Inheriting a credit team: A leadership transition

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Imagine you're a sports coach stepping into a new role at a different school. After just your first week, you quickly realize that some changes need to be made. But as you begin adjusting, the team isn't responding the way you had hoped—and you find yourself asking, what am I doing wrong?

Why it matters: How a credit manager navigates that transition has a direct impact on team performance. Leaders who look past challenges and understand their team's existing dynamics are much closer to creating an effective working environment.

Common challenges of inheriting a team

The fact of the matter is it isn't about what you're doing wrong—it's about what's missing. That missing piece is trust. "Building trust takes time, especially when you're a new leader," said Eric Miller, credit manager at Tyndale House Publishers (Carol Stream, IL). A recent *eNews* poll supports this, revealing that building trust and credibility is the biggest challenge for 45% of credit professionals.

Stepping into a leadership role with little to no established rapport can be intimidating, particularly when your predecessor had a strong presence and a well-respected leadership style. "Rather than coming in with the mindset of needing to make all these changes, I take some time to talk to the team about what they'd like changed and what they'd like to keep the same," said Marlene Groh, CCE, ICCE, regional credit manager at US LBM Holdings, LLC (Buffalo Grove, IL). "When you include them and listen to what they have to say, you're able to build trust and grow as a team."

Aligning processes and goals with an established team can be equally difficult, especially when there are multiple or conflicting ones already in place. "When new leaders aren't trained or knowledgeable enough, they can't set goals or performance expectations," said Glen Eichelberger, director of credit and A/R at Total Apartment Solutions (Dallas, TX). This makes it essential for incoming leaders to invest time upfront in learning existing workflows before pushing for change.

One of the most overlooked challenges for leaders inheriting a team is understanding the culture that already exists. "Finding your place within a team that's already established is not easy, especially as you're still learning about how they like to do things," said Groh. "When teams are segmented, you're going to have to learn about different team cultures and how they intertwine."

A few tips on becoming a better leader

While the challenges of inheriting a team are real, they are not insurmountable. With patience, self-awareness and a genuine willingness to listen, credit managers can earn their place and still drive meaningful change.

"It's about listening and keeping an open mind," said Miller. "Also, keeping your composure is important—being impulsive or reactive can trigger a negative response from the other person."

When making changes, prioritize getting buy-in from the team. “They want to know what the bottom line is,” said Groh. “That means telling them how that change will benefit them and if you want to make more changes, show them the numbers and make sure you have buy-in from top management.”

The bottom line: Like a coach, a credit leader trains their team to be the best they can be. Through consistency and a willingness to learn, credit managers can do more than make improvements—they can create an environment of exponential growth.