



# Diversity in the Collections Industry

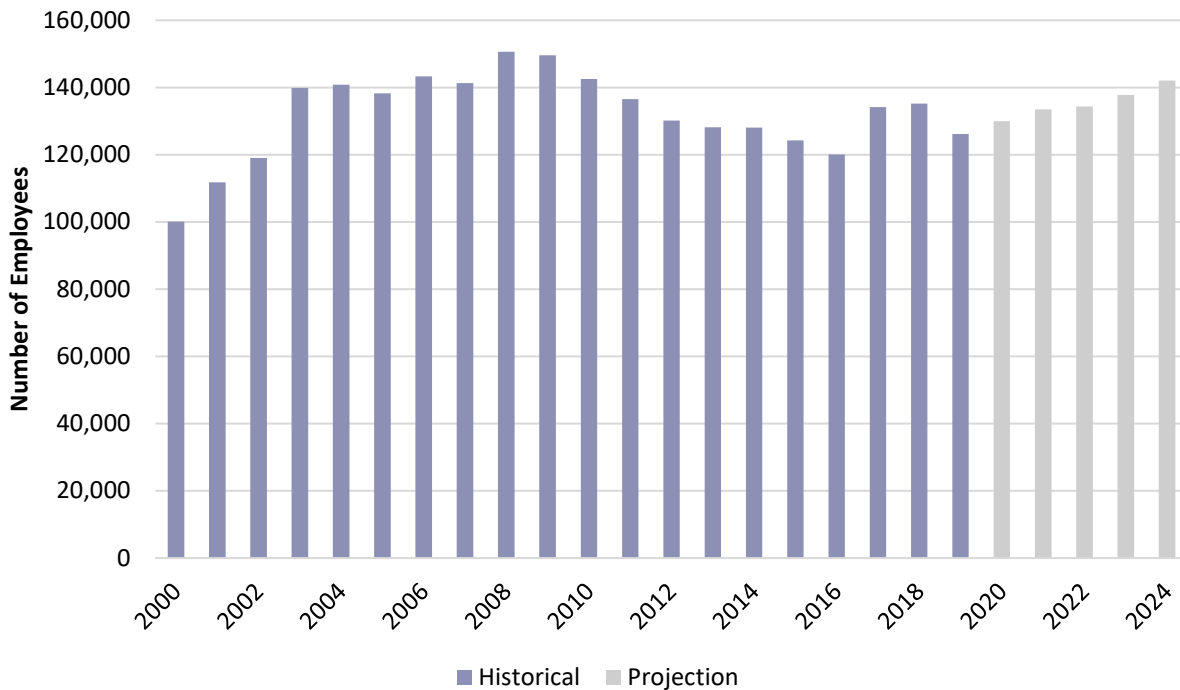
Examining the Demographics of  
Collection Agents

Kaulkin Ginsberg  
International

ACA

The U.S. debt collection industry is not only indispensable to a healthy credit-based economy—returning tens of billions of dollars in collected debt to creditors every year<sup>[1]</sup>—but it is also an important source of employment for thousands of American workers. In 2021, Kaulkin Ginsberg estimates that U.S. collection agencies employed roughly 133,500 people full time, including collection agents, managers, and other full-time administrators and support staff. By 2024, industry employment is projected to swell to nearly 142,100 people. Aggregate employment at collection agencies is illustrated in *Figure 1* below.

Figure 1. Total Number of Collection Agency Employees<sup>[2]</sup>



Of course, these workers’ livelihoods also contribute to the economy because employees use their earnings to purchase goods and services. In 2021, collection agency employees are estimated to have earned nearly \$5.6 billion in compensation.<sup>[3]</sup> Kaulkin Ginsberg projects industry payroll to grow to \$6 billion in 2024.

Importantly, the collections industry is a significant source of employment for women and people of color. In fact, the vast majority of collectors are female, and are more likely to be people of diverse backgrounds than their peers in other industries. Collection agents, who complete regular compliance training and certifications, work directly with consumers to recover overdue payments.<sup>[4]</sup> According to the Bureau of Labor Statistics (BLS), there were roughly 97,000 collection agents in 2021, which represents 72.7% of the estimated total industry employment for that year.<sup>[5]</sup>

The following charts highlight the extensive diversity of debt collectors compared to the general workforce as well as those in similar occupations.

## Women in Collections

Women make up a disproportionately high percentage of collection agents when compared to the workforce as a whole, as shown by *Figure 2* and *Figure 3*. According to data provided by the BLS's Current Population Survey, which studies trends in the labor force, 72.1% of collection agents were female as of 2021, an increase of 6.1 percentage points from the previous year. In contrast, women comprised just 47% of total workers. The raw numbers are impressive as well. Out of 97,000 total collection agents, as estimated by the BLS, roughly 70,000 were women. Given a median wage of \$37,700 annually, women earned an estimated aggregate of nearly \$2.6 billion in 2021 by working as collection agents, a 10.2% increase from the year before.<sup>[6]</sup>

Figure 2. Gender of Collection Agents in 2021<sup>[6]</sup>

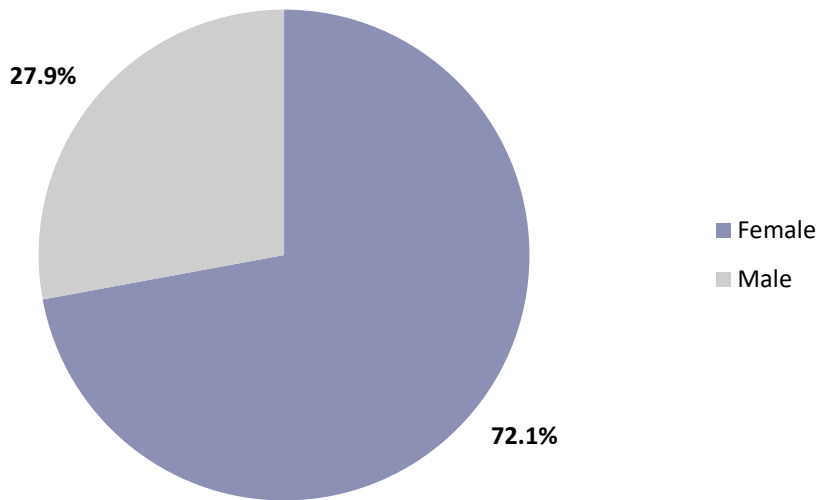
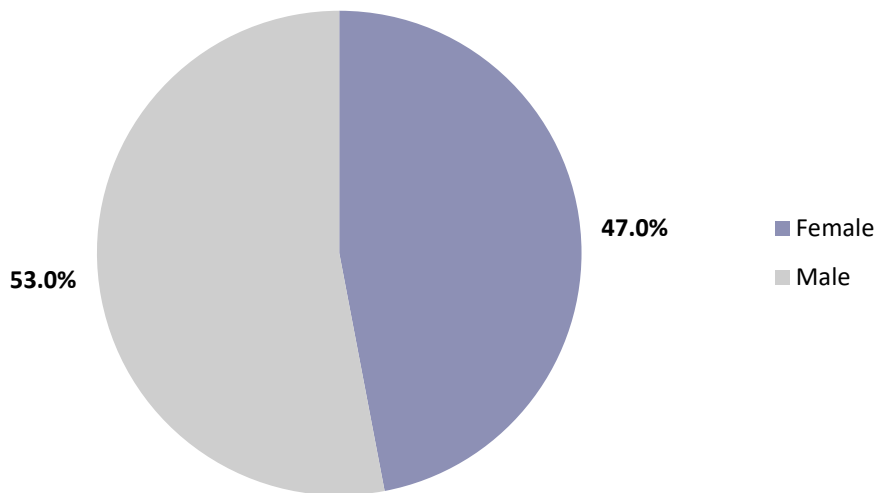


Figure 3. Gender of Total Workforce in 2021<sup>[6]</sup>



### Race and Ethnicity in Collections

The collections industry is quite diverse in terms of racial demographics. Overall, racial and ethnic minorities make up approximately 41.6% of the total collection agents in the industry. By comparison, racial and ethnic minorities comprise 37.6% of the total workforce. *Figure 4* and *Figure 5* capture the distribution of workers by race/ethnicity for both categories.

Figure 4. Race and Ethnicity of Collection Agents in 2021<sup>[6]</sup>

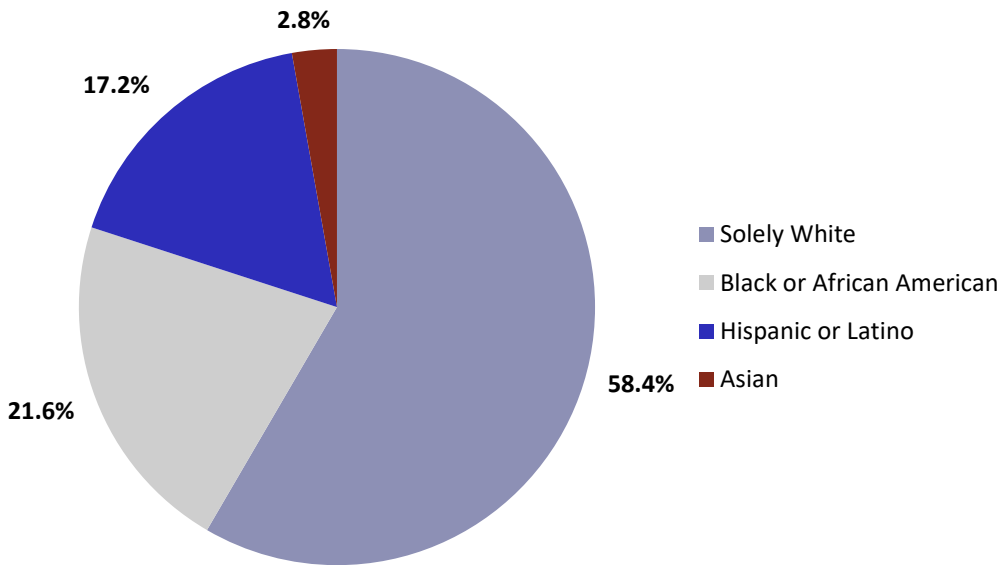
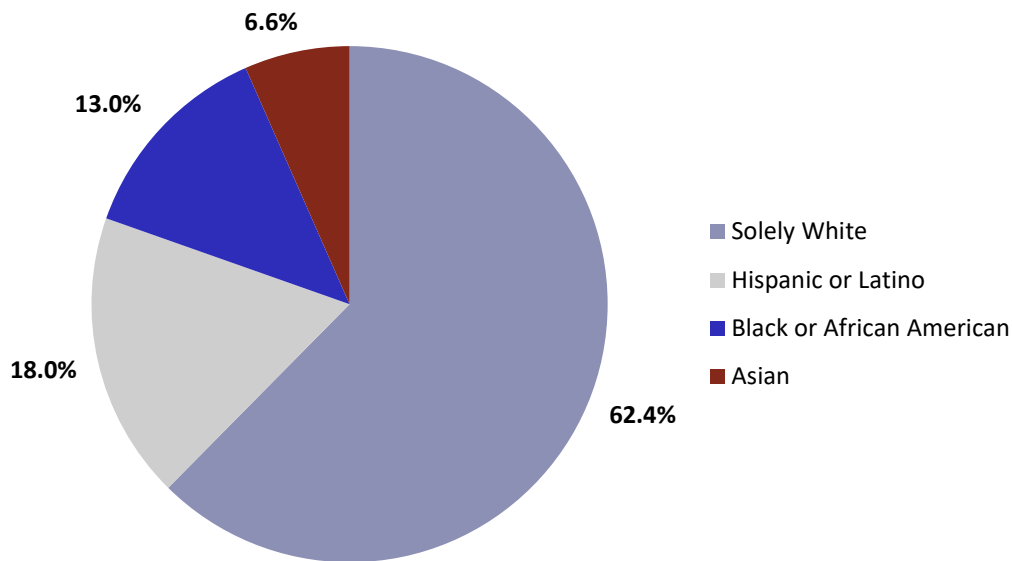


Figure 5. Race and Ethnicity of Entire Workforce in 2021<sup>[6]</sup>



While the workforce is still largely white, people of diverse backgrounds make up a significant portion of the collections industry. Black workers had a much higher rate of representation at collection agencies than in the general workforce, making up 21.6% of total collection agents in 2021. On aggregate, Black collection agents—numbering around 21,000 in total—earned roughly \$789.9 million in 2021, while nearly 17,000 Hispanic collection agents in total earned \$629 million.<sup>[6]</sup> The collections industry employs

Hispanic workers at a similar rate compared to the total workforce average, at 17.2% compared to 19.7%, respectively. Asian workers, on the other hand, are relatively less represented, making up a little more than 2.8% of collection agents. The collections industry continues to work to create diverse and inclusive environments.

## Conclusion

Diversity, equity, and inclusion in the workplace benefits all parties involved, and the collections industry is committed to these important social values. The strong commitment of the collections industry to have diverse places of work, with persons of various backgrounds, has led to a successful environment where employees flourish and advance.<sup>[7]</sup> The collections industry has been a place where many women and people of color have spent decades in fulfilling careers that are also often a stepping-stone, allowing employees to gain valuable skills and education that can be applied to other careers. Despite the rhetoric that the collections industry is dominated by Wall Street bankers and men, it is incredibly diverse and mostly made up of small businesses. This diversity will be one of the pillars that supports the industry's growth into the future.

## Works Cited

[1] "2020 State of The Industry Report." Kaulkin Ginsberg & ACA International, 2020.

<https://www.acainternational.org/kaulkin-ginsberg>

[2] Data derived from the U.S. Census Bureau's County Business Patterns dataset, *IBISWorld*, and calculations by Kaulkin Ginsberg.

[3] Ibid.

[4] "Occupational Outlook Handbook – Bill and Account Collectors." Bureau of Labor Statistics, 18 Apr. 2022. <https://www.bls.gov/ooh/office-and-administrative-support/bill-and-account-collectors.htm#tab-2>

[5] Figure calculated by comparing Kaulkin Ginsberg's estimate of total debt collection industry employment to the Bureau of Labor Statistic's estimate for the total number of bill collectors.

[6] Data retrieved from the Bureau of Labor Statistics' Current Population Survey, last updated Jan. 22, 2021. The aggregate wage figure was calculated by Kaulkin Ginsberg using that data.

[7] Foma, Elizabeth. "Impact of Workplace Diversity." *Review of Integrative Business and Economics Research*, vol. 3, no. 1, 2014, pp. 402-410.

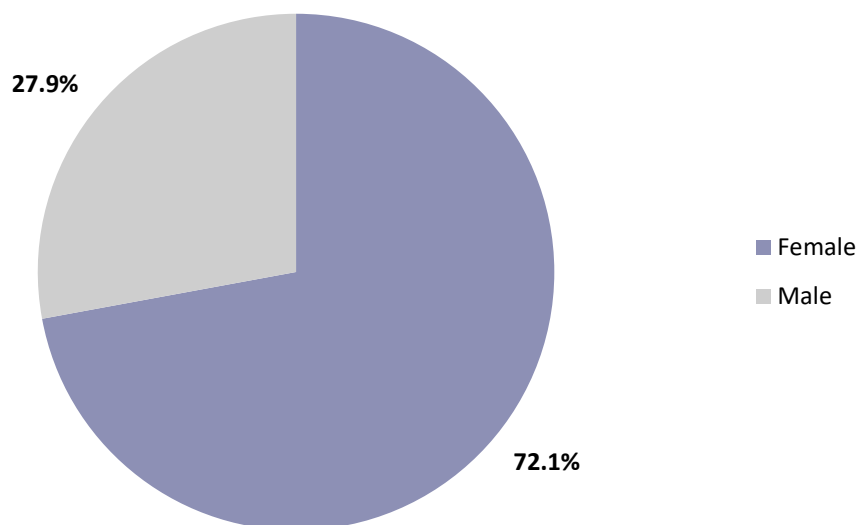
## Quick Facts

### In 2021:

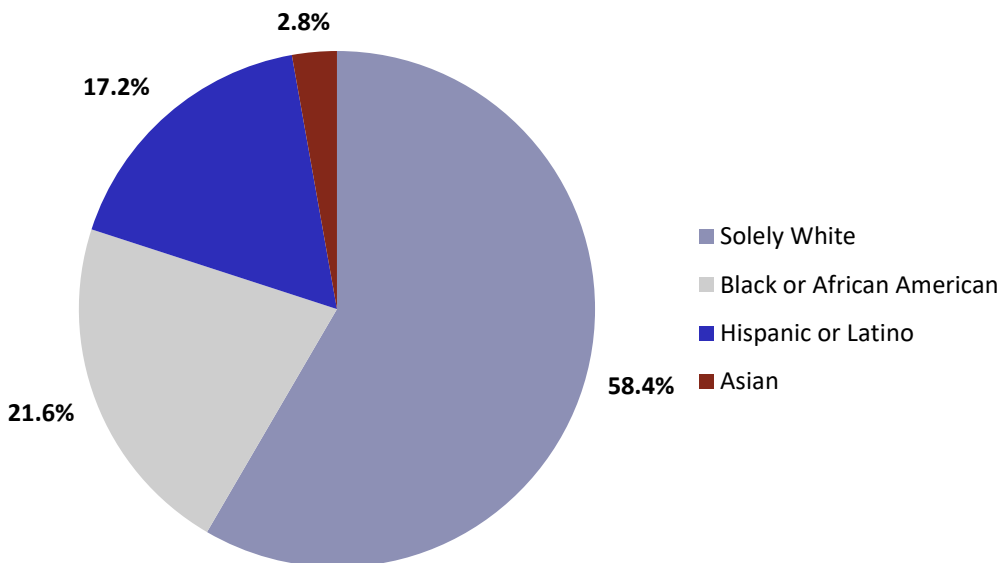
- **72.1% of all collection agents identified as women.**
- **There were approximately 69,937 female collectors in total.**
- **Women earned an estimated \$2.6 billion in wages as debt collectors, on aggregate.**
- **Racial and ethnic minorities made up 41.6% of total collectors.**
- **Black workers made up 21.6% of total collection agents.**
- **There were approximately 20,952 Black collectors.**
- **Black collectors earned an estimated \$789.9 million in wages, on aggregate.**
- **17.2% of all collectors were Hispanic.**
- **There were approximately 16,684 Hispanic collectors.**
- **On aggregate, Hispanic collectors earned an estimated \$629 million in wages.**
- **Asian workers made up 2.8% of all collectors.**
- **There were approximately 2,716 Asian collectors.**
- **Asian collectors earned an estimated \$102.4 million in wages, on aggregate.**

### Key Graphs:

#### Gender of Collection Agents in 2021



### Race and Ethnicity of Collection Agents in 2021





# ACA Shines a Spotlight on Diversity



## Connections

ACA International offers a tool to help its members find diverse partners to share contracting opportunities.

We know that many members, and their clients, are interested in connecting with HUBZone, Minority-Owned, Women-Owned and Veteran-Owned businesses. That's why ACA introduced a search tool in its Member Directory to help its members easily identify company ownership by diversity group.

## Recognition

If you look at ACA's *Collector* magazine and *ACA Daily* e-newsletter, you'll see that the association regularly celebrates our diverse membership by interviewing members from all backgrounds.

We recognize Pride Month, Black History Month, National Hispanic Heritage Month, Asian American and Pacific Islander Heritage Month, and other heritage months by interviewing members from these groups about their experiences.



## Insight

ACA's 2022 Annual Convention & Expo featured nationally recognized diversity and inclusion expert Denise Hamilton, founder and CEO of Watch Her Work.

In her keynote presentation "How to Be an Ally," Hamilton shared ways that audience members, primarily C-Suite professionals, can make progress on diversity and inclusion in their companies, most notably by having the willingness to step back from past experiences, adopt a fair approach to hiring and always keep an open mind. Change starts at the top.



## Collectors Pledge

- I believe every person has worth as an individual.
- I believe every person should be treated with dignity and respect.
- I will make it my personal responsibility to help consumers find ways to pay their just debts.
- I will be professional and ethical.
- I commit to honoring this pledge.

**This pledge represents our members' commitment to professionalism and ethical practices.**

# ACA Shines a Spotlight on Diversity

## ACA President Focuses on Diversity and Inclusion

"Growing up, and in my career with such strong support, I have never considered myself to be weaker or disadvantaged because I am a woman. However, my childhood and career experiences are unique to me.

I have had the opportunity to speak to and get to know several members from different genders and diversity groups who, unfortunately, didn't have these same positive career and childhood experiences.

Their memories from childhood and in their careers include feeling like an imposter, feeling less than, feeling invisible, dumb or inferior and often feeling the need to suppress emotions so that they didn't receive shame from others.

My goal is to expand upon ACA's original diversity committee to create a venue that is encouraging and open for all members and groups.

As ACA president, I want to support positive and meaningful change by creating a space where everyone is encouraged to get involved regardless of gender identity, political affiliation, race and ethnicity, religion, age, ability and more.

- Every member should have the opportunity to create these positive experiences;
- Every member should have a venue to develop mentor-mentee relationships;
- Every member should be able to receive education specific to their needs;
- Every member should have the opportunities to grow individually and within their own organizations AND be industry leaders in developing an environment of empowerment where EVERY member is accepted as they are and are equipped with the tools to level-up in their careers and lives.

We are all in this together."

**-Courtney Reynaud,  
2022/23 ACA President, in her  
induction speech to members**

