BASE



# LATEST ACHIEVEMENTS

## intrum

Intrum, the market-leading credit management company in Europe, deploys QUALCO QCR platform in 24 countries to standardize operations, achieve cost reduction and improve operational effectiveness.

Project included the implementation of a central Servicing Hub model across Intrum's operations, aiming to centralize processes



First **8 Countries** deployed within an initial **6 months** phase and the remaining **16** were rolled out in a second **10 months** phase

## BainCapital

Bain Capital is one of the world's leading private multi-asset alternative investment firms with approximately \$105 billion in assets under management. Bain Capital and its local subsidiary SFS, has chosen for its operation in Greece QUALCO Technology for the servicing of its portfolios.

Project included onboarding of AMOEBA portfolio (value: ~ 1.7B €) from legacy Piraeus Bank systems



Roll out of QCR, QLM and D<sup>3</sup>E in less than **4 months**

## CABOT<sup>®</sup> Financial Portugal

Cabot financial Portugal selected QUALCO QCR platform in order to fully support all aspects of the Cabot Portuguese collections operations and communications with the Debt Collections Agencies, payment organizations (Banks, SIBS), Datawarehouse and reporting.

Project includes the implementation of the application and migration of four debt portfolios from current collections servicer



**230K accounts** onboarded from 4 different portfolios Infrastructure setup in less than **1.5 month**

# TECHNOLOGY THEMES ADDRESSED

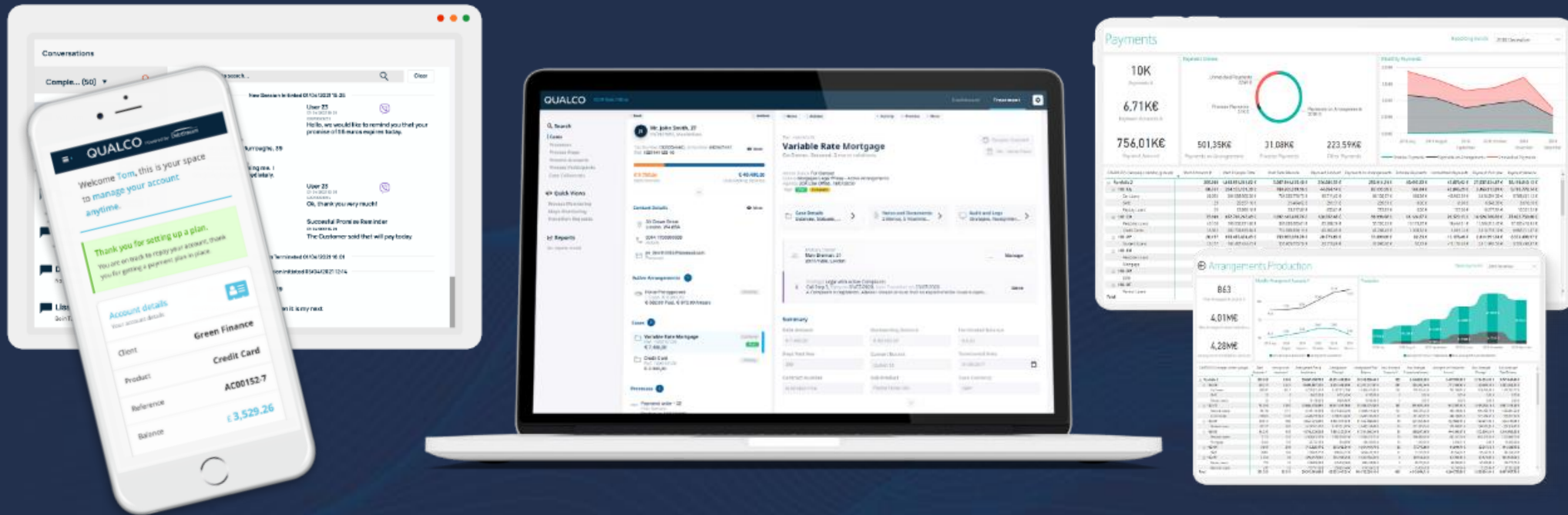


## intrum Central Servicing Hub

- **Self-service facilities** for automated Client Onboarding and end-to-end after-sales support
- Extended use of **analytics and process automation** to balance between low-cost treatment and extensive but expensive care
- **Agent-less collections**, particularly at the early stages of the debt-lifecycle with orchestrated and automated communication across email, sms and web-portals, all offering self-serve and payment-prompt capabilities
- **Robotic process automation combined with artificial intelligence** through collection-chatbots incorporating business rules as well as predictive and prescriptive models that generate alternative solutions in real-time
- Couple **QCR's new contextual User Interface with real-time decision analytics** for helping case-handlers to be more efficient and empathetic when interacting with end-customers



## Our solution focus



### Customer

- › Self service capabilities
- › Omnichannel conversations

### Collections user

- › State of the art web UI
- › Complete functionality from pre-delinquency through to legal and restructuring
- › For Administrators & end-users

### The business

- › Proven ROI
- › Centralised reporting capabilities
- › Full audit trail

## OUR CLIENTS ACHIEVE



### **Increased cash collections**

Up to a 35% increased cash collections.



### **Regulatory compliance**

Customer treatment audit trails. Leading to less complaints and less time spent per complaint.



### **Automated 3<sup>rd</sup> party case allocation**



### **Reduced monthly roll rates**



### **High NPS scores**



### **Case allocation based on collector specialisation**



### **Up to 3x more cases handled per FTE**



### **Personalised customer treatment strategies** through enhanced analytics



### **Staff loyalty** Increased staff satisfaction

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# OUR TECHNOLOGY



A constantly expanding suite of pre-built systems that enables users to make timely, data-driven, accurate decisions to maximise ROI



## QUALCO Collections & Recoveries

Our end-to-end enterprise software for in-house and third-party collections: maximise recoveries, reduce costs and bring visibility to operations



## QUALCO Data-Driven Decisions Engine

Automated analytics and modelling system to support and optimise the collections process



## QUALCO Loan Manager

Comprehensive loan administration solution ideal for alternative lenders, debt purchasers and servicers

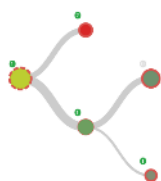


# QUALCO 360 KEY COMPONENTS

## TECHNOLOGY-LED INNOVATIONS FOR MODERN-DAY SME COLLECTIONS & RECOVERIES



# A COMPLETE TECHNOLOGY ECOSYSTEM



**Predictive Analytics**



**Self-service Channel**



**Conversational Messaging**

## FASTER, BETTER, INSIGHT-DRIVEN NPE MANAGEMENT

360 is Qualco's constantly expanding suite of pre-built systems and tools to make data-driven, confident decisions and take action at present to maximize net returns.



Technology-led innovations for modern-day SME Collections & Recoveries



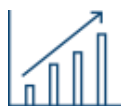
Predictive Modelling, Digital Interactions and Omnichannel capabilities in real-life scenarios

# Q360 KEY BENEFITS

The QUALCO 360 dashboard saves your agents 1.5 hours every working day



Drive major gains in agent productivity



Achieve significant ROI



Smooth interaction between pre-integrated systems



Improve customer experience and engagement



Adapt to changing regulations and economic conditions



Maximise cash collection



Build predictive models with minimum resources



Organise massive data from disconnected sources in one platform.



Monitor and mitigate impairment

# QUALCO COLLECTIONS & RECOVERIES

## A MODULAR, END-TO-END PLATFORM THAT MANAGES, AUTOMATES AND STREAMLINES YOUR ORGANISATION'S C&R OPERATIONS

- › Compatible with all types of debt: consumer, corporate, secured and unsecured
- › Complete functionality for legal & restructuring
- › Fast and smooth implementation/migration
- › Meets regulatory requirements
- › Easily customized, no IT involvement
- › Omnichannel customer engagement

QCR covers all debt types and stages of overdue accounts, including legal, recoveries and third-party management

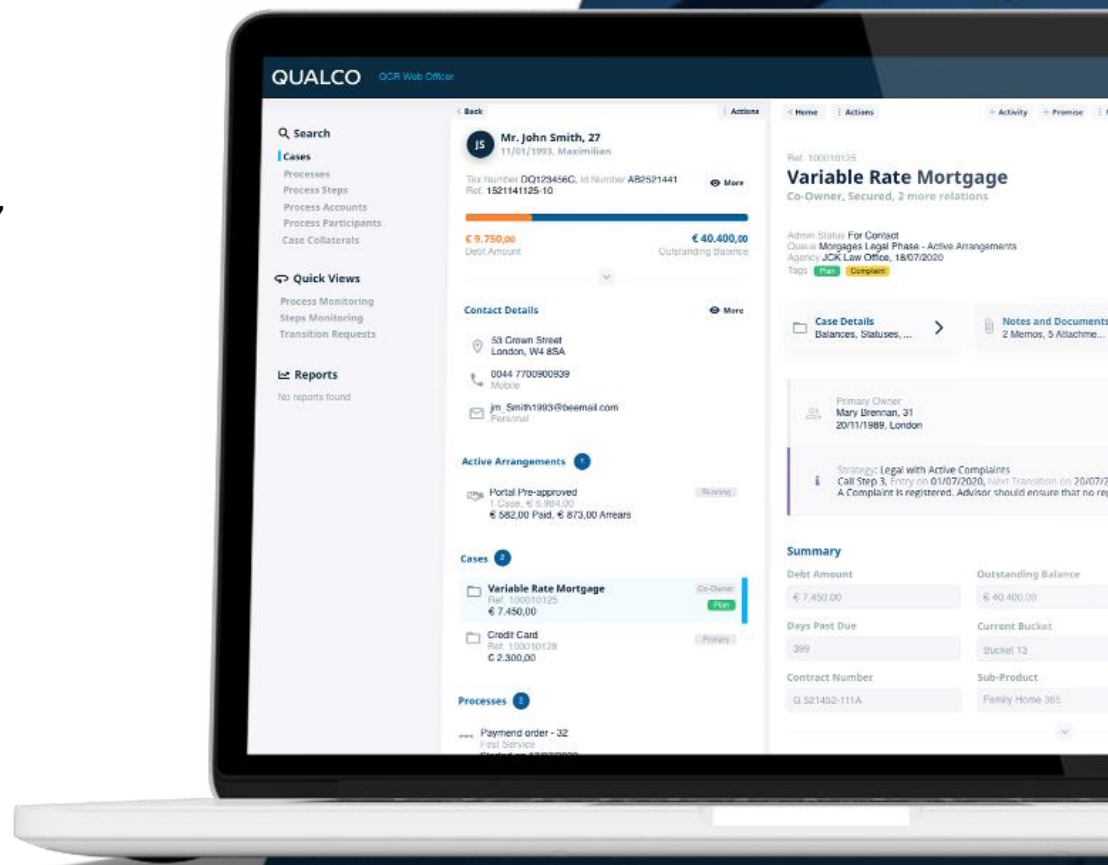
Easy integration with best selling core banking engines and third party-systems



QCR is included in Temenos Marketplace as a solution that ideally fits to Temenos Tier 1 & 2 Banks



The solution has been also included in Mambu Marketplace





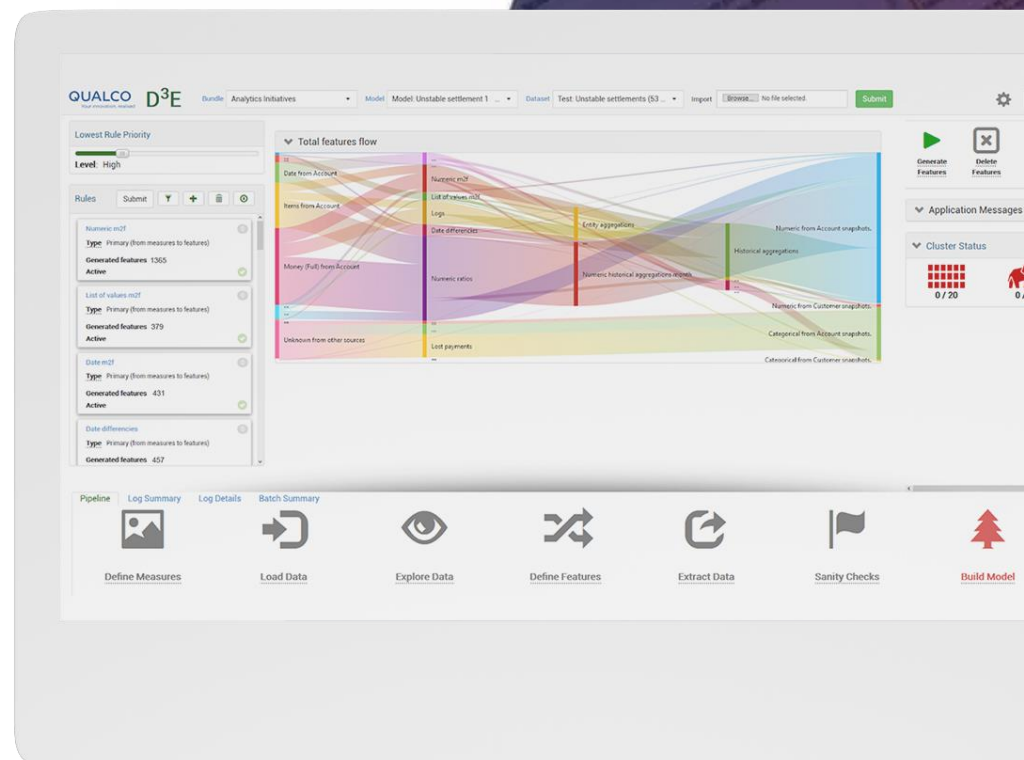
# QUALCO DATA-DRIVEN DECISIONS ENGINE

## AN ALL-IN-ONE DECISION-MAKING HUB WHERE ALL YOUR ANALYTICS COME TOGETHER

- › Cutting-edge technology developed by leading data scientists
- › Fully automated, guided by business experience
- › Offers descriptive analytics and predictive modelling
- › Crunches your daily data and brings insights to your daily operations
- › Helps you make tactical decisions based on quantified estimates of the expected results
- › Some applications are: Retail or SME portfolio scoring, predict default and recovery rates

**D<sup>3</sup>E** is our analytics and modelling software ready to assist you at all stages of operations, from portfolio valuation to recoveries

**Recent use cases:** DCA allocation optimisation, portfolio valuation, strategy effectiveness, contact optimization and more.



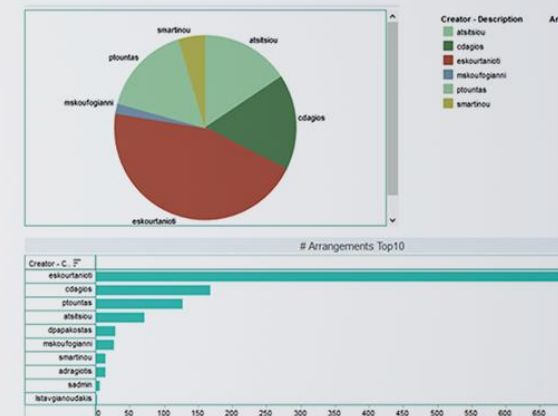
# QUALCO 360 REPORTING

## A SINGLE SOURCE OF TRUTH FOR ALL REPORTS AND ANALYSES

- › Use D3E to ingest data from multiple data sources with easy formatting, transformation and sharing
- › Centralised, persistent data repository providing a consolidated “single version of the truth” for reporting purposes
- › Scalable solution to address existing and future reporting needs
- › Automated processes for data transformation and report generation for:
  - Operational reporting
  - Management reporting
  - Regulatory reporting
- › Use any visualization tool to present and share reports.
- › Share information while maintaining control

Arrangements - Agents

Arrangements Agents				
Creator - Caption	Arrangements #	Payments CP	Approved amount - MEA	Total payments amount as far as
atspetakiou	51	6,930	488,635	47,500
adrapoti	3	1,100	25,600	1,500
akouini	14	1,218	14,550	4,872
atourgela	66	2,296	53,965	3,806
atsikou	9	32	505	315
aventouri	60	603	52,476	1,206
cpoul	8	4,000	32,324	4,000
ekoumpi	94	1,616	131,027	3,474
ekli	58	1,404	86,647	3,300
esika	92	1,670	182,674	3,449
eskoris	51	535	131,400	1,365
eskorifanisi	4	834	25,894	1,251
evlariani	53	2,825	157,206	10,374
fiostantasiou	27	72	3,132	650
gizkopoulou	60	1,689	70,215	4,144
gonivou	67	3,798	77,419	7,791
gpannelou	377	7,557	226,221	61,767
klaranaki	11	6,608	45,149	22,252
kitourma	11	93	1,838	1,765
laivali	31	535	23,935	970
mchoulou	47	100	40,915	200
mpetropoulou	1	0	600	0
peachtouri	53	255	38,749	610
ploutas	2	0	5,000	0
sadmi	1,152	108,726	3,150,566	301,648
tdenaxas	57	729	37,455	1,093
Grand Total	2,458	155,323	5,104,128	489,311



# HOW Q360 WORKS

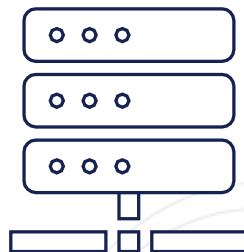
## Indicative Scenario



**D3E** Machine Learning models determine how to achieve desired outcomes, e.g. reduce bad debt, generate higher collections, improve contact ratio, etc.

# HOW Q360 WORKS

## Indicative Scenario



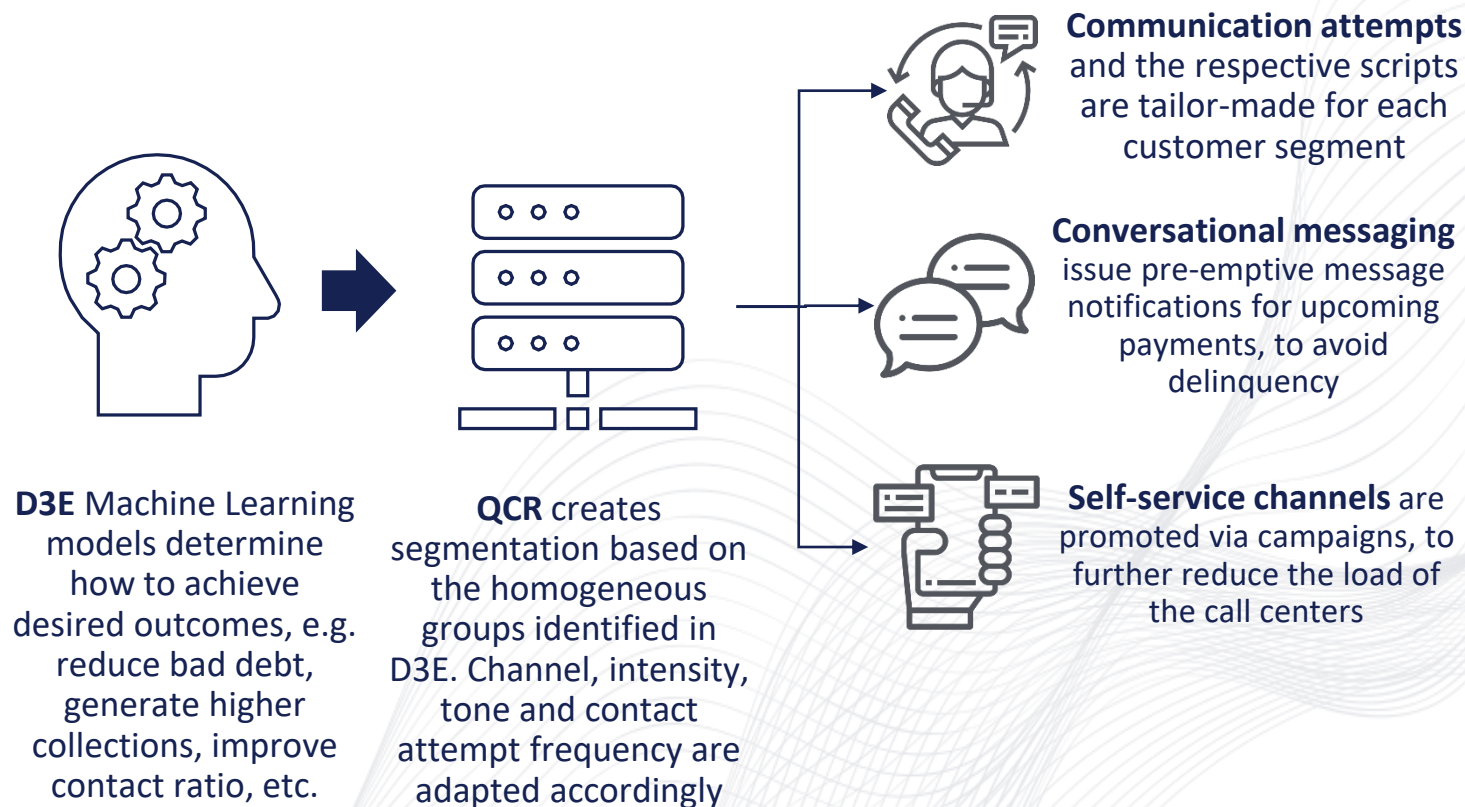
**D3E** Machine Learning models determine how to achieve desired outcomes, e.g. reduce bad debt, generate higher collections, improve contact ratio, etc.

**QCR** creates segmentation based on the homogeneous groups identified in D3E. Channel, intensity, tone and contact attempt frequency are adapted accordingly



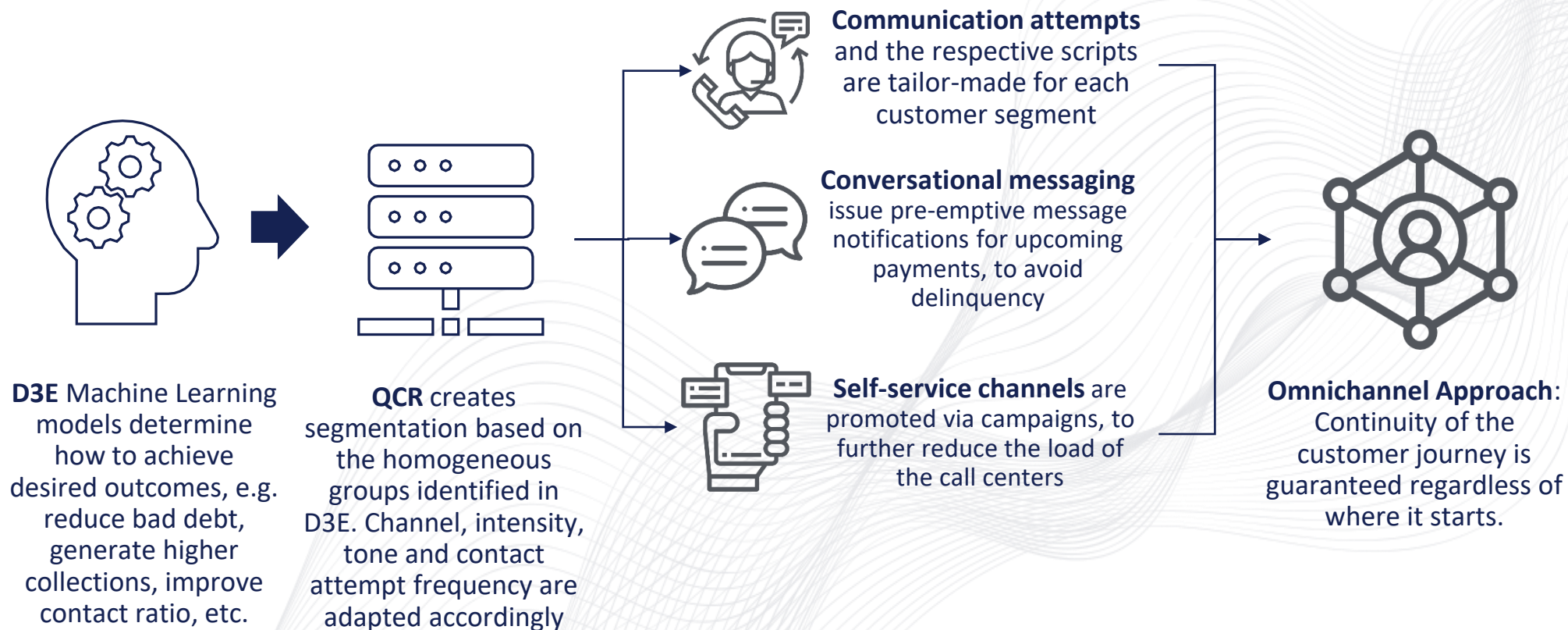
# HOW Q360 WORKS

## Indicative Scenario



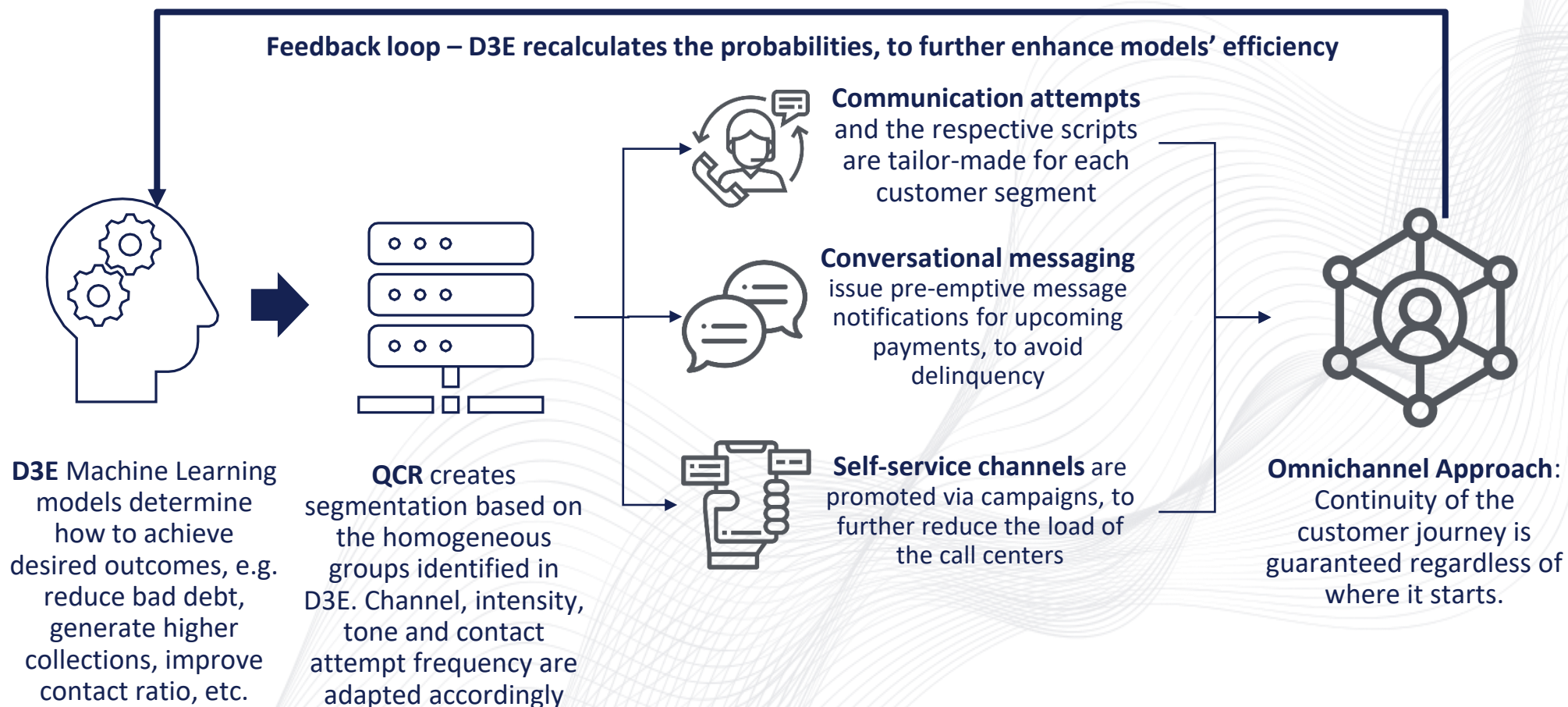
# HOW Q360 WORKS

## Indicative Scenario



# HOW Q360 WORKS

## Indicative Scenario





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# SELF SERVICE PORTAL

powered by **DebtStream**

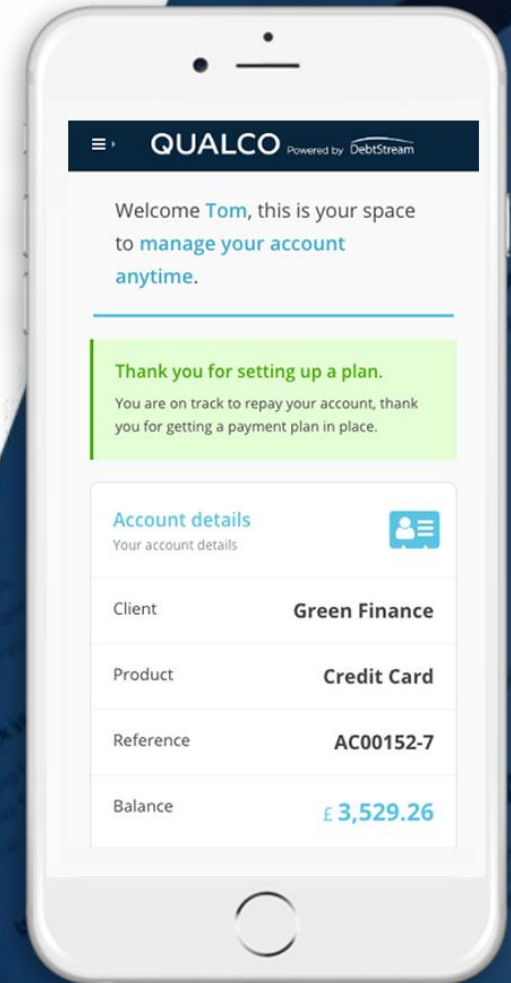
QUALCO

## A COMPLETE DIGITAL SOLUTION THAT SUPPORTS ALL OF THE MAIN COLLECTIONS & RECOVERY FUNCTIONS IN ONE ONLINE, SELF-SERVICE CUSTOMER PORTAL

- › Customer self-service portal, allowing for the recoveries of your outstanding debts digitally
- › Built for mobile so customers can manage their account wherever they are
- › Increased payment rates of debts, through allowing customers to engage 24/7 in a way that suits them
- › Huge focus on usability through strong UX design, increasing engagement online and customers taking action

Collections strategies are now aligned across the **digital platform**, for increased customer engagement

User-friendly, self-service portal, a fresh and modern front-end solution for higher user engagement



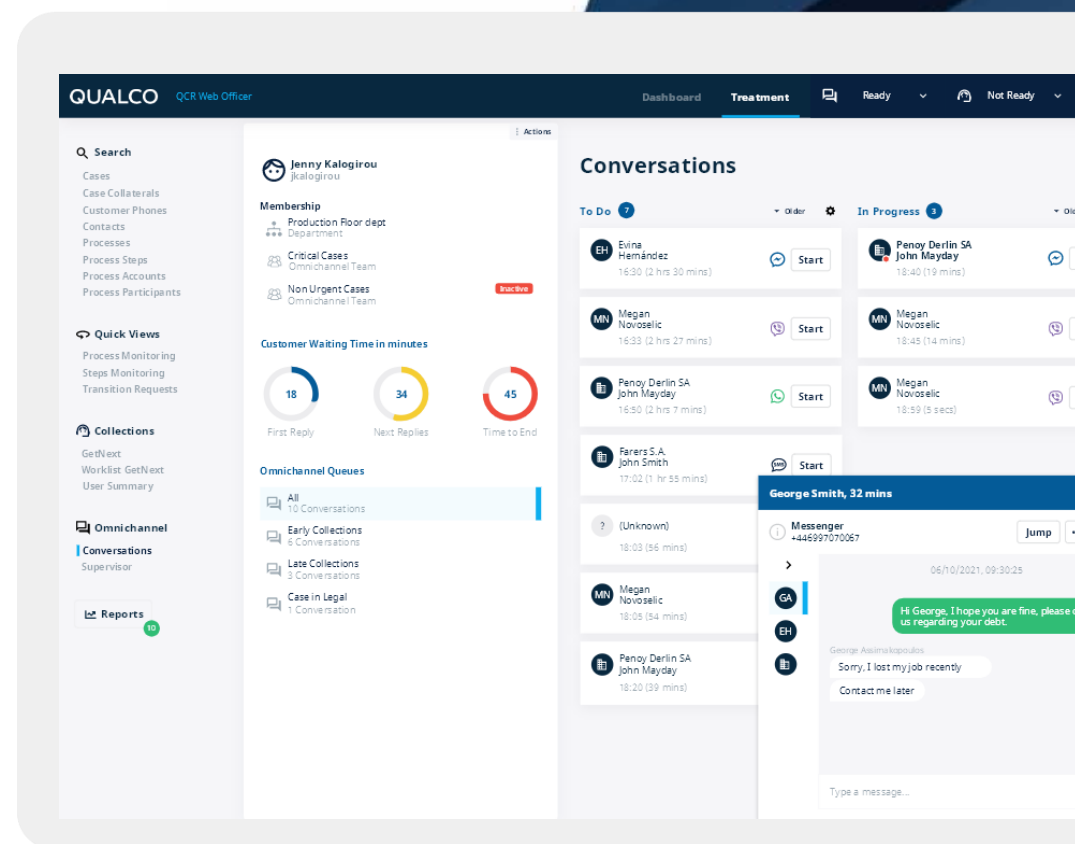
# OMNICHANNEL COMMUNICATIONS

## A DIGITAL ENGAGEMENT SOLUTION FOR ALL CUSTOMER GROUPS

- › Improve liquidity by making difficult conversations easy
- › Engaging positively with customers across the debt cycle in smarter ways
- › Ensuring increased engagement rates that positively impact cashflow
- › Achieve better customer conversation outcomes
- › Predict conversation outcomes for more success
- › Drive results with personalized engagement

Using the power of **Omnichannel communications** to automate and blend chatbot and live agent customer conversations in any messaging channel at scale

**API integration** allows you to do more with every conversation deliver settlements, take payments, collect data and capture feedback



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**For Qualco, Consulting Services marks an approach toward Customers that provides solutions rather than only software.**

Our solutions, maximise the benefits of technology but are **not limited to an IT offering.**





## **Who we reach out to:**

Any financial institution managing debt (mostly but not exclusively servicers and small/medium sized banks), aiming to benchmark their collections capability and looking for an organisation with significant and relevant expertise that can provide consulting services to assist.

## Does your staff require training?

On:

- Overall NPL recoveries
- Negotiation
- Objections Handling
- Active listening
- Selling solutions



## Reliance on multiple legacy systems?

- Currently relying on multiple systems?
- Systems that are not necessarily/fully integrated?
- Too much work done on excel spreadsheets that are manually consolidated?





## Limited solutions offering?

- Limited/obsolete range of payment plan/restructuring solutions?
- Not adapted to customer needs?





## Is your segmentation too basic?

- Is the portfolio segmentation you do outdated/rigid/limited to high level?
- Could it be that it is preventing optimization of collections strategies?



## Not keeping up with market developments?

- Do you feel that you are lacking information on market best practices, international trends?
- Looking for insights from an industry expert?





## Overwhelmed by regulatory developments?

- The industry is becoming increasingly regulated.
- Are you finding it hard to keep up?
- Are you ensuring compliance in a manner that does not compromise operational efficiency?



# BUSINESS CONSULTING

## THE ENGAGEMENT PLAN



### Assessment

Through questionnaires and dedicated workshops, we assess how the client operates, and get a clear understanding of the processes in place and current performance



### Benchmark

Rate key areas against best practices such as Data, Analytics, People, Skills, Products, Risk Management, Processes and Technology



### Gap Analysis

Highlight areas of opportunity based on the gap between current processes and industry leading practices



### Recommendations

Provide recommendations based on the gaps identified



### Roadmap Planning

Work with the client organisation to establish a roadmap for improvements



### Implementation Strategy

Align with the client organisation and create a plan for implementing the roadmap





## ASSESSMENT PHASE

### Overview by key function

#### Organisation

- › Overview by key function
- › Staffing adequacy
- › Experience, skills, training
- › Metrics & KPIs

#### Operational Approach

- › Processes
- › Use of communication channels
- › Products
- › Credit
- › Data quality
- › Billing

#### Portfolios

- › Ownership
- › Customer approach
- › Collectability potential
- › Segmentation

#### External Partners

- › Assignment for non-legal activities
- › Speed of execution
- › Performance measurement

#### Compliance Technology

- › C&R system capabilities
- › Integration
- › Automation
- › Ease of customization
- › Scalability





## BENCHMARK PHASE



### Collections

### RAG Status

Organisation

Portfolio management

Operational approach

External partners

Compliance

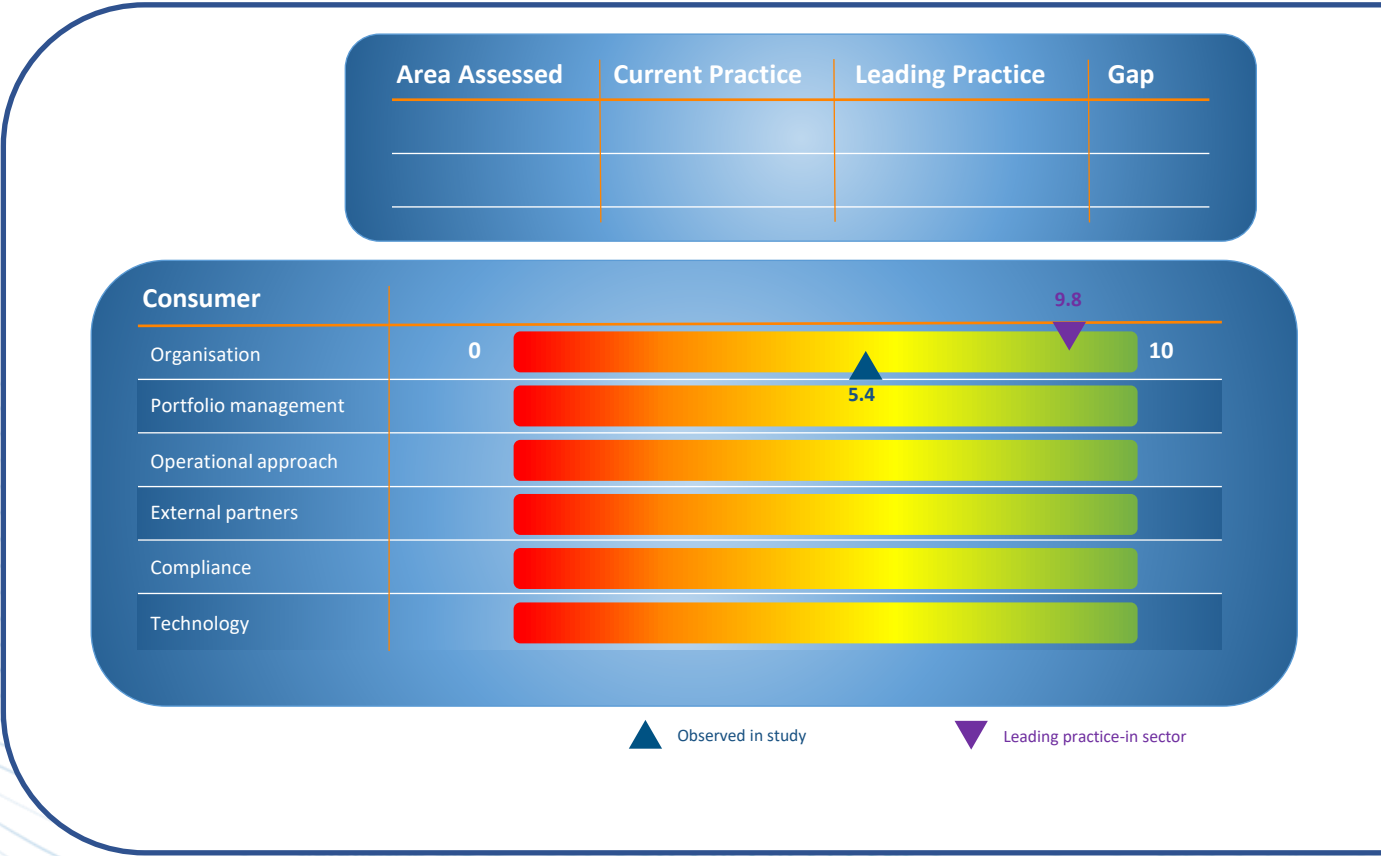
Technology



Rate each on a scale  
of 1-10 with clear  
rationale defined



# GAP ANALYSIS PHASE

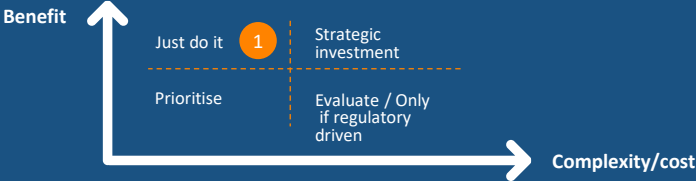




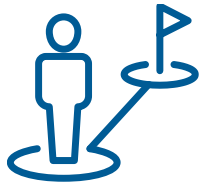
RECOMMENDATIONS  
PHASE

Gap addressed / Recommendation	Action	Est. Benefit	Complexity/ Cost	Priority
1. e.g. (GAP- Gone away debtors) Trace customers	Implement a trace strategy	High	Medium	High (rank: x)
2. e.g. Limited/Unflexible payment plans				

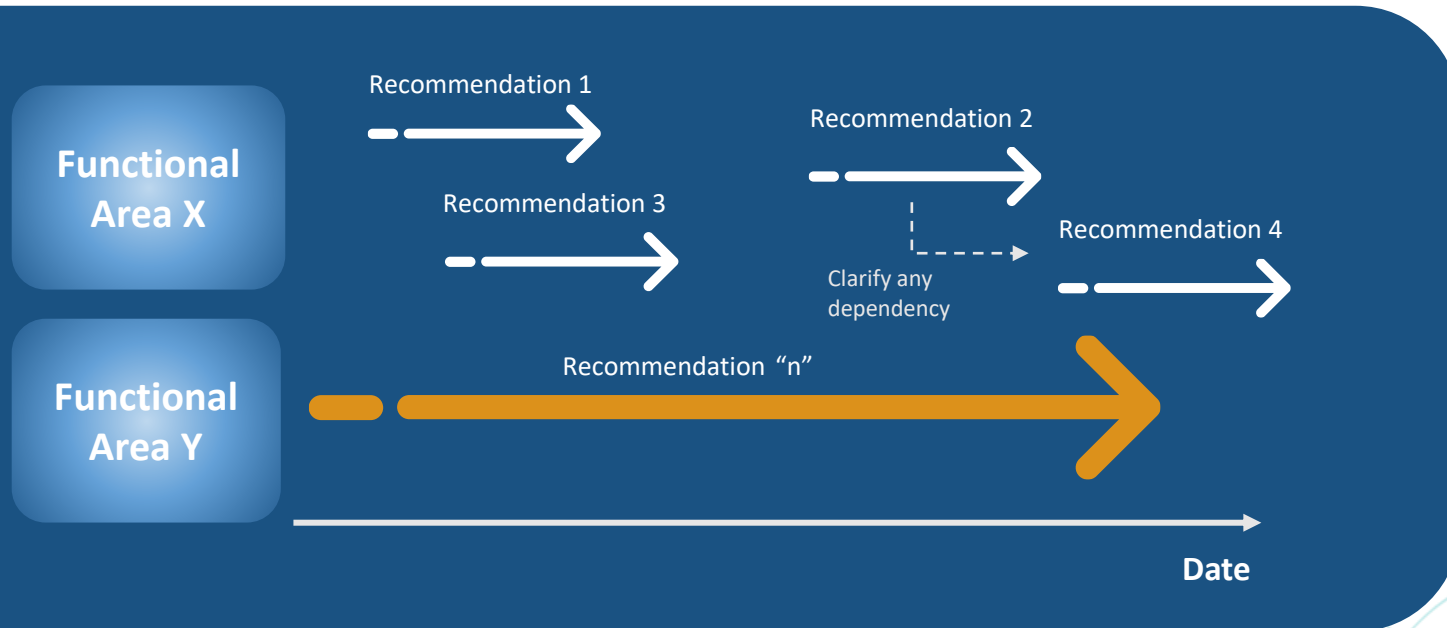
Determining what to  
focus effort on







## ROADMAP PLANNING PHASE



## Benefits for our Customers

- Compare current TOM to market leading best practices
- Get expert advice and benefit from an experienced partner's perspective
- Team up with a reliable partner that can advise on both technological and organizational transformation
- Maximise benefits from use of Qualco products
- Apply quick wins on ongoing projects



# QUALCO

United Kingdom | France | Greece | Cyprus | Brazil

[www.qualco.eu](http://www.qualco.eu)

