

CLIENT VISITS

10 EASY STEPS



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Very often, extending appropriate credit limits for a client stems from representations made on a credit application, verifying the references, credit reports available and other available sources.

Another excellent source of information is the source itself, and nothing helps us appreciate the customer more than the client visit. When visiting a client, we are privileged to see the operation generating its own dynamics, its momentum, this promotes a thorough understanding of the customer and its operations, can help us determine some of the associated credit risks, and generates goodwill for a lengthy partnership with the client.

A SALES JOB?

While client visits have become a growing trend in the field of credit management, some companies and credit professionals dread taking these measures and resist the opportunities to grow the sales in a trusting manner. There is an unsubstantiated corporate culture or ideology in some businesses that remain reluctant to introduce the “bad cop” credit managers to the client leaving scheduled meetings to the

“good cop” sales people.

For the uninitiated credit professional, the anticipation of such an experience can become a nail biting frenzy of questions to ask, material to prepare, the types of reactions to expect, and what if scenarios raging through one’s mind leading up to the event. The combination can lead to stagnation both for the company and for the credit professional.

It truly isn’t a matter of a sales job; it’s a question of potentially financing the customer who deserves an opportunity to set a few facts straight. Having had many of these customer interviews in order to source necessary information to provide past and present employers with quality work, combined with an innate shyness, I too have grappled with these issues that have since become second in nature. Let us remember that Credit is essentially a sales tool and move forward from here.



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HOW TO GET OVER THE HEEBIE GEEBIES

How does anyone become truly good at anything? Practice. It takes practice and mistakes to become a well versed client interviewer. The first meeting is always the most uncomfortable because we don’t know what to expect.

>1.

Make the appointment yourself. When we take control of a situation we feel empowered. Another good psychological obstacle to overcome is the initial contact, when you make contact with the interviewee you will have already sized up the person in your mind. Most people are very human and this will help reduce anxiety.

>2.

Still not comfortable? Bring the salesperson along, there is a very good chance that if he sees you fumbling he will be able to smooth over any side

CREDIT MANAGER'S CORNER

steps. It is, after all, in his best interest to witness that the interview go well.

>3.

Give yourself a chance to prepare. Take the time to organize the meeting in advance, gather notes, documents on file, read the file in order to understand it properly then put a questionnaire together specifically for this client.

>4.

Go with purpose. Set out goals you want to achieve before going. Envision how you will reach this goal.

DURING THE MEETING

>5.

Stay the course: keep questions relevant to the situation and don't let the debtor sidetrack you. You want to be pleasant yet serious. A successful interviewer learns to take what has been said by the debtor and lead the conversation toward relevant points.

>6.

Do not engage in heated confrontation.

This is not the time nor the place. Yes we want to resolve issues and sometimes using reflective discussion you will find out what is needed in order to overcome any obstacles. Reflective discussion is simply putting statements in the forms of questions and allowing the responsibility to remain in the debtors control e.g. *"have you any ideas Mr. Debtor on how we can settle this, the paperwork that was signed at delivery gives every indication that you received the shipment?"* *"Have you any plans on how you will finance this large amount?"*

>7.

Postpone making decisions. If answers seem less than what you had anticipated, perhaps it would be a good idea to discuss further with management or peers in your company. A nice way is to state *"I'm not sure what can be done, but let me give it some thought and I will call you next week"*.

>8.

Share the information with your peers internally. Breakout groups or brainstorm sessions can help you gain an

unbiased opinion of your meeting. It is very difficult to be objective following a very pleasant debtor meeting.

>9.

Maintain the confidential nature of the information of your meeting. If you signed a confidentiality agreement, you can share information with people within your organization; do not engage discussions outside your organization.

>10.

Follow through with promises. Always... If you promised to get back to the debtor, do so in a prompt and professional manner, even if the news is bad.

Client or debtor meetings can be rewarding professionally and personally. Credit information is valuable to the company and will enable the credit professional make recommendations to management or make informed decisions based on facts, figures and logical conclusions. • NCN



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