

Turning into Leaders

Anyone can be a leader with the right combination of perseverance and determination. Yet, on their journey to acquire the leadership mindset and skills, most credit professionals are following the guidance of those who are already leaders in the workplace. Through these experiences, credit leaders-to-be experiment with different leadership styles, pocketing effective methods they plan to use in the future. Good and bad leaders will come and go, but it's what credit leaders-to-be learn during this time that will fuel their ambitions.

For more than a quarter of a century, Accounts Receivable Manager Joe Bahhur said he's struck a nice balance between being a leader in both A/R and credit, protecting the company's assets and helping grow sales, while limiting risk. However, he wasn't always in a leadership position in the early years of his career. Bahhur said he used to work with managers who created an environment where it was clear that they preferred to cultivate an "us versus them mentality." These managers often felt threatened when Bahhur knew information they weren't privy to and they didn't appreciate the recognition Bahhur received from others. That was when he realized there's no one person who can successfully run a department without help from others.

"Team members encompass a variety of skills and relationships," he said. "It is important—specifically in credit—because of information regarding a customer that a salesperson may share with an associate and not management or the relationship the associate has with an accounts payable associate that holds information vital to decision making."

Team meetings help cultivate a real team environment, Bahhur noted. It allows the employees to share ideas on how to deal with sales, process improvements, tech tips, etc. It is also effective to recognize an employee for going above and beyond. Leaders can include their employees in decision making, ask for input, and help them develop so that they can continue growing.

By recognizing the true characteristics of a leader through the eyes of his past leaders, the A/R manager said he always makes time for his associates. If they are asking to see him at an inopportune time, he will agree on another time rather than "blow them off."

"I had to be resourceful and find answers for myself if [my former leaders] were absent or checked out," Bahhur said. "I learned that even though those people may appear to be 'successful,' they were not respected by their peers or their subordinates. I think it is important for leaders to ask the employee their opinion in terms of how they feel a situation should be handled."

One-on-one conversations with their employees in order to get periodic updates on specific customers is another good method, he added.

Even if ineffective leaders are somehow able to make a department run, Credit Analyst Curtiss Vlastnik said they won't be successful in growing the department. Working with a poor leader is difficult because they are not willing to listen to the team's suggestions most of the time. The best way to do this is to effectively communicate and listen to your team, allowing mistakes to be corrected and improvements to be put into place that will ensure future success.

"Credit tends to follow the same rules and principles throughout the department, so when something changes, it is imperative that communication and listening is utilized by the leaders, as these changes

tend to be significant,” Vlastnik said. “Making sure everybody understands this, and can implement these new changes is crucial for any credit team.

The core principles of good credit are consistency and sound decision making, the credit analyst said. For his team, they have created presentations and other tools that allow any new analyst to pick up the job in an efficient manner.

Vlastnik also stresses the importance of asking for help if employees need it. He came to this conclusion when he first started the job and his coworkers helped him transition into his role by taking the time to work with him and answer any questions he had. Additionally, his department does team-building activities that allowed them to grow closer as a team and learn each other’s learning styles.

“I have been with leaders who effectively followed these principles and those who have not,” Vlastnik said. “Having a ‘do it my way or the highway’ team constricts everybody else from developing their own skill sets. If you want others to blindly follow your process without offering insight, you are better off hiring computers to work for you. Putting your team in an environment where they know their opinions and suggestions are heard and they can ask for help puts the foundations in place for a strong credit department.”

Leaders should be willing to work with their team to enhance their growth and allow them to become productive team members for not only the credit department but the company itself, he said.

—Andrew Michaels, editorial associate