

NACM'S 129TH
CREDIT CONGRESS
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MAY 18-21, 2025

Under Construction: Tips and Strategies for Building from Scratch or Restructuring Your Credit and A/R Departments

Presented by: Brett Wegner
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Session: #37023



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Why We're Here Today

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Share Real Experiences

Building from scratch & transforming existing departments
- 

Provide Actionable Strategies

Technology, automation & team engagement techniques
- 

Offer Sustainable Solutions

Blueprint for long-term Accounts Receivable and Credit Management success



Case Study: Summit Companies

- Industry-leading fire protection and life safety company
- Operating across 30+ states with 100+ locations nationwide
- Challenges faced during rapid growth through acquisitions
- Practical strategies for department transformation and integration
- Measurable results and ongoing improvements





Where We Are

Summit Companies has established a powerful nationwide presence in the fire protection industry.



Coast-to-Coast Coverage

Operating across 30+ states .



Strategic Footprint

Over 100 branch locations nationwide serving diverse regional markets.

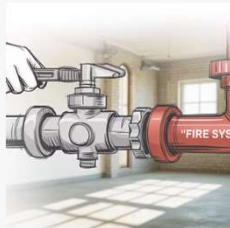
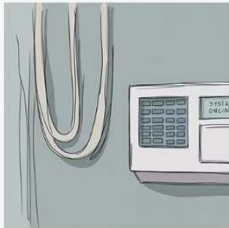


Growing Network

Continuous expansion through strategic acquisitions and organic growth. Averaging an acquisition every 12-15 days.

What We Do

Summit Companies delivers complete fire protection and life safety solutions nationwide.



- **Fire Systems:** Sprinklers, alarms, monitoring, extinguishers, and special hazard solutions
- **Suppression Equipment:** Kitchen hoods, foam systems, clean agents, and portable extinguishers
- **Detection Technology:** Smoke/heat vents, flame detection, linear heat systems, and air sampling
- **Life Safety:** Exit lighting, emergency lights, fire pumps, and water tanks
- **Security Solutions:** Access control, CCTV, and intrusion detection systems

Original Baseline Metrics

Below are the key performance indicators that formed our starting point before implementing the transformation plan for Summit Companies.

Category	Baseline Metric as of 12/2023
2023 Sales	\$750M
Days Sales Outstanding (DSO)	80 days
A/R Over 90 Days	30%
Employees	75
Customer Portals	75 portals with 225 profiles
Days to Post Payments	12 business days
Credit Departments	0
Unknown Cash on Account	\$7M

These metrics highlight significant challenges in cash flow management and operational efficiency, reinforcing the need for our transformation strategy.

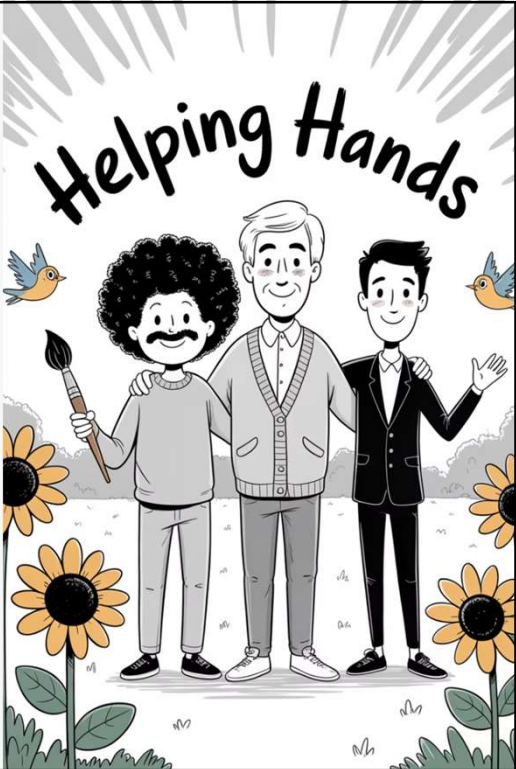


Hot Tip #1 – Frame With Kindness

Transformation requires **kindness, compassion, and empathy** as your foundation.

- Staff feel valued when changes are explained with empathy
- Compassionate approaches reduce resistance to new processes
- Kind leadership builds trust during uncertain transitions

Remember: People embrace change when they feel understood, not judged.



Transformation Process



Assess Current State

Evaluate existing processes, team structure, and performance metrics. Identify pain points and inefficiencies.



Develop a Plan

Create actionable strategies based on assessment findings. Prioritize initiatives with greatest impact.



Get the Plan Approved

Present compelling business case to leadership. Highlight ROI potential and resource requirements.



Execute the Plan

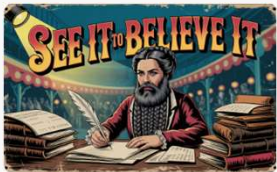
Implement changes systematically. Monitor progress against benchmarks and adjust as needed.

Step 1 - Assess Current State

- Conduct thorough departmental audit of existing A/R processes.
- Identify pain points in all functional areas.
- Evaluate team structure, roles, and core competencies.
- Benchmark current performance metrics against industry standards.
- Collect stakeholder feedback through targeted interviews.



A/R Freak Show – Original State



A/R Bearded Lady

Accounts receivable growing wild and untamed. Watch in horror as aging invoices multiply before your eyes!



Invisible Credit Department

Marvel at the department no one can find! Credit decisions appear from thin air with no process in sight.



Conjoined Twins

Cash Research and Cash Application – forever linked, never communicating! Watch them struggle through duplicate efforts.



The Elephant Man Portal Billing

Behold the most cumbersome billing system ever created! Unrecognizable from its original form.

Assessing Culture



In-Depth Conversations

One-on-one discussions reveal hidden challenges. Employees share insights when they feel heard.



Group Interviews

Team dynamics emerge through group feedback sessions. Watch for both verbal and non-verbal cues.



Daily Observations

Actions speak louder than words. Observe how teams interact naturally throughout the workday.

How it started

- 1

Poor Culture
- 2

Inefficient and Highly Manual Process
- 3

Data Quality Issues
- 4

Lack of Adequate or relevant performance metrics
- 5

No Clear Direction or Vision
- 6

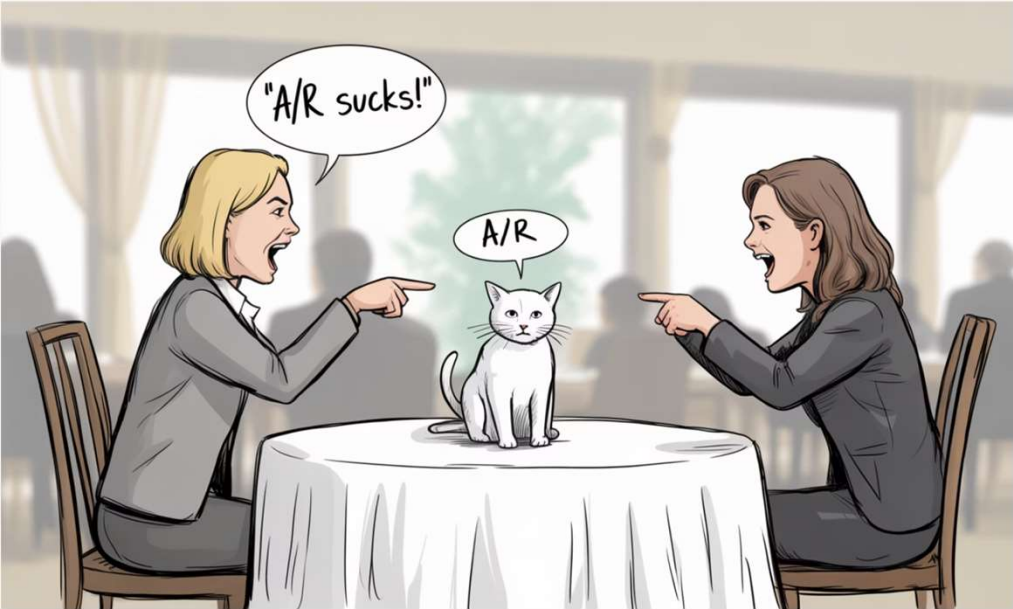
Rapid Growth with no infrastructure
- 7

Missing Functional Departments like Credit and Disputes
- 8

Limited Communication



Summary of Corporate culture



A/R Team Structure Baseline

A/R Team

Led by an A/R Manager overseeing Supervisors and Collectors.

Team relies on manual spreadsheet worklists for tracking accounts.

Cash Application

Dedicated team applies incoming cash receipts to customer accounts.

Process lacks automation and integration with other A/R functions.

Cash Research

Separate group investigates unapplied cash with limited visibility.

Research efforts duplicated due to siloed information systems.

Portal Billing

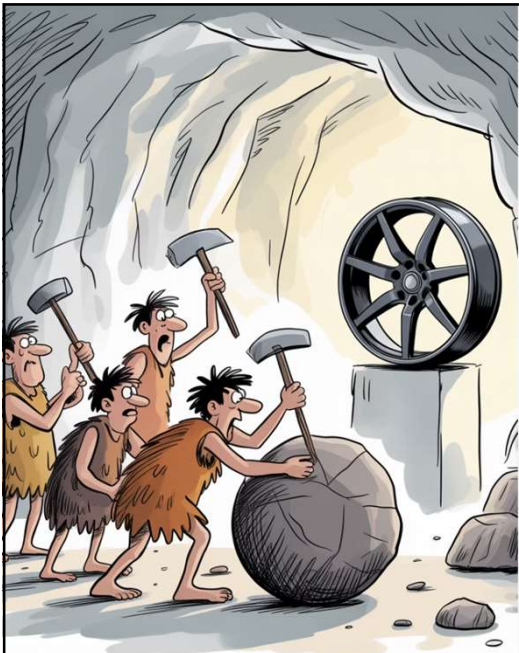
Team manually uploads invoices to various customer portals.

Time-consuming process with no standardization across platforms.

Step 2 - Develop a Plan

- Start with a clear baseline assessment of current A/R processes and pain points.
- Define measurable objectives that align with broader company goals.
- Prioritize initiatives based on impact and resource requirements.
- Create detailed timelines with clear ownership and accountability.
- Build in regular checkpoints to measure progress and adjust as needed.
- No need to recreate the Wheel








Innovation's long road


Hot Tip #2 - Leverage the Success of Others

Why start from scratch when successful blueprints already exist?

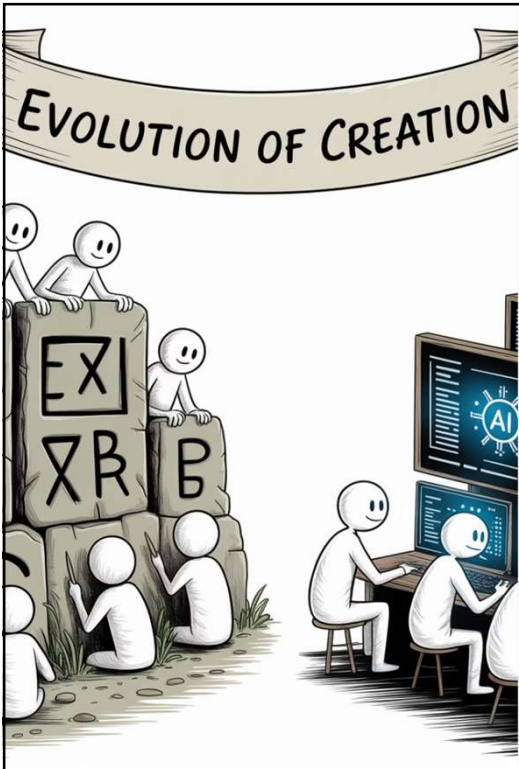
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Avoid Reinventing the Wheel
Study and adapt proven models to accelerate progress and sidestep common pitfalls.
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Reconstruct Efficiently
Leverage frameworks with demonstrated results to save valuable time and resources.
- 

Emulate Success
Great leaders recognize value, adapt best practices, and implement within their unique context.
- 

Engage at Credit Congress
Bring opportunities to Congress and seek out solutions through building a network.



Hot Tip #3 - Use Technology to Enhance and Supplement your Great People

Technology amplifies human potential in modern A/R departments. The right tools turn good teams into exceptional ones.

Manual processes drain valuable time from strategic activities. Automation frees your experts to solve complex challenges.

Look for technologies that enhance existing workflows. The goal isn't replacing people, but elevating their capabilities.

Measure ROI through time saved and error reduction. Let technology handle repetition while humans drive innovation.

Get to know your internal technical resources and build strong relationships

The Plan Framework

After thorough assessment, we developed a comprehensive 2 year restructuring plan for the A/R department:

1. **A/R Process and Systems Team:** New group to handle process and procedures, training, and technology administration
2. **Credit Department:** Dedicated team for risk assessment, escalations, and lien management (New technology)
3. **Cash Application:** Temporary contract staff to bridge until ERP implementation, then add automation (New technology)
4. **Portal Billing Transformation:** Complete rebrand with new titles and job descriptions (New technology)
5. **Cash Research Evolution to Dispute Management:** Expanded responsibilities to full Dispute Resolution Process management (New technology)
6. **Collections Empowerment:** Implementation of workflow automation technology and layers of internal advancement (New technology)
7. **Acquisition A/R Team:** Specialized group for pre/post acquisition accounts
8. **Third-Party Collections Exit:** Bringing all of outsourced A/R back in-house
9. **Master Data Team:** New function addressing data quality concerns (Q4 2025 rollout)
10. **Culture Enhancement:** Implementation of a Brand New Culture to build team cohesion connecting remote and in-office employees
11. **Customer Facing technology:** Add customer portal, surcharging capabilities and a full redesign of invoices and statements

Step 3 – Get the Plan Approved

Present a compelling business case to leadership with clear ROI projections.


- Quantify benefits using hard metrics like DSO reduction and cash flow improvements.
- Leverage Technology vendors for ROI support
- Outline resource requirements with detailed cost breakdowns.
- Demonstrate alignment with broader company strategic objectives.
- Address potential implementation challenges proactively.
- Secure executive sponsorship to champion the initiative.
- Set Realistic expectations and Milestones




Hot Tip #4 - Pick Your Battles

Not every challenge requires immediate action. Strategic leaders evaluate which issues truly demand their attention.


Conserve energy for high-impact opportunities. Addressing every problem dilutes your effectiveness.

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Measure True Impact

Focus on changes that deliver measurable business results.
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Consider Timing

Some initiatives succeed only when conditions are right.
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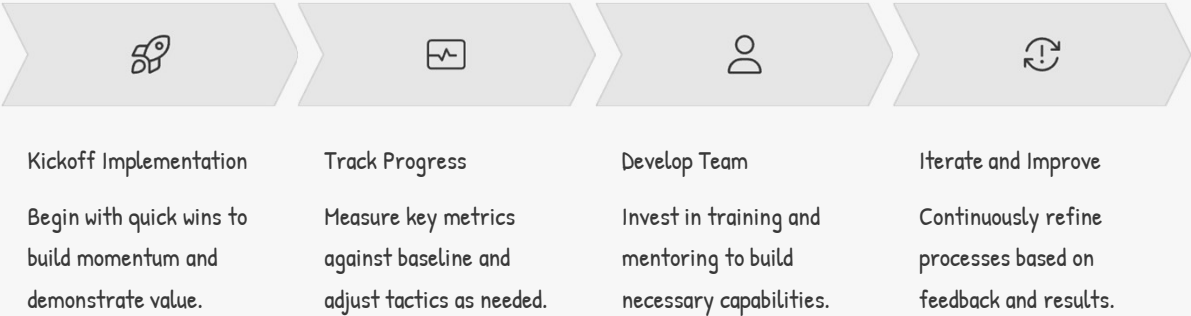
Protect Your Credibility

Reserve your influence for genuinely meaningful improvements.



Step 4 - Execute the Plan

Turning strategy into action requires disciplined implementation and constant adaptation.



Hot Tip #5 - Build an Authentic Culture

Being Your Authentic Self

Transparency builds trust across all levels of an organization.

- Admit mistakes openly
- Share your own struggles
- Model vulnerability
- Align actions with values

Supporting Others' Authenticity

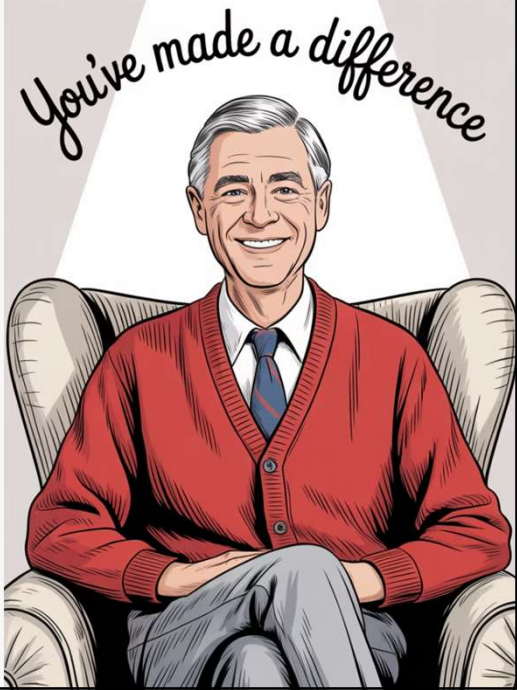
Create safety for team members to bring their whole selves.

- Listen without judgment
- Celebrate diverse perspectives
- Provide psychological safety
- Recognize unique strengths

Every Culture is Unique

Each individual contributes to the culture in a special way

- The culture will ebb and flow based on who is part of your culture
- Find a culture that you like and look for common themes that you can re-create
- Ask your current team what kind of culture they want



Our Approach



Celebrate Important Milestones

Recognition builds motivation. Start by celebrating Birthdays and Work Anniversaries to start.



Visual Engagement

MS Teams avatars foster connection. Digital personas make remote work more personal.



Monthly Town Halls

Open forums create transparency. Regular communication breaks down departmental silos.



Fun Committee

Planned activities spark relationships. Shared experiences transform colleagues into community.



Recognition - Shout Outs

Create a program to recognize activities that elicit positive emotions



Hot Tip #6 - Be Prepared to Adapt and Pivot

Even the best-laid plans encounter unexpected challenges. Success demands flexibility to recognize when a strategy isn't working.

Great Leaders know when to pivot toward better opportunities. They balance persistence with adaptation.

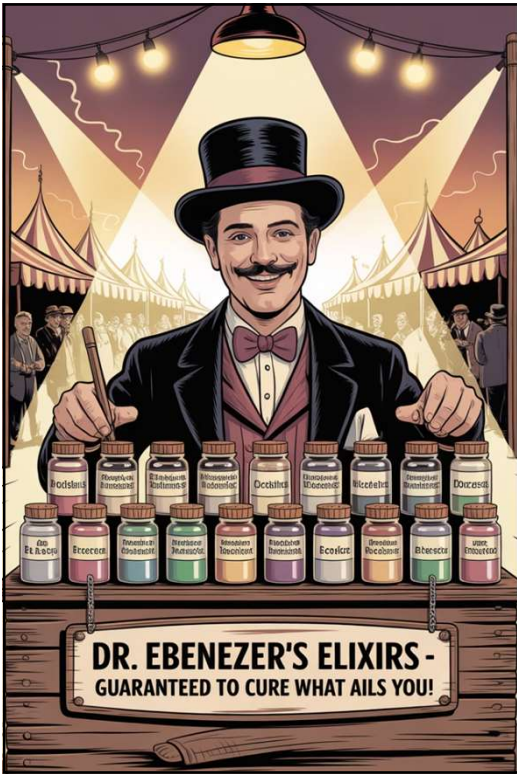


- Recognize Roadblocks**
Identify when current approaches aren't delivering expected results.
- Assess Alternatives**
Explore multiple options without attachment to the original plan.
- Execute Confidently**
Make the pivot decisively once a better direction emerges.

Technology Automation

- Credit Bureau & Data Automation**
Streamline credit checks and reporting. Automate data collection to accelerate decision-making and reduce manual errors and improve data quality. We use D&B Finance Analytics and Connect
- Collection Workflow Management**
Prioritize accounts with intelligent sorting. Trigger automated reminders based on aging to optimize collection efforts. We use Get Paid
- Portal Upload Automation**
Eliminate manual document handling. Automatically route documents to appropriate systems for faster processing. We use Monto.
- Cash Application Automation**
Match payments to invoices automatically. Reduce manual reconciliation time from days to minutes. We will be using Wells Fargo Integrated Receivables.
- Lien Process Automation**
Monitor deadlines and generate notices automatically. Ensure compliance while reducing administrative burden. We use Handle.
- ERP Upgrade**
Modernize your core financial systems. Create a foundation for advanced automation capabilities. Currently transitioning from Sage to Oracle.





Hot Tip #7 - Take The Show on the Road

Your transformation plan deserves visibility beyond your immediate team.

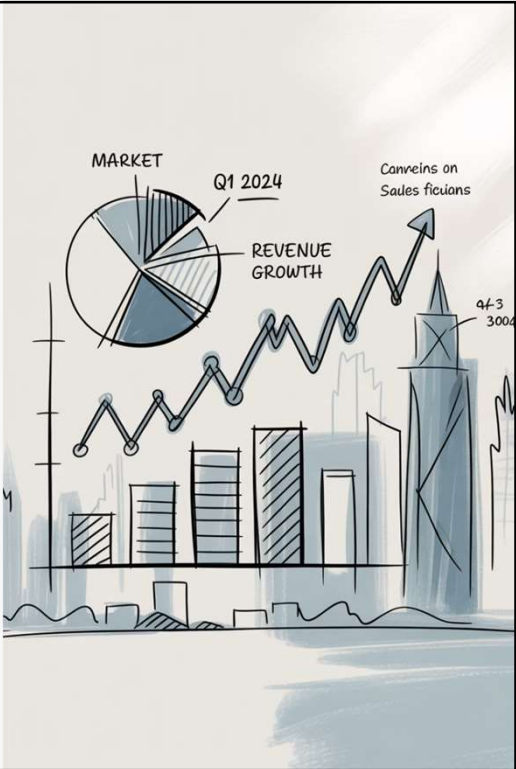
- Broadcast Your Vision**
Create simple, compelling messages that resonate with all departments.
- Build Cross-Functional Support**
Turn skeptics into champions by addressing their specific concerns.
- Showcase Early Wins**
Celebrate measurable improvements to build momentum and credibility.
- Help Change the Narrative**
Take negative feelings from past experiences and turn them into hope filled excitement about what's to come.

Remember: People support what they help create.

Metrics Update








Below are the key performance indicators that formed our starting point before implementing the transformation plan for Summit Companies side by side with the updated number today.

Category	Baseline Metric 12/2023	Current Metric 05/2025
Annualized Sales	\$750M (2023)	\$1.1B (2025)
Days Sales Outstanding (DSO)	80 days	56 days
A/R Over 90 Days	30%	18%
A/R Employees	75	105
Customer Portals	75+ / 250 profiles	1 dashboard through Technology
Days to Post Payments	7 business days	4 business days
Acquisitions	16 (2023)	26 (2024) , 16 (2025)
Unknown Cash on Account	\$8M	\$3M





Summary of Hot Tips For Transformational Success

-  **Frame With Kindness**
Approach transformation with empathy. Consider how changes affect your team members.
-  **Leverage The Success Of Others**
Learn from industry peers. Don't reinvent processes that already work elsewhere.
-  **Use Technology to supplement and Enhance your Great People**
Automation creates efficiency. Choose tools that solve your specific challenges.
-  **Pick Your Battles**
Focus on high-impact initiatives. Not every process needs immediate transformation.
-  **Build Authentic Culture**
Develop teams that believe in your vision. Genuine buy-in drives sustained success.
-  **Be Prepared To Adapt**
Remain flexible during implementation. Adjust your approach as new challenges emerge.
-  **Take The Show On The Road**
Share your vision widely. Cross-functional support accelerates transformation success.

Transforming Credit & A/R: Key Implementation Strategies

Your transformation roadmap requires careful planning and execution. Follow these proven strategies to achieve significant operational improvements.

<p>People-First Approach</p> <ul style="list-style-type: none">• Lead with kindness and empathy• Build authentic team culture• Share vision across departments	<p>Strategic Implementation</p> <ul style="list-style-type: none">• Assess current state thoroughly• Prioritize high-impact initiatives• Remain flexible during execution
<p>Technology Integration</p> <ul style="list-style-type: none">• Automate repetitive processes• Implement unified dashboards• Enhance team capabilities	<p>Continuous Improvement</p> <ul style="list-style-type: none">• Learn from industry successes• Measure performance rigorously• Adapt to emerging challenges