CCT - Collections - Operational Procedure Communication Skills (SBS Curitiba)

Tasks to be completed when creating an operating procedure (from creation to publication)

1. Enter the **Title of the procedure**: Description of the operating procedure - Region (*APAC, EMEA, LAM, NAM*) - Country (*Optional*) - ERP (*PI 1, PF1, WP1*)

2. Add the following Labels :
   - Region: apac, emea, lam, nam
   - ERP: pf1, pi1, wp1
   - Domain & Process using the List of labels to be used in the space OtC
3. Fill all fields as described

4. SAP transactions :
   a. notify them on the right : References , Link the SAP transaction name notified here with the SAP transaction page registered in the file (page adress)
   b. notify the transaction SAP inside the document in the appropriate place and add a macro : Include Content - Search the name of the page and Save

5. Once the procedure is completed, publish it using the SBS-OtC approval workflow

Scope

LAM

NAM

ERP

References

Attachments

Service excellence and Customer Satisfaction

Collections Escalation Process

Design a great customer experience

T emplate to be cleared cases

Anti Bribery & Anti Corruption *(Mandatory E-learning)*

Code of Conduc t *(Mandatory E-learning)*

YouGrow (Soft skills trainings)

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1. Objective and Scope

1.1 Objective of this Procedure

This document aims to provide the best practice related to communication skills to the CCT collections team.

1.2 Scope

This procedure applies to all collector agents and coordinators who handle customer's requests. It also will provide best practices as guidance.

2. Overview of Communication skills

Practical communication skills are highly necessary for the Collections environment. Good communication skills will help you build a great relationship with your customers to reflect positively on the company and keep your customers happy with the service they are receiving. The majority of people think of communication as the ability to speak clearly and to be understood. On the other hand, other communication elements, including the ability to listen and the ability to empathize, are equally, if not more critical, in CCT Collections.

3. *Global Strategy:*

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The Global Operations Strategy aims to:

- Support the Group ambition for Oxygen to support 'Customer & Frontline Needs.'
- Be '1 Global Operation' delivering the highest possible standardization levels across our four Service Centers to enable increased automation levels.
- Apply the three key pillars: Collaboration, Continuous Improvement & Technology, Passion for our People based on the Oxygen behaviors 'Trust' & 'Take Smart Risk' that enable delivering the ambition.

4. *Customers:*

Our Internal Customers:

- GBU's
- Business Team
- Credit
- Team Colleagues
- Other SBS Teams

Our External Customers:

- Solvay Customers
- Buyers
- AP Teams

5. Collection Process:

In collections, there are two moments where we contact the customers:

- *Pre collections: The invoice is not yet due, and we are doing the procedure of acquiring information and ensuring that our customers have all the necessary information for payment, and the dates are following what we have in place. Thus we become proactive in acting in advance and possible problems that may impact revenues;*

- *Collection: When a customer fails to fulfill the payment at maturity according to the deadlines already established in the negotiation, we as collections must contact them mainly by telephone to understand the situation and reinforce that all payments must be made at maturity. After the deal with the client, it is essential to make yourself available and request that, in the future, unforeseen events occur that will cause delays in payments so that they inform us and so we can take the appropriate actions.*

6. Thinking like a Customer :

To bring a customer-centric approach to what you are doing and how you are doing it, in short, thinking about the customer is very different from feeling like the customer.

There is no way to move what people do without considering the things influencing it – what they are thinking and how they are feeling. So to figure out how to help the customer happily make the switch and answer the question.

In short, they are putting in the time and effort required to build a relationship. And a good collector will build confidence with the person they are dealing with.

- **Put yourself in customer's shoes:** The best way to treat our customers as humans is to listen to them. When they call with a problem, don't treat them like a service ticket that needs to be resolved – have a conversation with them. Stop transferring them to another number and solve their problems. That's how you drive sustained engagement. Interact positively and try to find and solve their needs.
- **Be aware of how you do the tasks you are responsible for:** The way it is done is essential. It is good to attend to the details that must be considered, check customer needs, and escalate whenever necessary to provide a good customer experience.
- **Soft Skills:** Soft skills are non-technical skills that relate to how you work. They include how you interact with colleagues, how you solve problems, and how you manage your work. Soft skills have the personal attributes, personality traits, and communication abilities needed for success on the job. Soft skills characterize how a person interacts in his or her relationships with others.

A few samples of Soft Skills:

- Listening
- Friendliness
- Open-Mindedness
- Confidence
- Non-verbal communication
- Clarity and concision

You can find Soft Skills training on YouGrow . Check it out.

- Go beyond the customer's needs : Sometimes, it is hard to meet or exceed customer expectations. We have a few tips to help with their needs:
- Quality first, Speed second - We all like our issues to be resolved efficiently when contacting a company, but what makes us use them again and again? There is only one answer — the quality of the service.
- Connect with your customers : the proximity helps with all necessities from both sides. The customer feels more confident and trusts better when the relationship is close.
- Customer's necessities - is usually what we can see. The objectives sometimes are not clear. It is vital to raise critical questions to verify:
- What is the main reason for this request?
- What is the outcome we want to achieve?
- Use methodology KISS (detailed below) - will be helpful.
- Find the root cause of the request - sometimes, we can find an issue recurrent in many other customers by diving into the request and finding the root cause. When we ask the right questions, we might be able to figure out the leading root cause.
- What is the business impact?
- How often do you face this concern?
- What actions were done before trying to solve it?

Time is money and customer satisfaction: When receiving a customer request, a more in-depth analysis is needed with information that brings added value to the return and returns, reply with a simple, clear message, and, if possible, with a deadline the definitive answer.

Benefit : This will bring more significant customer satisfaction, knowing that your request is being handled, as well as showing an interest in better serving you.

How to be prepared for a phone call:

- Before calling internal or external customers, you must have all the information you need to get the return you expect, like Invoice reference, order number, due date, copy of the document.
- If it is a call of greater importance or to deal with a more delicate situation, if possible, look for a more favorable environment. Pre-book a meeting room, make sure you have all the necessary tools to make the call (VDI, telephone, conference call)
- Check the training of Design a great customer experience on YouGrow.

Be careful with the following:

- Avoid transferring the customer or the ticket between agents. If the responsible agent is not available, try to solve the issue. If you can't solve it, talk to the customer and to the leadership team to check how we can help;

- Waiting time - when receiving a request or a call, consider when our customer is spending contacting us and trying to get what they need on that contact. If it is not possible, explain that it will take more time and give them a due date for the answer.
- Reply to all requests. Contact from one of our customers is one in the middle of many others, but it is the only one for the customer. Keep that in mind and be accountable for answering all requests under your scope and redirecting those not under your coverage.

6.1 - "DESC" Method:

DESC stands for Describe, Express, Specify, and Consequences. The DESC response is a tool used to decrease defensiveness assertively.

DESCRIBE - Describe the behavior/situation as thoroughly and objectively as possible. Focus on the facts.

EXPRESS - Express your feelings or thoughts about the behavior/situation. Try phrasing your statements using "Ï" and not "You." Beginning sentences with You often puts people on the defensive, which means they won't listen to you.

SPECIFY - Specify what behavior/outcome you would prefer to happen.

CONSEQUENCES - Specify the results if this happens. (Both positive and negative)

Collections Sample:

"Dear David,

We've received your email dated xxx, where you explain about one of your products being retained in the Port of the city because the invoice was not paid.

(express your feelings - demonstrating empathy)

Be aware that we understand this topic is significant to you.

(describe the facts)

The regular SLA for this kind of invoice is six days, and we are compliant with the deadline. We did some research to determine when the customer will pay this bill and speed up the process. We found that this invoice is blocked because the ship on which your goods were loaded is an Iranian vessel, and the bank responsible for paying this invoice is an American one. The American government is rigorous and prohibited from having any sales transactions with Iran or Iranians.

(Suggest/offer a solution - or the beginning of a solution)

We are discussing with other banks we work to see how we can resolve this situation. In the meantime, we recommend you to explain this situation to your supplier to prevent it from recurring.

(conclude positively)

We are doing our best to support you and make your assets available as quickly as possible. We will contact you within the next few hours to keep you updated.

Best regards,

Collector.

When you are assertive, you can:

- Decrease defensiveness;

- Express and communicate your feelings accurately;

- Ask for things you want and say no to things you do not wish to;

- Have the opportunity to have your interests (needs, wants, concerns, fears) me;

- Attain the respect of others.

6.2 - KISS Method

Keep it simple, short (KISS) is a design principle which states that designs or systems should be as simple as possible. Wherever possible, complexity should be avoided in a system — as simplicity guarantees the most significant levels of user acceptance and interaction.

The KISS principle also exists in other variations with the same meaning. Examples are "Keep it simple and straightforward." or "Keep it simple, stupid" Though both phrases technically introduce an "A" into the acronym, they both deliver the same message. The objective of any process is to provide the simplest possible outcome.

Suggestions for the KISS method:

<u>- Avoid passive voice - change for the active voice:</u>

Passive: *The party was planned by Jill.*

Active: *Jill planned the party.*

Passive: *The wedding cake was created by Ben.*

Active: *Ben created the wedding cake.*

<u>- Paraphrase to check to understand;</u>

"The main problem right now is the lifestyle. A reduction in dietary cholesterol would solve some of your problems, especially when combined with an exercise program."

"Would I be correct in thinking you want me to cut out fatty foods and start working out?"

"In a nutshell, yes."

<u>- Use words with a positive focus instead of a negative focus:</u>

"issue" or "matter" (instead of "problem")

"inconvenience" / "inconvenient" (rather than "difficulty" or "difficult")

"misunderstanding" (rather than "argument")

"sensitive" (to describe an issue that you would rather not discuss)

"unfortunate" or "disappointing" (rather than "bad")

6.3 - 5W2H Method:

At first glance, it may seem not very easy, but it's the exact opposite. The 5W2H Method is thus called to simplify the guidelines involved in each phase of the action plan to which it proposes.

- What?
- Why?
- Where?
- When?
- Who?
- How?
- How much?

What?

What will be done?

action, steps, description

Why?

Why will it be done?

justification, reason

Where?

Where will it be done?

location

When?

When will it be done?

time, dates, deadlines

Who?

By whom will it be done?

responsibility for action

How?

How will it be done?

method, process

How much?

How much will it cost to make?

cost or expenses involved

Each step of the 5W2H matrix refers to a different question, and the answer to every problem is the trigger for the next question.

6.4 - Dealing with negative answers from customers

When contacting a customer requesting an invoice payment schedule due in that month and knowing its history, he knows that he usually has delays due to a lack of information or documents.

In return, the customer responds to his contact information only that the invoice is posted in the system; however, he did not answer his question regarding the settlement forecast.

We should not accept the information as a practical response just because the note is posted on the customer's system; you have not yet completed the purpose of contacting the payment schedule. In this case, it is necessary to return the contact with the customer, try a different approach to seek more information about it, ensure that it will have the expected payment date, or if there is some risk still unknown, which will prevent payment to the due date.

6.5 - How to escalate to our internal customers

Try to demystify as much as possible the terms that are used only in your area.

Not everyone knows and works with the same transactions and systems. If applicable, try to forward images of the screen you are checking.

When requesting support with any situation faced with our external clients, explain the main topics that have already been addressed. Give facts and data and ask for their advice. This way, you will have a useful scenario explanation and make it possible to get the help needed, trying to figure out a different approach.

Inform the information you are reporting from and where it comes from, like customer name, account number, and PO number.

Example: Whenever opening a dispute to the AR team for clearing a payment on the account, use the template to ensure that all the information they need is in your request. It will guarantee a better efficiency in handling, making the process faster, preventing rework for both teams.

7. Escalation process for CCT Collections team

There are several different situations that the Collections team face and are necessary to escalate, including:

- ***End of month payment postponed*** *- When the Customer informs that the payment will be voluntarily delayed due to a weekend, company closed, or cash objectives. Include the cases related to Processing (payment is done on the last working days of the month and does not have enough time to reach our bank account);*
- ***Incorrect data*** *- Invoice data (ex: Address, PO) wrong, VAT, currency...) must be corrected before it can be paid;*
- ***Invoice not received (by post)*** *- Customer does not have the invoice and requires a copy by post before it can be paid. Escalate if not possible to send invoice from Collections location or FedEx required;*
- ***Issue on Goods*** *- Customer claim on price/quantity or quality;*
- ***Liquidity Issue*** *- Customer with Cash Flow or Liquidity issue;*
- ***Misdirected Payment*** *- When the customer pays to the wrong Solvay account;*
- ***Missing Document/ POD*** *- When the documentation linked to export or POD has not been received by the customer or is incomplete/incorrect;*
- ***Payment Terms Issue*** *- When the payment terms of the customer are not aligned with the invoice, or there is a specific run which will generate delay;*
- ***Awaiting Payment Validation*** *- Accounting clerk waiting for validation from the purchaser to process the payment;*
- ***Wrong Clearing*** *- Invoices currently opened should have been cleared against the payment already received but matched with incorrect invoices;*
- ***Vendor Balance*** *- If the customer owes more cash than Solvay: Collection will ask AP to block the payment until receipt of customer payment.*

Please check the Collections Escalation Process , where there is a description of how to proceed when escalation is needed for each topic above. You will have the path to follow containing: Where to escalate to; the content of the email/topic to be addressed to the designed team; what are the follow-up actions that must be taken by the collector and if it is necessary to add any block at SAP.

This is an essential part of the Communications Skills, as it will provide a good step by step of frequent Collections requests.

8. Related documents/trainings

Service excellence and Customer Satisfaction
Collections Escalation Process
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End of document.