



SWITCHING ON SOLUTIONS

A Utilities Case Study

REGULATORY ROADBLOCKS NECESSITATE INNOVATIVE THINKING.

A large combination utility provider sought to grow revenue by improving first-party collections on past-due accounts, while maintaining both compliance with state regulations and a positive customer experience. Having successfully worked with Alorica (through its subsidiary, EGS Financial Care, Inc.), as a trusted partner in the past, the client once again turned to us to solve these challenges. The resulting collaboration led to a \$34 million increase in collections and improved regulatory compliance over a two-year period.

THE CHALLENGE

- Prevent regulatory violations
- Reduce customer handle times
- Support a low-income rate reduction assistance program

THE OUTCOME

- **Client revenue increased 40%**—from \$52 million to \$86 million in over two years
- Call handle times dramatically **reduced by 30-40 seconds**
- Ongoing collaboration helped **solidify a successful partnership**





THE CHALLENGE

Regulatory Roadblocks Demand Innovative Thinking.

The client is the largest combination utility provider in Pennsylvania, serving more than two million electric and natural gas customers. The state maintains strict regulations for utility companies, which directly shape how providers engage with their customers. As a publicly held utility, the client was under close scrutiny to prevent regulatory violations, while still needing to address operational challenges, such as reducing handle times and supporting a low-income rate reduction assistance program.

State regulations require the client to communicate past-due notifications both by phone and in writing and provide customers with various options for payment arrangements or extensions before service is discontinued. This placed a significant burden on agents to manage calls and determine customer eligibility. If a customer's service is mistakenly turned off, the client is subject to a \$500 fine from the state and faces the added expense of unnecessary truck rolls to and from the residence.

In addition to the regulatory liability, the client's host application was complex and inefficient, resulting in long handle times and creating opportunities for customers to receive incorrect information. As part of the effort to restructure collections activity, the client needed a way to automate the decision-making process and ensure that customers were given accurate information concerning payment options, as well as avoid "off-in-error" transactions.

It was time to power-up.

THE SOLUTION

Meaningful Changes Change Everything.

Having previously worked with us on a pilot program for financial care services, the client felt confident that we had a strong understanding of its needs and could provide financial care services on a broader scale. Alorica deployed its proprietary Systems Integrator tool to combine relevant data from multiple systems into a single agent interface, streamlining operations at the agent level.

This solution decreased call handle times by 30-40 seconds and helped to ensure that customers receive accurate and consistent information concerning their eligibility for different plans or programs—even if they were to speak with multiple agents.

Further modifications to the client's systems enabled agents to take payments over the phone, significantly increasing first-call resolution. In addition, by incorporating flexible staffing capabilities to handle seasonal variations in call volume and work-related issues (such as FMLA absences of full-time employees), Alorica helped the client maintain consistent service levels and realize a cost savings through outsourced support, rather than having a unionized labor force on payroll during periods with fewer incoming calls.



Broadening the Scope.

Following the implementation of the Systems Integrator, Alorica created a preset process by which every customer account is reviewed every day. Those that show exceptions to prescribed procedures are transmitted to an agent for a final review. The automated system pulls hundreds of accounts from being terminated each month, saving the client more than \$1.3 million annually in potential fines and truck rolls for “off-in-error” transactions.

Providing Great Service Means Offering Complete Services

Pleased with the initial results, the client has continued to expand the scope of financial care and back-office services provided by Alorica, which today includes:

- **First-party collections**
- **Resolution of address disputes**
- **Fraud prevention**
- **IVR-based, outbound past-due notification calls**
- **Customer assistance, including:**
 - 72-hour notification of service shut-off
 - Processing reinstatement of service
 - Explaining low-income discount programs
 - Ensuring winter service due to seasonal grace periods
 - Daily review of termination list prior to processing

By automating various activities, we were able to free up internal resources, reduce handle times, and increase collections revenue for the client.

That’s what we call making an impact.

REVENUE
INCREASED
FROM
\$52
MILLION

TO
\$86
MILLION





THE OUTCOME

Digging Deeper for Answers.

Desiring additional measurable improvements, the client contracted Alorica to identify common reasons that customers were calling into the help desk. Armed with this information, the client would be able to refine operational processes aimed at first-call resolution and improve its Interactive Voice Response (IVR) system—all so the customer could get information without assistance from an agent.

Alorica implemented its “Why Customers Call” (WCC) tracking tool, which analyzes repeat caller data to determine what is driving escalated calls. An analysis of the interactions revealed that repeat calls often were prompted by the fact that agents were not able to take payments. We used this information to help the client refine its IVR system, so that customers could effectively leverage self-service options for payment.

To provide a further level of insight on the call data, Alorica successfully implemented speech analytics technology to identify trends and address common caller issues as quickly as possible. When unexpected changes in call patterns occurred, agents were able to pull the relevant data and help client management pinpoint and rectify the affecting issues.

Fostering a Collaborative Relationship.

Due to the nature of its services, the client has an obligation not only to its employees and shareholders, but also to the public trust and the communities it serves. When seeking strategic solutions to improve its operations and increase collections revenues, the utility provider needed a partner capable of optimizing the company’s financial results while protecting its brand in the marketplace. For this reason, ongoing collaboration and communication have been fundamental to the continued success of the partnership with Alorica. Team members from both firms have a daily huddle to review the previous day’s results and address upcoming staffing needs, as well as weekly calibration calls and monthly performance reviews to analyze data and gauge the success of process changes.

Alorica also helped the client to navigate its program through multiple internal management changes and developed systems to expedite the learning curve for new supervisors to avoid disruption to business processes.

Today, Alorica delivers diverse solutions to address a wide range of operational challenges for the energy company, leveraging hundreds of peak full-time employees across its North Charleston, South Carolina and Pittsburgh, PA sites, encompassing nearly two million contacts each year. Staffing support from Alorica, combined with the implementation of the Systems Integrator, automation solutions and WCC tracking tool, has radically reduced call handle times, provided customers with improved self-service options and increased first-party collections revenue by \$34 million over two years.

Indeed, our future together looks bright.

