

# PROGRESSIVE DEBT MANAGEMENT IN A POST COVID WORLD

While the full impacts of the COVID-19 pandemic are impossible to predict, a prolonged income shock is inevitable as the task of economic recovery begins.

With many consumers experiencing financial hardship as a result of redundancy or reduced income, debt management functions are already feeling the strain. Even after the immediate payment holiday “bubble”, increased inflows will shine a spotlight on debt management operations, and we believe that now is the time to re-assess your operating model to prepare for the new normal.

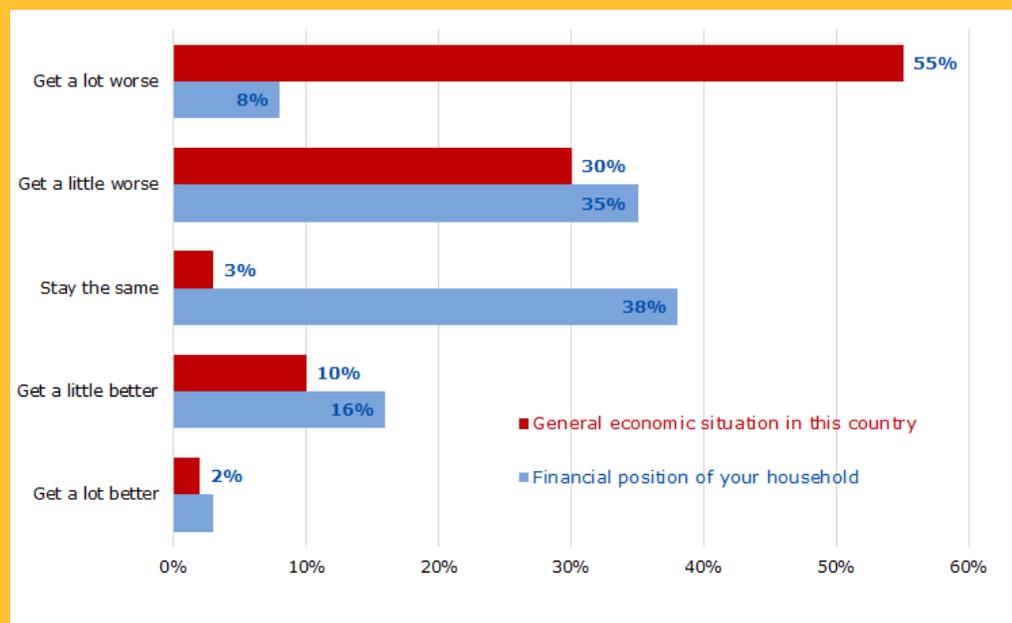
## Unprecedented conditions call for a progressive approach

Traditionally, lenders tend to view debt management operations as a cost-centre. This often results in under-investment when times are good, which manifests in inefficient processes, operational hotspots and poor customer experience in times of economic stress.

At Bridgeforce, we believe that you can improve contact and recovery rates by taking a more holistic approach that leverages available **internal and external data**, makes **innovative use of technology** and **removes friction** from the customer journey.

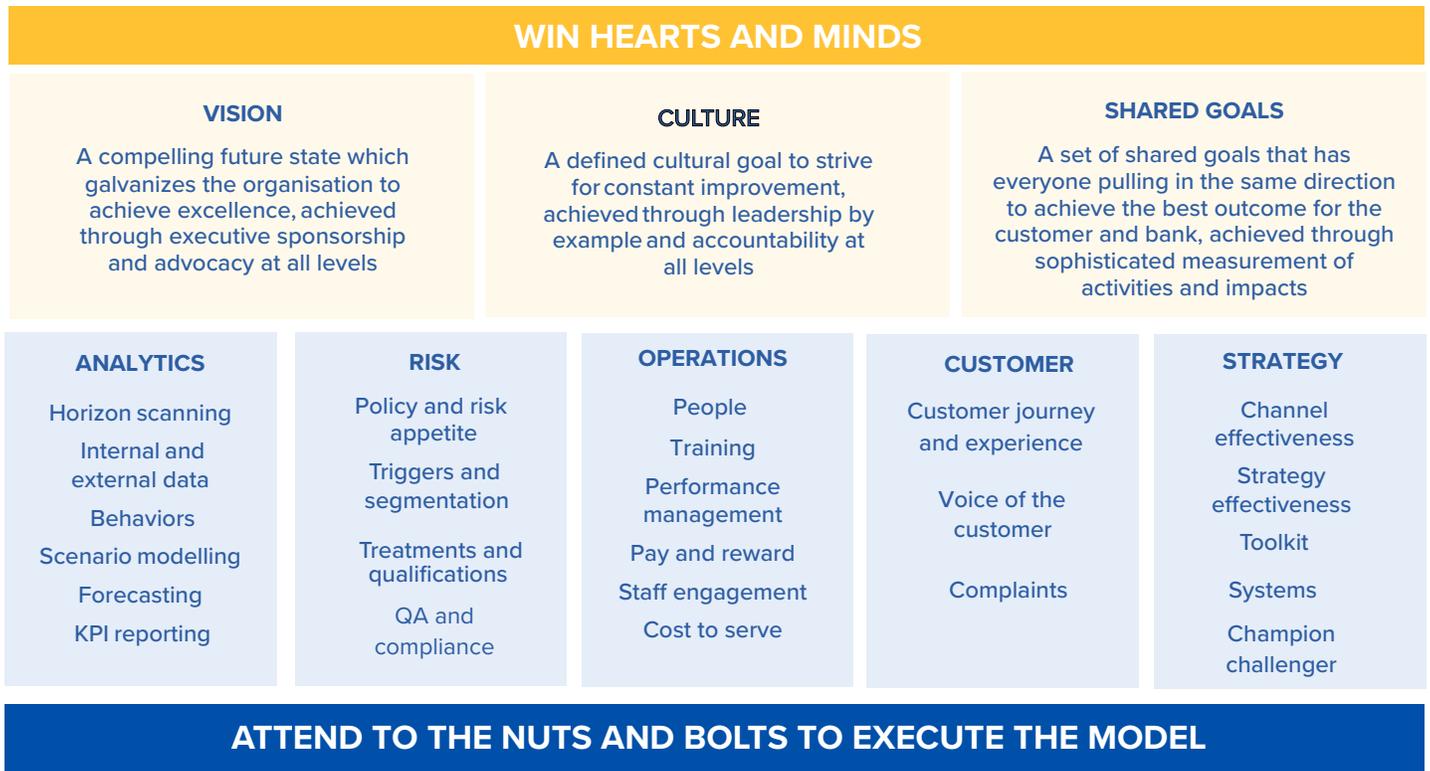
The following diagram sets out our recommended approach to creating a fully joined-up debt management operation.

**43% of households feel that the worst is yet to come for their finances – providing support to this group in a cost effective manner is essential**



Note: Respondent expectations for next 12 months (24 April – 3 May 2020)  
Source: Resolution Foundation analysis of ONS data

# Bridgeforce TOM Design Framework



## Prepare now to start realizing the benefits of a revised model

Bridgeforce has deep experience in debt management target operating model design on both sides of the Atlantic and can help make your vision a reality.

We can support you by working hand in hand with your existing team to create a vision, obtain buy-in from stakeholders, develop the supporting artefacts required and drive execution.

- Vision statement and cultural charter
- Debt management objectives, goals & Balanced Business Scorecard
- Management roles and responsibilities
- Operating routines
- Investment case including estimated costs and benefits
- E2E customer journeys
- High level delivery plan
- KPIs, reporting and governance framework