

A Few Benefits of Cross-Training Credit and Sales

In a perfect world, credit and sales department professionals have an inherent respect for each other and understand the difficulties and importance of their counterpart's job. That's not always the reality. Ensuring that the staffs of both sides have a working knowledge of the operations of the company and its customers can often lead to something very important: a better bottom line for everyone.

Streamlining Goals

Communicating company and departmental goals might be the most important factor in credit and sales being able to reach them. The two sides really can't exist and function well without an ongoing cooperation and awareness. The most effective sales person is the one that understands that credit, the underwriting process, leads to better and faster pre-qualification of potential customers, and the best credit people understand that more sales mean job stability all over the company. Being on the same page and looking to the same set of goals, with a common approach of how to get there, are great ways to maximize the potential of staying on the easiest path.

Fewer Downstream Problems

There isn't much benefit reaped from A/R accounts that go uncollected for many days beyond terms. Cross-trained sales professionals who know the signs of risk that will hurt the bottom line are better prepared to identify problems before negotiating terms with buyers. Additionally, credit professionals known as "no" people, if better trained in sales processes, might be able to step back and be more accepting of certain sales' dealings. After all, elimination of all risk means the company cannot maximize its chances for profit. Breaking down the barriers between credit and sales eliminates both staffs from working in silos, helps even out the playing field and reduces the potential lack of collaboration.

What So Funny 'Bout Understanding?

Better understanding of functions outside one's own department naturally equates to a better "big picture" view. Knowledge and improved communications facilitate a more rapid sharing of information. For instance, what if a customer is struggling? By virtue of cross-training and resulting relationship-building, sales may be able to alert credit to a budding problem. Perhaps a salesperson is able to see things through more direct contact with a customer than a credit professional can. Having that open line of communication and understanding as to why new, subtle information can help reduce risk and loss drastically, not to mention the accompanying headaches.

You Might Just Learn a Thing or Two to Help Sell Credit's Value

Many believe upper management is oftentimes more inclined to listen to sales managers than credit managers. If true, is it possible that this happens simply because the salespeople know how to market and sell themselves, their ideas and the things most important to their day-to-day operations? It's increasingly necessary for credit professionals to make the importance of credit more visible within a business from an overall profitability standpoint. Cross-trained credit professionals may just learn enough to take a page of the sales handbook and be better at selling what credit does, and how and why it does it. Promoting credit functions and one's own worth is marketing. It's sales, plain and simple. Gleaning some sales tactics can't hurt in the attempts to elevate both.

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