

# Mastering Credit Dispute Management: Adapting to Modern Influences

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Did you know there is a correlation between social media and credit disputes? Social media has become a staple in most people's lives, with [62.6%](#) of the world's population using it, spending an average of over two hours per day spent on it. In an era where social media influences a lot of decisions, it is important to understand how social media can influence decisions and affect various industries, including the financial services industry – specifically when it comes to credit reporting.

The instantaneous nature of social media means that information—whether accurate or misleading—can spread rapidly, impacting consumer behaviors and expectations. For example, viral trends or online advice may lead individuals to buy the latest hot product from Target, try the new dish from a restaurant, flip furniture or even challenge their credit reports more frequently. Reporter [Kate Berry](#) notes this trend has led to a rise in lawsuits as consumers, spurred by social media, attempt to get out of debt by disputing credit report information.

How a financial institution responds and manages incoming consumer disputes sets the stage for their financial safety and wellness. Financial institutions must adapt to this evolving landscape and ensure their credit dispute management processes are robust and resilient. Practice healthy credit dispute management practices and mitigate risk by following these key best practices and avoiding these common pitfalls in credit dispute processing.

## Best Practices for Credit Dispute Management:

- **Maintain Accurate Data** – In today's digital age, consumers are constantly exposed to financial advice online. Maintaining accurate data is more critical than ever. Regularly update and verify data. This can help prevent disputes by ensuring that information is accurate and up to date, thereby reducing the likelihood of errors that lead to disputes.
- **Invest in Staff Training and Resources** – It is essential to invest time in training staff on dispute resolution processes, data accuracy and compliance with relevant laws and regulations. Resources such as the [Consumer Data Industry Association \(CDIA\)](#) guide can assist with keeping staff on the right track. Staff should continuously train their analyzation skills to identify patterns and reoccurring issues in order to improve and ensure fewer errors. Incorporate discussions of current trends and modern influences into training programs to ensure that staff are aware of the latest developments affecting credit disputes.
- **Establish Clear Procedures** – Training is not enough to mitigate risk alone. Your financial institution needs clear and documented procedures, including acknowledgment, thorough investigation processes and resolution. Establishing well-defined procedures ensures consistency and helps prevent mistakes. Adapt these procedures as necessary to address upcoming or viral and trending influences.
- **Prioritize Timely Responses** – [The Fair Credit Reporting Act \(FCRA\)](#) requires creditors to respond to disputes within 30 days of receiving the dispute. Responding to disputes within this timeframe is extremely important to avoid tradelines being deleted involuntarily. In the era of

instant information and growing knowledge, consumers expect timely responses and are more likely to know when a law is violated.

### Credit Dispute Management Pitfalls:

- **Neglecting Data Accuracy** – Conversely to maintaining accurate data, failing to regularly update and verify data in credit reports can result in inaccuracies and lead to potential lawsuits. Consumers may be quicker to dispute than we have previously experienced with the nature of social media.
- **Inadequate Report Investigation** - The investigation process is a large part of credit reporting. Make sure to conduct thorough investigations into disputes and review all relevant information. Conducting superficial investigations can lead to missed inaccuracies. Ensure your staff is well-trained in the investigation process to avoid mistakes.
- **Failed Documentation of Policies and Procedures** – Your staff may struggle to handle disputes effectively and consistently if policies and procedures are not kept up-to-date, leading to increased risk of errors and legal risks. Ensure all policies and procedures are documented and updated as necessary, accounting for modern influences.
- **Delayed Dispute Responses** -Failing to respond to disputes within the FCRA's required timeframe can lead to legal consequences and damage your institution's reputation. Prompt and efficient dispute management is critical to maintaining your institution's reputation and compliance, especially when consumers often express their frustrations on social media.

Financial institutions must remain vigilant and adapt to the ever evolving landscapes of credit dispute management, particularly as modern influences like social media continue to shape consumer behavior. If your financial institution needs assistance, consider outsourcing to a specialized vendor like [TriVerity](#). By allowing credit dispute management processes to be handled externally, your financial institution can focus on customer-facing issues instead of having to conduct timely investigations. Performing healthy credit dispute management practices, whether in house or via an outside partner, can help your financial institution stay on top of the latest disputes, social media trends and mitigate risk.

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TriVerity is a full-service collection agency managing non-performing and charged-off loans with a comprehensive menu of third-party collection services. Since 1990, TriVerity has worked with over 2,700 financial institutions nationwide and is a leading industry expert for financial institution collections of all loan types. TriVerity's broad spectrum of collection resources and extensive training programs help financial institutions manage and mitigate loan delinquency rates. Our agents work under the direction and procedures of financial institution collection departments.