

# Oracle Banking Collections

Oracle Banking Collections is a unified solution that helps financial institutions improve collections and reduce delinquencies with borrower-centric strategies and optimized operations.

## INTRODUCTION

Financial institutions have to deal with the repercussions of the rising cost of debt, i.e., a deterioration in credit quality and increased delinquencies.

In such an environment, efficient debt collections are critical to minimizing credit losses and write-offs. Financial institutions however face key challenges that result in a poor rate of collections.

- Outdated approaches that are not tailored to risk profiles and borrower needs. In addition, duplicate and repeated interactions and a lack of consolidated insights on a borrower hamper customer engagement and the effectiveness of collections.
- Operational inefficiencies such as disparate collections systems for different lending products, manual and duplicate processes, inconsistent adherence to processes, and evolving regulations also pose significant challenges to effective collections.

To drive effective collections and minimize credit losses and write-offs, financial institutions must invest in modern collections capabilities that:

- Enable borrower centricity, allowing the tailoring of strategies and approaches to borrower needs and risk profiles including offering borrowers options for self-curing.
- Drive optimized operations with a centralized enterprise-wide solution across lending products that powers process automation, removes redundancy, and streamlines compliance.

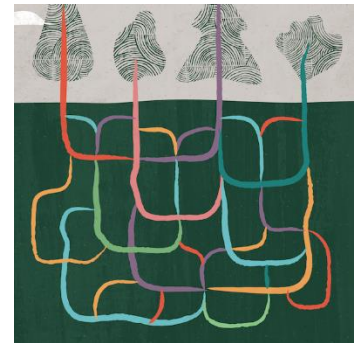


## ORACLE BANKING COLLECTIONS

Oracle Banking Collections is a unified solution that drives effective collections with optimized operations and borrower-centric capabilities. The solution supports the complete collections lifecycle and optimizes the management of delinquencies across various stages with intelligent capabilities, configurable workflows, and automated processes.

Built on a cloud-native micro-services architecture, the solution supports an integrated collections process across the enterprise.

- **Automated Segmentation:** The solution enables the automated segmentation of borrowers based on risk factors and past dues history. In addition, a borrower behaviour score based on predefined parameters also improves segmentation. Resources can be optimized to focus on select accounts and collections agents can be automatically assigned these accounts.
- **Borrower-Centric Strategies:** Detailed 360-degree views of borrowers across different stages of delinquency and different types of loans and past-due account receivables are available. The solution's highly configurable workflows and tasks enable the easy tailoring of strategies and approaches to borrowers. The solution offers enhanced views and insights for agents and helps comply with 'single point of contact' regulations. In addition, the solution offers Specialized Collections processes for several collections use cases where information capture and related tasks can be configured to suit the unique requirements of each use case.
- **Configurable Allocation and Management:** The allocation of collectors and agents at a customer or account level is automated. Exception-based provisioning in the case of special processing is also supported. Agents can also be grouped into user groups with defined supervisors for each group. The bulk reallocation of cases and accounts is also supported.
- **Streamlined Customer Interactions:** All customer interactions can be captured and tracked. The solution automates the setting of collections status based on outcomes and triggers relevant processes. Follow-up dates can be manually or automatically updated allowing collectors to prioritize activities. Multiple channels like Email, Letter, and SMS are supported. The solution offers configurable templates for different channels and recipient groups, that can be further personalized as per requirements. Gen AI is also leveraged to streamline collection operations. Collection calls can be summarized, and notes captured automated to improve agent efficiency. Gen AI also identifies compliance gaps during collection calls immediately for corrective actions.
- **Promise to Pay Tracking:** The solution supports the capture and tracking of multiple promises and the appropriation and tracking of payments received against promises. In the case of broken promises, accounts can be automatically flagged. Threshold percentages and grace days for promised amounts can be easily managed with different parameters.



### Key Features

- *Dynamic risk evaluation with Automated Segmentation*
- *Borrower Centric approach including Specialized Collections for enhanced customer experience*
- *Configurable Allocation & User Management capabilities*
- *Streamlined Customer Engagement and Promise to Pay maintenance*
- *Enhanced Persona-based UX with Powerful tracking & auditing tools, Dashboards for Collectors*
- *Configurable Workflow Automation and task management.*
- *Holistic & Centralized Enterprise-wide solution, agnostic to lending product processors*

- **Calculation of Fees/Charges:** Different fees and charges for an account are automatically calculated on an account through batches based on pre-defined conditions with the option to choose between fixed amounts or percentage-based calculations.
- **Tracking and Auditing Tools:** The solution offers comprehensive activity logging & audit trails. Detailed case summary dashboards provide deep insights to collectors and supervisors. Out-of-the-box and customized reports are supported. Additionally, the complete history of every delinquent account including historical cases in collections, tasks executed on account, historical promises and payments of the borrower, and other communication details are also available.
- **Collector Dashboards:** Personalized real-time dashboards are available for collectors. Key KPIs specific to the collector, current actionable tasks, and upcoming promises that need follow-up can be viewed. Views of aging of tasks for priority attention and historical views showing past activities completed are also available.
- **Persona-based UX:** The solution offers intuitive persona based user experiences for different stakeholders of the bank in the collections lifecycle. For example, collectors are provided with an easy interface to perform day to day tasks with ease. The solution offers extensive controls to supervisors to view all tasks of their subordinates along with ability to move/ reassign workloads. Dedicated UX is also available for field collection agents.
- **Workflow Automation:** A highly configurable workflow engine powers contextual orchestration. Extensive business configurations based on business needs with no coding allows business users to easily make configurations. Automated processes such as allocation of accounts and decisioning help reduce operational overheads. Workflows and batches ensure streamlined execution of multiple collection efforts. The solution's highly flexible process framework enables non-linear processes to optimize operational timelines.
- **Enterprise Wide Case Management:** The solution offers unified capabilities to manage collections cases across the enterprise. The solution can ingest data from multiple sources including third party services. Cases can be created on real-time for faster processing. Standard interfaces streamline integration with multiple lending and core product processors. APIs and web services streamline integration with 3<sup>rd</sup> party systems. Batch processes enable faster and scheduled data ingestion.



*Key Business Benefits:*

- *Improved collections and reduced delinquencies*
- *Reduces write-offs and overall losses*
- *Optimized operations*
- *Enhanced customer experience*

Oracle Banking Collections delivers value to financial institutions and their customers.

- **Improved collections and reduced delinquencies:** The solution helps financial institutions identify delinquent accounts upfront, assess borrower risk, and carry out swift engagement with borrowers to improve the overall collections.
- **Reduced write-offs and overall losses:** Financial institutions can quickly identify distressed borrowers and engage with them to offer

tailored and proactive solutions that ensure a continuous relationship with the borrower while reducing write-offs and losses.

- **Optimized operations:** A smarter allocation and management of cases enables the elimination of wasted efforts and optimizes the utilization of resources, reducing the overall cost of collections operations.
- **Enhanced customer experience:** Borrower-centric approaches and tailored treatment plans help financial institutions retain and deepen borrower relationships and enhance borrowers' overall experience.

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