

# Excellence in Credit Management



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## Introduction

Welcome to the new publication on Excellence in Credit Management that contains a number of tips and ideas that is a valuable resource covering all the key areas within your credit management function to ensure your continued success through the delivery of excellence every step of the way.

Credit Management is about a lot more than just collecting the money that is owed, it is about:

- Knowing the importance of the function.
- Calculating the cost of granting credit and its implications
- Setting up new accounts correctly.
- Establishing appropriate credit terms & credit facilities at the start and on an ongoing basis.
- Having access to the very best information available.
- Developing contacts in your trade that you can trust
- Knowing what security is available, what to look for and what to do with it.
- Being able to analyse financial information correctly.
- Understanding the current commercial position
- Seeing what is working in similar markets around the world that you can apply to your business.
- Creating excellent internal communications so all are working to the same agenda.
- Having complete and accurate Terms & Conditions that protect you.
- Knowing your customer and what they want
- Clear payment terms that are both enforceable and enforced.
- Wonderful simple straightforward administration systems that insure a logical flow of information.
- Excellent external communications
- Timely & accurate billing
- Proper documentation
- Excellent filing and document retrieval systems
- Detailed sales analysis
- Proper and timely statement delivery to customers who want them
- Integrated collection processes
- Proper record of calls made and action taken
- Having trained and professional staff contacting your customers on a regular basis.
- Proper focus on every contact.
- Simple escalation procedures
- Setting targets
- Excellent reporting

And that is just for starters... In the coming chapters you will explore each of these topics in more detail to help you manage your business effectively.

I am available to help you on an individual basis if you require advice on any credit related issue please let me know.

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