

SA-VIT COLLECTION AGENCY TIPS OF THE MONTH ARCHIVES



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The Most Effective Collection Technique

When debtors are allowed to figure out how much they can pay on the amount owed, the better the payment arrangements. This is accomplished by asking them open-ended questions, such as, "Your balance due is \$400. How much are you short of paying the total amount?" or "How much time do you need to pay the \$400 in full?"

In both of these questions the debtors have to think about their answers and you should give them *all the time they need!* Therefore, the most effective collection technique is to say nothing after asking the question. This is called **the psychological pause**. Most new collectors find this very difficult to do.

It often takes debtors five to eight seconds to respond. This may seem like a short time, but try asking a question of someone in your office and count out a 5 to 8 second pause. You'll be surprised at how long those seconds seem. If you were listening to a radio station in your car and you had five seconds of dead air you would probably switch to another station thinking there was something wrong with the station's transmission.

By saying nothing you are placing all the pressure on the debtors, then you can relax and have time to think about how you will respond to whatever they might say.