

A-Z of Credit Control

### OVERVIEW

Course duration: 2 days.

Ideal for new or inexperienced credit controllers, an intensive course that gives you a broad introduction to the area of credit control.

This comprehensive and practical two-day course covers all aspects of the credit controller's job. It will enable delegates to get the complete picture so that they not only improve their knowledge, but will also learn to see the linkages between all aspects of their work. This will help them to understand priorities better and to allocate their time better between tasks, so that they become more effective in collecting cash.

### IS IT RIGHT FOR ME?

Suitable for all credit controllers who want to improve their knowledge of all aspects of credit and collections. It is suitable for those who are new to their role and more experienced credit controllers who have had little formal training.

### WHAT WILL I LEARN?

By the end of this course you will be able to:

- Understand the importance of good credit management.
- Recognise your contribution to increasing company profitability and minimising risk.
- Understand the elements of a contract
- Understand the legal framework and why it matters to your job
- Carry out all of the elements of the collections cycle.
- Choose the best approach to get cash in using a combination of methods.
- Use the telephone to greater effect.
- Decide when and how to 'get tough' with customers, including going legal.
- Tackle your ledger and your customers with greater confidence.
- manage your cash collection process more effectively

### WHAT WILL IT COVER?

The Purpose of Credit Control in the Organisation

- What is credit and why do we need to give it?
- Maximising profitable sales
- Improving cash flow and liquidity
- Protecting against bad debts
- Better customer relations
- Encouraging teamwork with the sales force
- The company's credit policy

Terms and Conditions of Trade

- Fundamental elements of a contract
- Payment terms
- Which terms apply?
- Interest on overdue accounts

- Retention of title

#### Customer Identity

- Understand different corporate entities
- Trading with partnerships and sole traders
- Trading names and name changes
- Recognise the importance to credit control

#### Credit Assessment and New Accounts

- Application forms - getting the right information
- Assessing customers' credit worthiness
- Sources of information to assess credit risk
- Assessing ability to pay and on-going monitoring of customers
- Reading customer accounts to assess business viability
- Reading credit reports

#### A Review of the Legal System

- Overview of the legal options to collect debts
- Implications of going legal

#### The Monthly Campaign

- The concept of a monthly campaign
- Collection methods available
- Collection strategies – letters, email, fax, telephone
- Deciding priorities

#### The Letter Cycle

- What makes a good letter?
- How many to send?
- How effective are they?

#### Good Telephone Techniques

- Attitudes and behaviour - the psychology of cash collection
- Assertive telephone collections
- Get your records straight
- Telephone calls
  - three call types
  - stages in a telephone call
  - asking for payment and negotiating agreement
  - getting a commitment
  - following up the call

#### Collecting Tough Debts

- Why haven't they paid? Can they pay?
- Understanding the reasons for non-payment
- Tackling excuses
- Providing solutions to get debt cleared
- Payment plans
- Alternatives to legal action

#### Query Management

- Whose responsibility is it to solve queries?
- Best practice procedures
- Analysis of errors and credits

## Measuring Performance

- Calculating days sales outstanding
- Forecasting cash flow
- Target setting and monitoring performance