Public-private collaborations and the CRISP approach to research partnerships

Christopher Trepel
Operating Partner, Fenway Summer Ventures



Panel Session II
Conducting Research with Proprietary Industry Data

Innovative Data in Household Finance: Opportunities and Challenges
NBER, Fall 2021

The views expressed in this presentation are the author's alone and do not represent those of any past or current employer (or anyone else)

TRADING (ANONYMIZED!) CORPORATE DATA AND ACCESS TO CONSUMERS FOR RESEARCH EXPERTISE BENEFITS ALL PARTIES

COMMERCIAL FIRMS

encore CAPITAL GROUP

Lowell

NON-PROFIT RESEARCH CENTERS

URBAN INSTITUTE

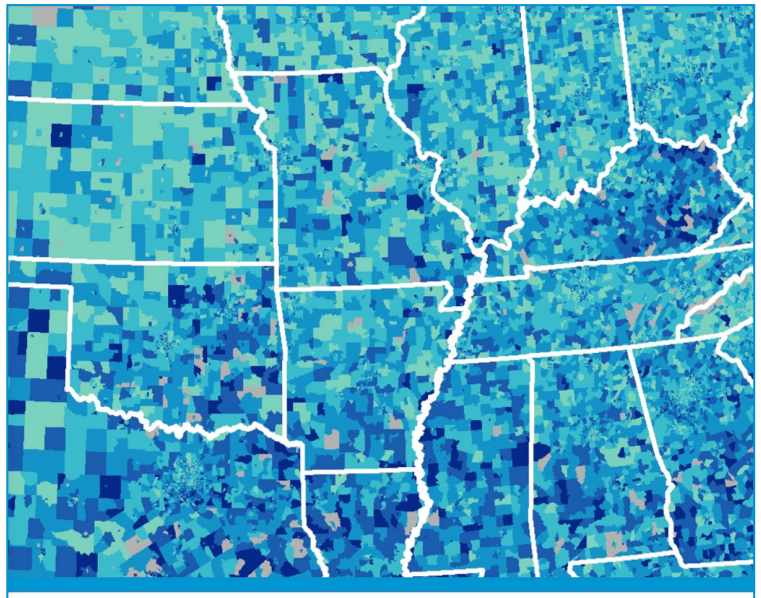
ipa INNOVATIONS FOR POVERTY ACTION

ACADEMIC INSTITUTIONS

Ucla

UNIVERSITY OF ILLINOIS URBANA-CHAMPAIGN

PUBLIC-PRIVATE RESEARCH PARTNERSHIPS CAN BE ENORMOUSLY PRODUCTIVE AND GENERATE NEW INSIGHTS FOR MULTIPLE STAKEHOLDERS



Delinquent Debt in America

CAROLINE RATCLIFFE, SIGNE-MARY MCKERNAN, BRETT THEODOS, AND EMMA KALISH
URBAN INSTITUTE

JOHN CHALEKIAN, PEIFANG GUO, AND CHRISTOPHER TREPEL
CONSUMER CREDIT RESEARCH INSTITUTE, ENCORE CAPITAL GROUP

AN OPPORTUNITY AND OWNERSHIP INITIATIVE BRIEF
JULY 30, 2014

URBAN INSTITUTE

BRENO BRAGA, SIGNE-MARY MCKERNAN, CAROLINE RATCLIFFE, BRETT THEODOS, JOHN CHALEKIAN, AND CHRISTOPHER TREPEL

Local Conditions and Debt in Collections

Using credit reporting firm records on 7 million individuals in the United States, we first demonstrate that debt in collections varies significantly across the country; specifically, the South and West regions have higher shares of individuals with debt in collections than other regions. Second, we identify local factors that are strongly related to debt in collections. Results from our regression models show that neighborhoods with higher rates of debt in collections are more likely to have (1) lower health insurance coverage; (2) lower home values and homeownership rates, (3) a higher share of delinquent and underwater mortgages, (4) lower household incomes, and (5) a higher share of African Americans and Latinos. While our analysis does not identify the causal mechanisms that determine financial distress, the analyses developed here can facilitate research on such mechanisms.

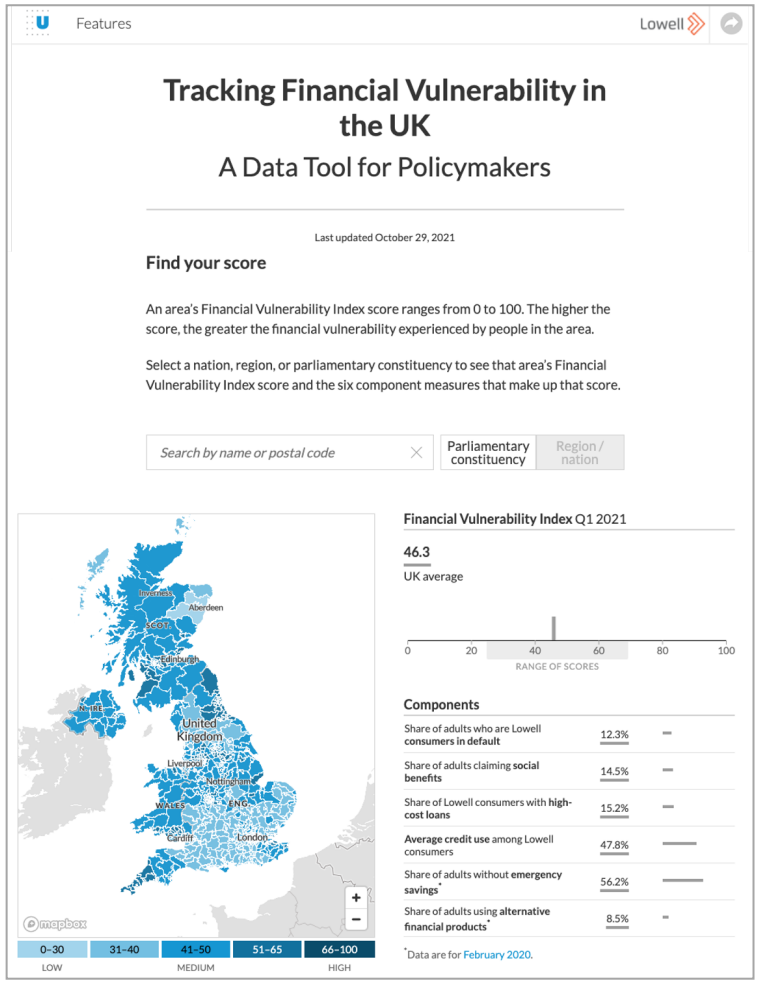
Delinquent debt in the United States is an important concern for both researchers and policymakers, yet little is known about which localities in the country are most affected by financial distress, and which local

Breno Braga (bbraga@urban.org) is a Senior Research Associate at the Urban Institute. Signe-Mary McKernan (smckernan@urban.org) is a Vice President at the Urban Institute. Caroline Ratcliffe (caroline.ratcliffe@cfpb.gov) is a Senior Economist at the Consumer Financial Protection Bureau. Brett Theodos (btheodos@urban.org) is a Senior Fellow at the Urban Institute. John Chalekian (john.chalekian@mcmcg.com) is a Co-Founder and Chief Analytics Officer at Jump Start Finance. Christopher Trepel (christopher.trepel@lowellgroup.co.uk) is Group Chief Science Officer at Lowell Group and an Operating Partner at Fenway Summer Ventures.

Support for research on consumer indebtedness was provided by the Consumer Credit Research Institute (CCRI; Encore Capital Group). This article is the result of Caroline Ratcliffe's independent research while at the Urban Institute and does not necessarily represent the views of the Consumer Financial Protection Bureau or the United States. Additionally, the views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at www.urban.org/support. We are grateful to participants at the Association for Public Policy Analysis and Management Fall 2014 Research Conference, the Society of Government Economists seminar, National Collections and Credit Risk 2015 Conference, Consumer Credit in America Symposium, and Urban Institute seminar participants for helpful comments. We thank Bing Bai, Bowen Garrett, and Kyle Caswell for helpful suggestions, Emma Kalish for excellent research assistance, and Peifang Guo for initial data preparation and review.

The Journal of Consumer Affairs, Winter 2019: 2058–2085
DOI: 10.1111/joca.12283

Copyright 2019 by The American Council on Consumer Interests



THE OPPORTUNITIES ASSOCIATED WITH THESE PARTNERSHIPS OUTNUMBER THE CHALLENGES

OPPORTUNITIES

- Access to hidden/private data (coupled with expert advice)
- Validate ideas and replicate lab results in the field
- Cognitive diversity often leads to new ideas
- Access to corporate funding for research projects
- Leverage additional resources to disseminate results
- Build lay audience excitement for the research endeavour

CHALLENGES

- Bureaucracy on both sides
- Data privacy and sharing
- Business goals versus academic freedom

FIVE KEY ACTIONS CAN SIGNIFICANTLY IMPROVE THE LIKELIHOOD THAT A CORPORATE RESEARCH PARTNERSHIP WILL BE SUCCESSFUL

CEO (or senior executive) **sponsorship**

Research agreements signed **before work starts** (protecting academic freedom and specifying concrete milestones)

Identify tractable research questions that **connect to the company's business model or mission**

Show progress through **updates to sponsors and key decision makers**

Produce high quality work **within an agreed time frame**