REACH QUOTIENT

Case Study Debt Collection Professionals



REACH Model



STUDY SETTING

- Collaborative effort between:
 - OrgDev Institute (ODi)
 - Debt Collection Professionals Australia
- 179 employees participated by completing:
 - REACH Profiles (a 111-item psychometric survey)
 - 4 styles/profiles emerging from 10 dimensions
 - REACH Quotient (RQ) emerging from 4 RQ competency clusters
- Employer-provided ranking based on performance.
- A Position Profile was formulated and cross-validated.





REACH Styles





Relating Style

describes the manner in which an individual engages emotionally in everyday circumstances.













Relating Style

describes the manner in which an individual engages emotionally in everyday circumstances.







Achieving Style

describes the focus and intensity with which an individual approaches activities and goals.













Achieving Style

describes the focus and intensity with which an individual approaches activities and goals.











REACH Competencies



Counseling Competencies

| | Counseling Competencies | | Population Average | Self- rating | | | |
|--------------------|---|-----------|-----------------------|-----------------|---------------------|------------------------------------|---------------|
| | Assimilating team members | | 3.81 | 4.00 | | | |
| Relating to Others | Cultivating team spirit | | 3.80 | 4.00 | | | |
| | Identifying personal needs | | 3.57 | 4.00 | | | |
| | Recognizing others' efforts | | 3.87 | 4.00 | 0 1 | 2 3 | 4 5 |
| | - | Average: | 3.76 | 4.00 | More Challenging | ² Moderate ³ | Comfortable |
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| | | | | | | | |
| | REACH G | uotient: | 3.62 | 3.56 | | | |
| | Your REACH Zone, shown from this REACH Quotien | | LDP Ma | trix thr | oughout this | s report, is de | rived |
| | i | ading Rea | chometr | io Rolut | ions, LLC | | Page 18 of 20 |

Assimilating team members

Cultivating team spirit

Identifying personal needs

Recognizing others' efforts

Top-ranked: 3.81 All Others: 3.71





Coaching Competencies



Building rapport

Easing tensions during conflict

Finding opportunities for synergy

Rallying others around a cause

Top-ranked:3.65All Others:3.65







Driving Competencies

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| | e | Population Average 3.68 3.59 3.51 3.43 3.55 | Self- rating 4.00 3.00 4.00 3.00 3.50 | 0 1 More 1 | 2 Moderate 3 | 4 5 Constructive |
| | , | Population Average 3.58 3.48 3.50 3.58 3.58 3.54 | Self- rating 3.00 3.00 3.00 3.00 3.00 | Challenging | | Confortable |
| PEACH | Quatianti | 3.62 | 3 56 | | | |
| from this REACH Quotie | nt. | | | | report, is der | ived Page 18 of 20 |
| | eliability clear expectations, using notividual performano rising control over processe ing team during change mention and the second second mention second second second second second second mention second second second second second second mention second secon | ing Competencies bibling der expectations uding indvikule performance ing control over processes tigg control over processes ing control over processes ing control over processes ing control over processes ing control over processes Mercare Merc | ing Competencies Prototom biblishing clear expectations 389 uuting individual performance 389 ing control over processes 381 ing team during change 380 Average: 385 Research 380 Research | ing Competencies Provide and State S | Ing Competencies Provide integrations 3.68 4.000 biblishing clear expectations 3.59 3.00 traing ontol very processes 3.51 4.000 traing control very processes 3.51 4.000 traing control very processes 3.55 3.00 train the second | ing Competencies Protection of the second se |

Setting clear expectations

Evaluating individual performance

Controlling processes

Approaching complex issues

Top-ranked: 3.45 All Others: 3.28





Top-ranked All Others

Advising Competencies

| - | ∧CH Leading Profile | | | | | | 11 Apr 2019 |
|---------------------------|--|----------|-----------------|----------------|---------------------|------------------------------------|---------------|
| RE | ACH Competend | ies | | | | | |
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| Achieving Goals | | | | | | | |
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| D, | | | | | | | |
| 5 | Advising Competencies | | Population | Self- | | | |
| e | Addressing quality concerns | | Average 3.58 | rating 3.00 | _ | | |
| Ş | Aligning resources with needs | | 3.48 | 3.00 | | | |
| • | Designing team structure/functio | n | 3.50 | 3.00 | | | |
| | Integrating diverse perspectives | | 3.58 | 3.00 | | 2 3 | |
| | | Average: | 3.54 | 3.00 | More Challenging | ² Moderate ³ | Comfortable |
| REACH Quotient: 3.62 3.56 | | | | | | | |
| | Your REACH Zone, show from this REACH Quotien | | LDP Ma | trix thr | oughout this | report, is de | rived |
| _ | | | | | ions, LLC | | Page 18 of 20 |

Addressing quality concerns

Aligning resources with needs

Designing team structure/function

Integrating diverse perspectives

Top-ranked: 3.20 All Others: 3.26





Top-ranked All Others



REACH Quotient



REACH Competencies



Counseling Competencies

Coaching Competencies

Driving Competencies

Advising Competencies

REACHTop-ranked:3.54QUOTIENTAll Others:3.49







Position Profile Match by Rank Group

Debt Collection Professionals Sample







Position Profile Match by Rank Group

Combined Sample







Collections by REACH Position Profile Cross-validation Sample \$25,000 \$21,959 Difference 90-day Average Collections (US\$) \$20,000 of \$6,757 \$15,202 \$15,000 \$10,000 \$5,000 0

Stronger Match

Weaker Match

Match to Position Profile



LIMITATIONS

- 1. Range Restriction: Only current/active employees were sampled.
- 2. Ranking: We analyzed rank data, rather than actual collections (\$).
- 3. Multiple Roles: We combined General Collections and Banking & Finance to arrive at the Position Profile.
- 4. Samples: We included Debt Collection Professionals Division A and Division B samples in a combined sample for the pattern analysis.



FINDINGS

- Overall, top-ranked employees tended to prefer an acting-oriented (urgent) Achieving Style and task-focused (guarded) Relating Style – a combination described as the Driver Profile.
- 2. However, there was no significant difference in ranking based solely on employees' preference of profile. Meaning, top-ranked employees could emerge from any of the four profiles (Counselor, Coach, Driver or Advisor).
- 3. REACH Profile dimensions demonstrated significant nonlinear correlation to ranking, meaning overall ranking may be influenced in some way by employees' preference for specific behavioral dimensions.



FINDINGS (continued)

- 4. A Position Profile was designed to score employees and candidates in comparison to a benchmark of top-ranked incumbents. There was a statistically significant correlation between employees' match to this Profile and their ranking amongst their peers. Simply put, the strongest match to the Position Profile tended to be associated with the highest performance ranking.
- 5. Overall, employees tended to reflect lower RQ than the population, suggesting a potential benefit from training and coaching initiatives.



FINDINGS (continued)

6. The RQ competency, Controlling Process was particularly powerful in differentiating top-ranked employees from all others. Not surprisingly, top-ranked employees indicated they felt more comfortable maintaining control during their interactions with accounts. Lower-ranked employees expressed difficulty in this regard, and may relinquish control to the account during their interactions, slowing collections progress. Training and coaching in this particular competency may generate an immediate impact on performance.



FINDINGS (continued)

7. In order to exhibit the behaviors associated with higher performance, employees must develop their agility to "REACH" into all four profiles. Specifically, employees should be trained and coached to excel in interactions that require an expression of empathy and interpersonal warmth (Counseling and Coaching), while also maintaining control of those interactions and aligning each step within compliance guidelines (Driving and Advising). This combination may generate the most favorable collections outcome as well as account experience.



RECOMMENDATIONS

- 1. Deliver the REACH Corporate Training courses to strengthen specific competencies noted in this study.
- Provide the Coaches Companion to team leaders to grow REACH within their respective teams.
- 3. Implement the Position Profile as an informative resource within the recruitment and succession planning processes.





REACH Model

