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Phillips & Cohen
Associates: From
acorn to oak

Meet the team:
The directors taking Phillips
& Cohen Associates into
another decade



PHILLIPS & COHEN
ASSOCIATES (UK) LTD.

Phillips & Cohen Associates celebrates a decade of ethical collections

*A four-page special on the UK company's
10th anniversary*

FROM ACORN TO OAK

After 10 years doing business in the UK, Phillips & Cohen Associates (PCA) is not only thriving, but remains the only company in Britain dedicated to doing what it does.

And what it does isn't easy, either. As a deceased account management specialist, it's PCA's job to engage with deceased customers' representatives to assist them through the estate administration process on behalf of clients – a task which requires not just enormous sensitivity and a strong ethical grounding, but significant investment in recruitment, training and support.

PCA Managing Director Nick Cherry is proud to say that, for those whose loved ones pass away with outstanding accounts, the treatment they can expect from PCA is far more compassionate and specialised than what they could have expected from the industry beforehand.

"IT IS OUR PEOPLE WHICH MAKE OUR BUSINESS UNIQUE AND AS SUCH, WE INVEST A LOT IN RETAINING THEM"

Meeting a need

According to Tim Webb, PCA's Global Sales Director, the UK had no specialised deceased account management business prior to 2006. Creditors generally chose to manage these most sensitive of accounts either in house or through solicitors – in either case, the result for those handling the affairs of the deceased was fragmented and much less compassionate than it could have been.

Indeed, for fear of reputational risk, creditors would most commonly write off the outstanding balances of deceased accounts without checking the liquidity of estates – although even this gesture would often not be communicated to those handling final affairs.

It was a situation that left both businesses and consumers worse off, and one which caught the eye of PCA's US business, which had been founded in 1997.

Since the US legal system operates in a similar way to that of the UK when it comes to the laws of probate (on which PCA's business is founded), transatlantic expansion seemed a viable opportunity. As a result, PCA's private owners – two of whom are trained solicitors – began embarking on a series of visits to the UK, to assess the viability of a deceased account management service there, and to extend several longstanding US relationships onto the global stage.

Consequently, on October 2006, Phillips & Cohen Associates (UK) Ltd opened for business.

In the 10 years since, the company has grown to work with over 80 of the UK's largest creditors as customers, and handles the vast majority of the country's deceased accounts. Indeed, the business has handled more than £1bn of deceased accounts since opening its doors. Its offices are based in Exchange Quay, Manchester, cover more than 8,000 square feet, and house 80-plus full time employees.

The UK is still a relatively small part of PCA's global family: the firm as a whole now operates in five offices across four countries (the US, Canada, the UK and Australia), employs 300 people, and

has handled more than \$25bn in deceased accounts.

Nevertheless, the UK business has performed excellently – at the time of writing, the firm is on track to announce another set of record figures, as it enters its 10th anniversary year. The company is expecting to report around 20 percent revenue growth for 2015, bringing its turnover to more than £6m, and has itself been acting as a launchpad for international growth.

PCA's Australian arm is overseen from the international HQ in the UK, and went live with its first client in February 2014. In 2015, its first full year of business, the company saw an impressive 400 percent increase in revenue.

Money isn't everything

Yet in addition to financial success, PCA's UK business is celebrating several other milestones this year; in September it was re-awarded Investors in People Gold Status, having been among the first credit management businesses to attain the accolade back in 2012.

Managing director Nick Cherry says this is a particular point of pride, as he considers the business' 80 staff to be its most precious resource.

"Given the sensitive nature of our work," he explains, "we take great pains to recruit people who can really communicate and empathise, and who have real life experience – in most cases, this is a lot more important than a collections background. It is our people which make our business unique and as such, we invest a lot in retaining them."

PCA genuinely does have a very distinctive set of recruitment practices, which stand out even in an industry that has massively prioritised human capital in recent years.

For a start, says Chris Norcup-Stone, HR manager, the business has taken the decision to set the pay of its team members some way above the market average, "to ensure the correct gearing between basic salary and commission exists".

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"Our recruitment model involves complete transparency", he continues. "Interested parties are provided with copious amounts of detail on the specialist nature of our work, and have the chance to quiz tenured associates on the intricacies of the job."

Furthermore, says Norcup-Stone, the company insists that potential new recruits undergo a period of reflection on the nature of the role applied for before going into the interview process.

"The result is that only those fully conversant and comfortable with the more difficult parts of the job go forward to the formal interview stage," he explains. "Our interview process is focussed on uncovering those who possess the traits of compassion and

sensitivity that are so important for the role. Having met with two senior managers, and been subject to CRB and credit checks, only the very best candidates are offered a role."

Ongoing investment

As suggested by its Investors in People Gold Status, PCA puts as much effort into the training, development and welfare of its staff as it does into their recruitment.

For new staff, the business has formulated a specific training course lasting up to three weeks, and covering in detail the intricacies of probate law, grief counselling and the current debt collection legislative framework. Each element is tested at the end of the course, with an examination requiring a 90 percent minimum pass mark.

This course is designed and delivered by Chris Teare, the company's dedicated L&D manager, who says "everything is delivered within our dedicated training suite; it's a completely sterile environment that is an exact replica of the facilities outside on the floor – as such, it's an ideal environment to hone skills and role play."

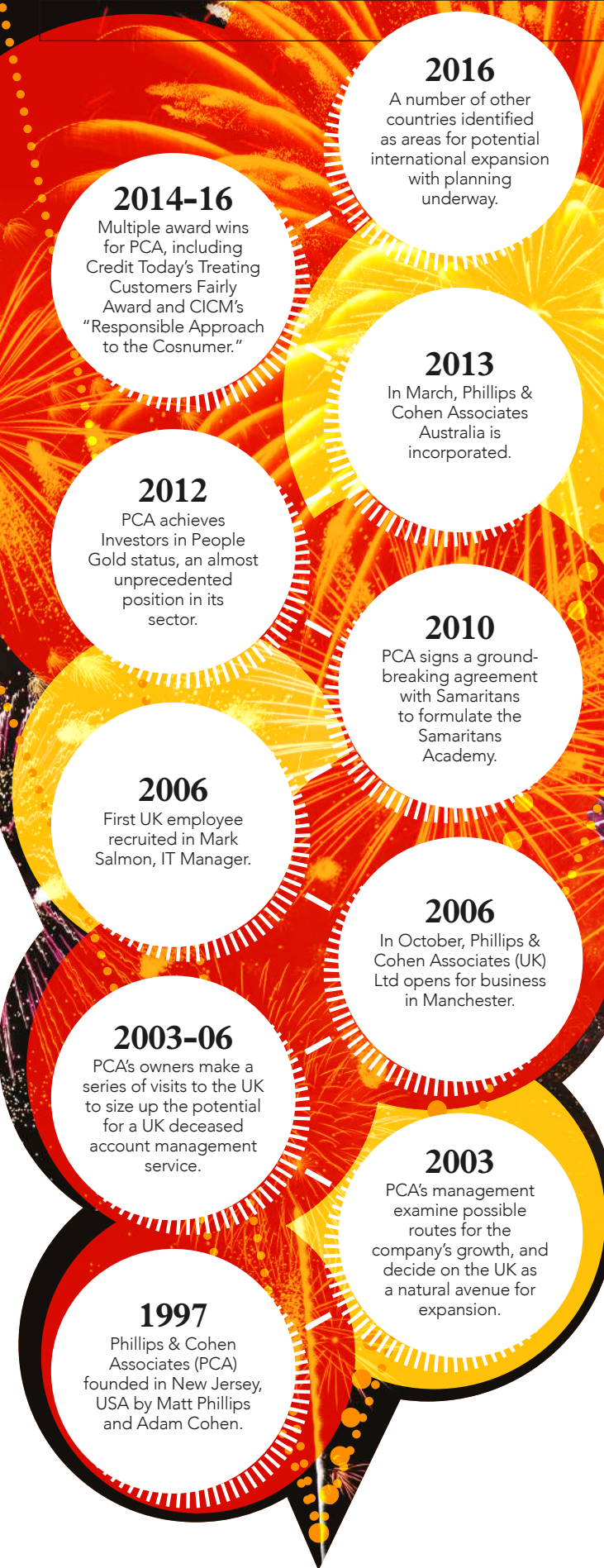
What's more, the formal classroom environment is just the beginning for PCA recruits, with each new graduate having mentor support on the floor throughout their six-month probationary period.

And more experienced hands don't miss out on PCA's training infrastructure, either. All the firm's operations staff undertake a monthly regulatory training schedule, ensuring they have an up to date working knowledge of areas including data security, FCA regulation, financial crime (including sanctions, AML & AB&C), treating customers fairly and complaints handling.

Good samaritans

PCA's training operation developed further still in Q3 of 2015, when it launched its Operations Development Academy (ODA). The ODA was designed to provide development opportunities for all collections staff wishing to progress into PCA Advocates, and offers a seven-month programme to staff. This programme comprises six workshops, focussing on various aspects of leadership behaviours and management techniques. Cherry added: "It is a point of enormous pride that every Team Manager in the business started out as a collector, and nurturing the talent and potential of everybody in the business is a key part of our DNA."

But perhaps the most impressive step in PCA's staff development strategy came in spring of 2010, when it signed a ground-breaking agreement with emotional support charity Samaritans to formulate the Samaritans Academy. In addition to delivering specific grieving and loss training to team members, the corporate relationship behind the academy allows for callers to be



Phillips & Cohen Associates
(UK) – A timeline

signposted directly to the Samaritans themselves, in cases where additional specialist support is needed.

Next steps

As one might expect, many of PCA's ongoing plans revolve around the continued development of its conduct and customer service capabilities.

Part of this is the ongoing enhancement of the firm's legal and compliance functions, an initiative which kicked into high gear with the recruitment of Christine Wigham, a qualified Solicitor, as Head of Legal and Compliance. Christine, along with two compliance assistants, forms the core of the firm's 'second line', charged with reviewing client files and analysing any expressions of dissatisfaction, as well as ensuring the business complies with regulatory requirements under the FCA, OFGEM and all other regulatory bodies. In 2014 PCA also started to capture positive Expressions of Satisfaction and uses these to focus on continuously trying to improve its service based on real-time customer feedback.

PCA's compliance efforts have won it several awards – at Credit Today's 2015 Collections & Customer Service Awards, the company picked up not only the Conduct & Compliance Excellence Award

for companies, but also the Conduct & Compliance Excellence Award for individuals, on behalf of Christine Wigham.

Technology, too, plays its part in customer treatment. The company's next challenge will be following up on the implementation of real-time speech analytics software from CallMiner, a developer with which its American sister business has an existing relationship. The volume of feedback development opportunities which this system will yield will be significant and the business has invested in additional phone coaches who will spend much of 2016 analysing and implementing these opportunities for improvement.

Cherry added: "Achieving ten years of sustained growth in the UK is a tribute to the hard work and dedication of the entire team at PCA which help to make our business unique. It is also recognition of our clients' willingness to embrace what was an entirely new concept in the recoveries space in 2006, and their recognising the tangible improvement in the customer journey which a specialist business of our type can provide.

"We look forward to continuing to innovate our service delivery and to working more closely with our clients both in the UK and other international markets."

Meet the team



Nick Cherry
Managing Director
- International



Tim Webb
Global Sales
Director



Phil Hickson
Head of Business
Development



Neil Hardman
Head of Client
Services



Christine Wigham
Head of Legal &
Compliance



Mark Salmon
IT Manager



Dave Wilson
MI & System
Development
Manager



Ervinas
Radzevicius
GM UK
Operations



Chris Teare
Learning &
Development
Manager



Chris Norcup-Stone
HR Manager



John McNally
Financial
Controller