

## **Credit Managers Push Forward During COVID-19**

COVID-19 has proven to be a wake-up call for the business-to-business credit industry around the country. No matter their line of work or company size, credit professionals have no choice but to adapt as quickly as possible to state- and country-mandated changes, all while sustaining daily operations. NACM reached out to credit managers to hear how their companies' credit departments are trying to stay on course as well as the professional struggles, such as limited staff, revenue loss and customer satisfaction.

### **Janet Nutt, corporate credit manager at GLT Companies in Solon, Ohio**

GLT Companies is deemed an essential business because it is the material supplier to many essential businesses such as hospitals, power plants, automotive, etc. The company provides supplies in all 50 states and internationally, with four distribution sites in Ohio, North Carolina, Texas and California.

"The most difficult thing I am encountering right now is the cash forecasting as I try to reach out to our customers to see if they are still in operation and whether working remotely is going to affect their ability to cut checks," Nutt said. "I think everything is changing on a day-to-day basis for us all. While I see our major distributors and customers are continuing to pay as usual, the customers already in distress are reaching out to request extended terms or not reaching out at all with the hope that we will assume they are not open for business."

The corporate credit manager said they have already had a couple of former accounts reach out to request terms be reinstated because their current supplier is closed. GLT Companies reviews each request for an extension of credit, Nutt noted, keeping in mind this could strengthen the customer relationship in their time of need. The company also understands there are unacceptable risks in supplying to those that are not creditworthy.

GLT Companies instituted split shifts among staff at the start of COVID-19, working remotely when possible. Nutt said she is one of the two employees in the credit department who alternates going into the office to collect and deposit checks.

### **Connie Woodward-Haas, CCE, credit manager at Steelscape, LLC, in Kalama, Washington**

As a steel manufacturer, Woodward-Haas said Steelscape's products are critical, therefore, the company must keep the plant operational. At this time, personnel are working remotely—including the credit department—while those on site are practicing social distancing.

"We already had worked to reduce paper retention and had created methods of sending and retaining our information electronically. This has helped us immensely in retrieving information remotely," she said. "We are in constant contact with one another over the day-to-day operational issues. We are anticipating some challenges in collections but are currently not increasing any limits."

New accounts will be under additional scrutiny, Woodward-Haas added, and existing accounts are being examined in regards to exposure and capacity to pay, with the potential to reduce lines as needed.

### **Val Hardesty, CCE, CICP, director of credit at Elevate Textiles in Mount Holly, North Carolina**

Business is slowing, but Hardesty said Elevate Textiles is optimistic they will continue to service the needs of their customers with the service and quality the customers have grown accustomed to. However, adjusting to the new operations didn't come easy.

"We were not ready to work remotely as far as technology goes, but our IT staff jumped in and within a couple of weeks, all 15 of us started working remotely last week," she said. "We now all have laptops, Zoom licenses, internet-based phone systems, and all the hardware we need to replicate our office work stations at home."

Daily operations are moving forward as credit managers dial for dollars and the sales force assists with collection efforts. After the pandemic, Hardesty said she suspects the way the company communicates will change, in that they will likely rely more on technology and continue to be a paper-free department.

"We all certainly plan to come back to the office in full force, and can't wait to rejoin our colleagues once again," Hardesty said.

—Andrew Michaels, editorial associate