



QUALCO

Innovation as a source of value in credit management

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INNOVATION AS A SOURCE OF VALUE IN CREDIT MANAGEMENT

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Terry Franklin, Executive Vice President, Products and Markets at **QUALCO**, explains the importance of delivering value to clients and the community

When it comes to delivering significant value for credit and financial players worldwide through AI-powered solutions that transform legacy practices and streamline operations, **QUALCO** is nothing less than a leader in the field.

Launched in Athens in 1998, the tech firm has been meeting the needs of leading banks, financial institutions, and other high-profile organisations for a quarter of a century. Today, many of the company's original employees continue to apply their vast business expertise to the credit market - including founders **Orestis Tsakalotos** and **Miltos Georgantzis**.

QUALCO, the technology arm of QUALCO Group, has a team of well-established professionals who leverage the latest tools and technologies to develop and implement solutions for clients in the credit risk space and beyond.

One of those responsible for looking after this side of the business is **Terry Franklin**, Executive Vice President for Products and Markets. QUALCO's primary function, Franklin explains, is to deliver value for clients in what is a rapidly evolving sector.

"What we're really focused on is delivering leading technology solutions to a range of industries that help within the credit tech space, and beyond," he says. "Ultimately, we're here to deliver value for our clients".



TERRY FRANKLIN



TITLE: EXECUTIVE VICE PRESIDENT,
PRODUCTS AND MARKETS

INDUSTRY: SOFTWARE DEVELOPMENT

LOCATION: UNITED KINGDOM

» Terry Franklin is the Executive Vice President, Products and Markets at **QUALCO**. Franklin joined QUALCO in 2020, having spent the previous 20 years of his career in credit management, collections and debt recovery across various industries.

Franklin's current role is to oversee the operations of QUALCO Technology, ensuring its personnel deliver market-leading credit risk and collection tools.

"We've got clients and partners in more than 30 different countries; we help them to establish and deploy innovative technology solutions that enable them to optimise their credit management operations, make informed decisions and drive growth. We empower our clients to unlock value and transform their businesses through our operational platforms, data insights, digital experiences, and industry expertise.

This helps our client partners fulfil critical business activities through automation, managing risk and supporting growth without increasing resources and costs. Typically, we're looking to give our clients a return on investment within 12 months."

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EXECUTIVE VICE PRESIDENT,
PRODUCTS AND MARKETS, QUALCO

QUALCO offers a robust credit tech suite
QUALCO provides several expert portfolio management tools, enabling businesses to adapt swiftly to market needs and maximise their performance in recoveries.

In the data-driven decision-making space, **QUALCO Data Driven Decision Engine (D3E)** helps clients at any stage in the customer journey – whether it be acquisition, customer management or collections – to combine data from various sources, analyse it and look for patterns of behaviour.

"By identifying those behaviour patterns," adds Franklin, "using machine learning and AI, clients can deploy predictive models that determine the most appropriate way





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to engage customers. This allows them to unlock value at various stages of the credit risk journey.”

The company’s best-selling product on the market, the **QUALCO Collections and Recoveries** platform, is dedicated to the management of collecting and recovering any accounts receivable portfolio. The system manages cases from the pre-delinquency stage, aiding the identification of customers who are about to become delinquent and helping relevant businesses to interact with them accordingly, through to late-stage recoveries.

QUALCO Loan Manager, offers an efficient way to manage the loan administration process end-to-end across the loan servicing lifecycle. **Loan origination** journeys can be simplified using QUALCO’s business

process management tooling, which pulls data from various sources to verify fraud risk and affordability assessments, allowing clients to sanction loan changes quickly and seamlessly.

Our digital banking solution, **QUALCO Scalefin**, supports financial institutions in their digital transformation journey, enabling them to enhance their digital capabilities and achieve strategic goals quickly and efficiently. This leads to streamlined operations, improved customer experience and business growth.

Tech solutions are also offered in the **Supply Chain Finance** area, underpinning the entire journey. **QUALCO ProximaPlus** and **QUALCO Kyberas** allow buyers and sellers to establish innovative ways of financing the supply chain and manage the dynamic discounting process, which, in turn, improves cash flow and helps their businesses to grow rapidly.

Moreover, QUALCO offers a complete suite of customised and secure enterprise-level IT solutions and services, utilising advanced digital and cloud technologies. **QUALCO IT Services** reshape businesses’ IT infrastructure, ensuring cyber security and peace of mind, enhancing operational efficiency, and driving business growth.

Harnessing the power of data

The growing importance of data to businesses as they look to grow, transform, and thrive is well-documented – and the same can be said of QUALCO’s clients. Data and the application of analytics is used to establish actionable insight and achieve better outcomes.

Franklin points to data from customer interactions as being highly valuable. This

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may include the channel customers prefer to use, the time of day they are most likely to communicate or the probability of them rolling from one state of delinquency to another.

He says: “By combining those pieces of analysis through a system like **QUALCO Collections and Recoveries**, you can coordinate the **timing, messaging and channel** you want to use to make that connection with the customer, increasing the success rate and achieving a desired outcome more efficiently.

QUALCO Data-Driven Decisions Engine (D3E) enables this practice, ingesting data quickly, applying analytics and capturing snapshots over time to create new variables to quickly and systematically build predictive models. For example, it might assess how often a customer has been delinquent in a fixed timeframe and automatically generate new characteristics that can be deployed in future models. These characteristics will be evident in an explainable model, allowing businesses to articulate why certain decisions were made.

“WE WANT TO MAKE SURE WE CAN ACCURATELY PREDICT CUSTOMER CIRCUMSTANCES AND PREFERENCES AND THEN USE THAT KNOWLEDGE TO BUILD BETTER SOLUTIONS THAT ENGAGE THE CUSTOMERS”

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“The good thing about D3E is it does all the analytical processing itself, so you don't need an army of analysts to do the work,” adds Franklin.

Data also has its place in the supply chain finance side of QUALCO's offering. Embedded machine learning and AI is used to look at unusual behaviour patterns within the **trade receivables**, flagging any trades that could represent a fraud risk to businesses or lenders.

QUALCO's intent on creating value

Dedicated to thoroughly understanding its client's needs and conducting complete business assessments, QUALCO prides itself on creating and delivering value for clients, employees, business communities, and the wider society. This is made possible via tailor-made solutions that meet business needs and ensure the organisations' competitive advantage in their respective markets.

“There are areas of improvement that relate specifically to technology,” explains Franklin, “but during our engagements there may be other areas where clients can make some improvements that aren't necessarily related directly to our tech.

We'll share those recommendations because it builds trust, and our clients can see we're here to help, strengthening the overall relationship and partnership.”

Once comparisons and recommendations have been made, QUALCO effectively produces a transformational plan. Clients can challenge any suggestions and ensure all elements ring true before the plan is inspected with a fine-tooth comb and approved at the board level. The goal is to set out in detail why this is an investment worth making.

“If you can benefit as many individuals as possible, you're also benefiting communities,” adds Franklin. “And, if we provide solutions that allow investors to make sensible decisions from an ESG perspective, it generally helps the wider society. We see this as an important overarching ethos for our solutions.”

Delivering value extends to the partner ecosystem

To deliver its highly-valued services, QUALCO cannot go alone; instead, it requires a quality ecosystem of partner organisations.

Over the last 12 months, the business set up a partners-and-alliances function to identify and onboard sales, technology and delivery partners and make the vision a reality. Technology partners become incumbent elements of the QUALCO ecosystem that is delivered to clients.

“On the sales partner front,” says Franklin, “we’re really interested in working with organisations that are out discussing with clients how to improve and drive efficiencies, and then they would introduce us as a component part to deliver those business benefits and cost savings.”

Franklin also states the importance of partnering with effective technology players to **engage customer communications** and automate management tasks throughout the credit risk, collections, and recovery journey.

“What’s very important is finding a partner that offers huge value to the end-customer, understanding how we can integrate with our own technology stack and make it a realistic, day-to-day, usable piece of functionality,” he explains.

In the **digital portal** space, QUALCO works with tool providers that allow customers to fulfil their income and expenditure analysis and initiate payments or set up arrangements.

The road ahead

Franklin describes QUALCO’s growth plans for the next five years as “ambitious”. There’s a clear desire to build on the company’s already-strong reputation and become the go-to expert for client organisations.

He continues: “We’re creating a broader set of services because we want to be able to offer clients an end-to-end technology stack they can utilise as a whole or in component parts.

And, over time, as clients witness the value we can unlock, they want to invest more of their resources in our solutions. It's essential for us to have demonstrable success stories.”

HOW QUALCO HELPS CLIENTS ACHIEVE ESG GOALS

Clearly, ESG has become a massive topic of discussion at organisations of all sizes in recent years. QUALCO has been working hard to support banking and finance clients in achieving their ESG goals, particularly in the supply chain finance space.

“We can help them understand where they can choose a factoring or invoice discounting market in the relative industries,” says Franklin. “By investing to discount or factor in particular industry sectors, they can demonstrate a greater commitment to supporting ESG and a greater level of corporate responsibility.”

Another essential solution – one falling into the governance bracket – is end-to-end visibility. QUALCO’s supply chain finance tech achieves full transparency from the supply point to the end-delivery point.

Franklin adds: “Anybody in the trade finance space will have full governance and full visibility of what happens at the point of a sale as well as the point of selling final products into the marketplace.”



“IF YOU CAN BENEFIT AS MANY INDIVIDUALS AS POSSIBLE, YOU ALSO BENEFIT COMMUNITIES”

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Another aim for QUALCO is to achieve success in different regions. The firm already has a broad footprint among clients with a presence across EMEA, but the plan is to ramp up its direct sales to organisations within new regional markets.

Unsurprisingly, Franklin says QUALCO’s growth strategy also outlines an intention to evolve its offerings, stay relevant and respond to the changing needs of clients before adding: “Ultimately, the demands and needs of clients and their customers is what feeds into our product roadmaps, then our solution engagement models, and then our go-to-market strategy.”

It also seems inevitable that AI and machine learning get a mention when looking ahead to the future, and Franklin sees this as an area that will continue to evolve at QUALCO.

“We want to make sure we can accurately predict customer circumstances and preferences and use that knowledge to build technology solutions that better engage customers, creating that one-to-one feeling,” he says. “By better serving our clients’ customers in the manner that they prefer, we build enduring solutions that will deliver value for many years to come.”





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