

Building Credit Policies: Small, Medium and Large Departments Unite



Moderator – Chris Ring

Panelists – Amy Cook, CCE

Carl Davidson

Andy Tate

Why is a credit policy important?

The beginning stage or drafting a credit policy – Carl

- Know your industry
- Know your company
- Know your geography

Question for the audience:

Who is actively working on a credit policy?



The size of your company – Amy

Small company: Credit policy may be published or not. But, there should be a plan.

Medium company: Credit policy may be published or not. When there is a policy it should be easily understood and easily disseminated.

Large company: Credit policy should be published and clear actions and goals should be documented for each team member(s) role. When there is a policy it should be easily understood and easily disseminated.



The approval process – Andy

A credit policy, especially for large companies, should clearly define who has authority to approve certain items.

Credit Limits

Write-offs

Customer Refunds

Finance Charges

Credit Terms

Billing Disputes

Credit Holds

Payment Plans

Other Items?

What may trigger a change in credit policy? – Carl

Pandemic or natural disasters

Fraud

C-Suite changes

Mergers and acquisitions

Increase or decrease in personnel

Audits

Bad debt

Sales management changes

Automation

Examples of Credit Policies – Where did Andy find his sample?

Access to the NACM Resource Library requires an NACM National username and password.

NACM National has excellent resources:

Welcome to the NACM Resource Library

Research the most current information on business credit topics by searching through NACM resources by key word.

Search Resource Library

Search:

In general, the greater the specificity of the terms used in the search query, the more efficient and effective the search will be.

Publications included in the keyword search:

- Business Credit magazine
- The Art & Science of Financial Risk Analysis
- The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005
- Construction Law Survival Manual
- Credit Beyond the Numbers
- Credit Management: Principles & Practices
- eNews
- From the Cutting Board to the Cutting Edge
- Manual of Credit and Commercial Laws
- Principles of Business Credit
- Trade Finance Guide: A Quick Reference for U.S. Exporters

Access Useful Forms from the Credit Manual



SEARCH
Business Credit
Magazine Articles



SEARCH
eNews Articles



SEARCH
Books

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Question and Answer Time!

