

## **Offering Future Credit Advice to Your Past Self**

If fan-favorite films like “Back to the Future” have taught us anything, it is that the rules of time travel are just as complex as the idea of being able to do so. But imagine if you, a credit manager, were given the opportunity to travel back in time to your very first day in the credit department. As you walk into your “past” department, you recognize the changes: more people, less task consolidation, minimal technology in sight. As you reminisce, you encounter your past self and have the chance to share your credit knowledge of the future. What do you say? What advice do you offer?

### **Keep an Open Mind**

Whether it’s five years ago or 50 years ago, the nature of any credit department has come a long way. For Credit Manager Emrick Bruce, CBA, his time travel experiment would take him back to 2006, about one year before the Great Recession. Thirteen years ago, Bruce said, he was working in the billing department at Chaney Enterprises in Gambrills, MD, when he was transferred to the credit department. As a new member of the credit team, Bruce was new to commercial construction credit, so his first few days were filled with trial and error.

“The first day was intimidating. They start showing you all of the receivables and I wasn’t used to looking at numbers like that,” Bruce recalled. “I was trained as I went and started taking NACM classes to guide myself. Back then, I felt like the economy was good enough for the credit department to be pickier.”

During those days, business relationships were formed with “a lot more handshakes and ‘yes, yes, yes,’” Bruce explained. However, once the recession hit, the company experienced a downturn: Lien waivers became wordy, credit terms became fancier and everyone became aware that they needed to better protect themselves. The credit department also became more creative in finding ways to agree to a sale.

“Sales took a dive, so the credit department may have extended terms further or offered discounts,” he said. “You found a way to say, ‘Yes,’ whether it was joint checks or bond claims. I’ve seen more credit departments become sales driven as opposed to fighting the classic ‘credit versus sales’ fight. It seems to be more of a combined effort now than when I first started.”

The best piece of advice Bruce would give himself is to keep an open mind from the start of any potential sale rather than rushing to say, “No.” Options must be explored; what might look poor on paper could be positive after an in-person meeting. Shake hands with people, he said, and work together with sales.

“People should tackle credit groups early on, get involved and pick folks’ brains,” Bruce said. “They’ll teach you things that books can’t. You have to learn the actual business to be a more functional credit manager.”

### **Become Your Own Expert**

It’s all about becoming an expert in credit, said 3D Systems Credit and Collections/AR Manager Matt Parker, CBA, CCP, CPC. Whether credit managers earn designations through NACM or attend annual credit conferences, Parker said becoming the most knowledgeable person at the company makes one both a resource and a respected authority figure on all matters pertaining to credit.

“That will bode well for your career and you’ll be a valuable asset to any company,” Parker said. “You will inevitably end up clashing with sales over releasing certain orders or customers, but once you’re an

expert, your decisions and opinions hold a lot of weight. The reason to get the training to become an expert is to get a vision of what is the best credit department.”

Part of what makes a credit department the best is the team that holds it together. Parker said credit managers’ contributions to a team hold even more weight when they seek NACM designations such as Credit Business Fellow (CBF), Certified Credit Executive (CCE), Certified International Credit Professional (CICP) or International Certified Credit Executive (ICCE).

“I would tell my younger self, ‘If you are in a management position, your team’s life is in your hands.’ You can make their lives good or bad, so that’s a pretty sacred trust people are putting in you,” Parker said. “Always think along the lines of, ‘Am I making my team’s lives better or worse?’ and figure out ways to make their lives better and you’ll build a quality team.”

—Andrew Michaels, editorial associate