



Brett Hanft, CBA

Education: The Key to Your Success!

As I step into my new role of National Vice Chairman of Education and Programs this year, I'm extremely humbled by and appreciative of the confidence you have entrusted in me to help provide leadership to our CFDD organization. This is a responsibility I proudly accept because my passion and dedication to CFDD fuels my desire to work at promoting the continued growth and success of our membership.

I am very conscientious about how the impact of credit education has influenced and benefited all of us. NACM and CFDD provide numerous educational offerings throughout the year to help us build and increase our knowledge base as a credit and finance professional. Please take a look at the educational offerings available, both locally and nationally. Invest in your own personal and professional goals and attend upcoming programs, seminars, workshops and conferences that will provide you with valuable continuing credit education. This will undoubtedly expand your knowledge base and level of confidence as you face daily credit challenges in your job.

The CFDD National Board is very interested in seeing your chapter program topics listed in the newsletter as we determine topics to present at our annual CFDD National Conference and work to create new CFDD National programs for chapters to use. These

top-notch National programs are accessible on the CFDD website. I encourage you to review the current list of National programs and hope you'll use one at an upcoming local chapter meeting.

If you are looking for some credit education on a specific topic that you don't find being offered, please drop me an email and let me know. I will work to find or create a program that can be used to help fulfill your needs. Think about it: other credit peers and colleagues are likely searching for the same education/topic you are. Our best solution is to create a program that provides valuable education to benefit our entire CFDD membership.

I'm very proud and excited about the program lineup that will be offered at the upcoming CFDD National Conference. Please make sure you are registered to attend this eagerly anticipated conference in beautiful Charlotte, North Carolina. I look forward to greeting you next month.

Brett Hanft, CBA, is Credit Manager at American International Forest Products in Portland, Oregon. Brett is currently serving as Vice Chairman, Education and Programs and Chair Elect on the CFDD National Board of Directors. Brett is also a proud member of the CFDD Portland Chapter. He can be reached by email at Hanft@lumber.com.



CFDD
NATIONAL CONFERENCE
September 13-14, 2018 • Doubletree Suites Charlotte Southpark • Charlotte, NC

Members: \$475
Non-members: \$550

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Christie Citranglo

A Different Approach to Leadership

Employee relationships can be complicated. It doesn't take long for power dynamics to build, networks to form and in some cases, animosity to develop. While a structure exists to guide the company—a manager, followed by a senior worker, followed by a less-experienced worker, etc.—often the strict definitions of these positions get tossed aside when friendships form between co-workers, sometimes muddying the lines between manager and other employees.

When this dynamic goes awry, be it spreading false rumors, plotting to ostracize an employee or barking orders at others, stepping back to fix the problem presents its own series of challenges. Unraveling the web of employee relationships and past interactions can be a daunting task.

But it isn't impossible.

When CFDD representative to the NACM Board of Directors Marlene Groh, CCE, ICCE, sought to improve the relationships and power dynamics in her office, she began to study Servant Leadership. Beginning with the book, *The Servant* by James C. Hunter, Groh read along with fellow CFDD members about the simple tale of different people coming together seeking to improve themselves. After that, Groh read the book with her team at work, eager to bring Servant Leadership to her office.

Servant Leadership as a philosophy aims to create a more sincere and compassionate environment. Many of the principles reflect the teaching, "thou shalt love thy neighbor as thyself," listening more, treating those above and below in the office structure as equals, understanding the plight of others and loving each co-worker.

"Leadership is built upon authority or influence, which is built upon service and sacrifice, which is built upon love," Hunter writes in his book. "When you lead with authority, you will, by definition, be called upon to extend yourself, love, serve and even sacrifice for others. ... Love is not about how you *feel* toward others, but how you *behave* toward others."

One of the core values of Servant Leadership revolves around "loving" each co-worker. But not the kind of love reserved for friends and spouses, Groh explained. The love in Servant Leadership "is an action, not as much a feeling," she said. For instance, while one co-worker may dislike another co-worker for various reasons, such as tardiness, chattiness or sloppiness, under Servant Leadership, it is crucial for both parties to understand each other's mutual struggles and work toward accepting each other.

"When you choose to purposefully attack someone, you're almost as guilty as they are," Groh said. "The book talks about how you don't have to like somebody—what they do or how they act. For us to be one and to serve each other, you have to love somebody. ... 'When I think differently, I'll act differently,' I tell myself."

Servant Leadership explores the idea of love while also redefining what it means to be a "manager" and what it means to be a "leader." Everyone is a leader under Servant Leadership, but only one or two can be managers.

According to Hunter, a good manager takes on a leadership role while also earning the respect of those being managed. Efficient management flows from leading by example,



sympathizing with co-workers and being firm when necessary.

“I think one of the things I hear my team say the most is that they call me their ‘working manager,’ which to me means I help lead better,” Groh said. “I take it to their level, and I don’t think that because I’m their manager I can’t do what they do. I think that’s a big thing.”

With respect and proper management, employees will likely feel more motivated to complete tasks. They aren’t performing their duties just because their manager told them to, but because they respect their manager enough to get the job done properly. Hunter explained this approach often leads to work getting done more quickly, efficiently and accurately.

Leaders, conversely, live in each person on the team. Leaders embrace the attitude of respecting one another and loving one another on the team. Leaders treat others the way they wish to be treated.

Changing within the office to adopt these ideas of Servant Leadership begins simply with an idea and a drive. Groh said she’s been practicing Servant Leadership in her office for a little less than a year, but even in that length of time, she’s seen a more positive environment in her office and in her life.

“It’s amazing that lives can be changed if you take the time to be self-reflective, look at yourself and think that you can change,” Groh said. “If we all look at what we can change, we can all change the world together.”

Christie Citranglo, NACM editorial associate

Congratulations to the following chapters for outstanding membership growth!

Second Quarter Growth

Dallas/Ft. Worth
 Kansas City
 Louisville
 Portland
 Raleigh/Durham
 Wichita

Year-to-date Growth

Charlotte
 Kansas City
 Louisville
 Raleigh/Durham
 Wichita

CCE Designation of Excellence Awarded to Eve Sahnou, CCE

Eve Sahnou, CCE, is the Corporate Credit Manager for OrePac Building Products in Wilsonville, Oregon. She has a B.S. degree in Business Management from Metropolitan State University in Denver, earned NACM’s Credit Business Fellow (CBF) designation in 2014 and NACM’s Certified Credit Executive (CCE) in 2016. She is a proud alumna of NACM’s Graduate School of Credit and Financial Management (GSCFM) program. She was honored with the 2018 CCE Designation of Excellence Award regionally by NACM Commercial Services and took center stage at NACM’s Credit Congress in Phoenix to receive NACM’s National CCE Designation of Excellence Award. Sahnou is an active member of NACM’s Credit & Financial Development Division (CFDD)—Portland Chapter and currently serves on the NACM Commercial Services Board of Directors.



On the Way Up

Crystal Bouldin, CBF
 Portfolio Manager II
 Lehigh Hanson, Inc.

Congratulations to Dallas/Ft. Worth Chapter Treasurer Crystal on her new position!



DATES TO REMEMBER

September 13-14	CFDD National Conference
September 14	Applications Due for CBA, CBF, CCE Exams
November 5	Professional Designations: Nationwide Exam Date



Andrew Michaels

Credit Manager and Debtor: A Psychological Dance

“Nothing involving human relationships is clear or simple,” said Kelly Jameson, Ph.D., a psychotherapist and presenter at NACM’s 122nd annual Credit Congress in Phoenix this year. A romantic relationship between human beings is a complex “psychological dance” comparable to the relationship between a credit manager and a debtor.

During an exploration of the nine stages of a personal relationship, Jameson and her husband, Attorney Chris Jameson, both working in Dallas, encouraged creditors to hone similar communication skills necessary to maintain a healthy and successful relationship with customers—the same skills that are often present in a romantic relationship. Their presentation was titled, “Analyzing the Psychological Dance Between the Credit Manager and Debtor.”

The start of a new relationship begins with the first date, where each person develops an impression of the other. Often times, Chris said, salesmen will suggest new customers looking for credit and set them up in a “first date” scenario with the company’s credit managers. Kelly said both parties often try to put their “best foot forward” to deliver promising first impressions.

“[On a first date] you are doing nothing but interpreting the behavior of the other person, while managing your own,” she said. “You are interpreting every behavior, from the way they hold their menu and talk to the server to the way they make eye contact.”

“Where it’s similar [to the credit-debtor relationship] is with the credit application,” Chris continued. “You’re looking at credit

references and whatever you do to assess creditworthiness.” This blends into the dating/courtship phase, where the salesmen court the customer for business.

The credit manager’s decision to move forward with the relationship ties in to what Kelly and Chris called the “commitment phase.” Here, creditors establish a credit limit and may even receive a personal guarantee from the customer. “Everyone is happy,” Kelly said, as they enter the honeymoon stage. Payments are being made and credit terms are met, and Chris explained how credit managers will generally see growth every quarter.

However, as honeymoon feelings dissipate over time, the creditor and debtor reach a plateau—no problems, just stagnancy. It isn’t necessarily a bad thing, but Chris said credit managers will notice customers aren’t working as hard on the relationship as they were early on.

“[Then, in the red flag stage], customers might ask to extend their terms,” he said. “They may be a little late on their payments and you have to actually email or call them for those payments. It’s not a huge worry, but it’s unusual. This is where your radar is going off. The outcome could go either way.”

What could follow is the “slide and crash,” where worry turns to panic. Customers are short paying and checks are bouncing. Kelly related this stage to the moment in a relationship when a couple decides to work on their relationship, perhaps, in therapy. To improve the situation, Chris noted, credit managers may hold new orders until prior

payment is received, reduce the customer’s credit limit or seek advice at NACM trade group meetings.

If the relationship does not improve, lawyers may enter the picture in a “crash stage” to file a suit on the debt. The creditor and debtor may then part ways, no longer continuing a business relationship.

The best preventative measure to avoid a crash is learning to assess customer patterns and “seeing beyond the page,” Chris said. In time, patterns will emerge and give credit managers a better idea of their customer’s actions in the foreseeable future.

“There’s no one who is going to go through a career in credit and not make a bad decision with extending credit. It’s impossible,” he noted. “It goes back to understanding what went wrong and how you could do it differently the next time around. That’s how we get better at our jobs: Learning from our failures.”

Andrew Michaels, NACM editorial associate



Shawn Ismert, CBA

A Personal Perspective: What CFDD Has Meant to Me

As I look back over the years I have been involved with CFDD, I can't help but think how much I've grown and what I've acquired. In the beginning as I attended meetings and got my feet wet accepting a position on the board, it occurred to me that it was possible I would never have as much knowledge as my fellow CFDD colleagues.

Perhaps I was too dramatic in that assessment. After 15 years on the local chapter board and involvement on the national board, I have learned leadership skills, had educational opportunities, gained confidence, and made many friends. I hope those of you who are just starting out can look at me and think, "I hope I can be like her one day."

Beyond my personal growth, my employer has certainly benefited from my involvement in CFDD. The educational programs I have attended were designed to deepen my understanding of industry topics and help me make better decisions.

So why aren't others participating in CFDD? We have so much to offer—scholarships, professional development, networking, mentoring, job opportunities and education. As a board, we are focused on what we can do to make membership attractive for current and potential members. There are no simple answers.

Throughout the past decade, we have seen participation slowly decline. I don't think it is a coincidence that it began about the time of the Great Recession when companies tightened their belts to be as lean as possible. For some companies, canceling

memberships in organizations such as CFDD was the difference between survival and going out of business. But for most, it was a knee-jerk reaction. And, once that cord was cut, it was tough for employees to convince leadership that membership is a good investment.

I believe we do a good job in creating value for our membership, but it doesn't mean we can't improve. We need to look at every aspect of the organization. We need to consider how we operate, as well as how we communicate, engage and educate our members. Are we providing the right channels for education? Are our networking events at the right time? Are we providing updates about events frequently enough? Are our topics on point? How do those just entering the profession want to learn? We cannot be passive about how we move forward if we expect to continue to be a valuable resource to our current and potential members.

Change is not easy. If it were, there wouldn't be book upon book and article after article about this very topic. We are at a critical juncture as an organization, and it is time for us to think outside our comfort zone and chart a path for the future.

Shawn Ismert, CBA, is the AR Manager—Traditional Accounts at Sioux Chief Manufacturing in Kansas City, MO. Shawn currently serves as an Area Director on the CFDD National Board of Directors as the liaison to the chapters in Birmingham and Phoenix. Shawn is a proud member of the CFDD Kansas City Chapter.

Just in!

Two new great gift items to welcome newcomers or make a member feel special



Beautiful stemless red wine glass sports the CFDD logo

- Purchase one for \$10 or buy two to make a perfect pair!



Luxurious padfolio embossed with the CFDD logo for \$20

- Smooth finish, soft rich texture with outside pocket
- Deep blue, 6.5" x 9.5" with zippered closure
- Storage for smart phones, business card holder and interior pockets
- 5" x 8" writing pad included

Now available from the **NACM Bookstore.**

Chapter News

Dallas/Ft. Worth Chapter

The Dallas/Ft. Worth Chapter welcomed several new members in the first months of 2018. In the last few meetings, they have also hosted guests who have expressed an interest in joining.

In the Spring, they had a successful fundraiser at the horse races, raising almost \$400 for their scholarship fund.

The Chapter has two more fundraisers planned by year end. The goal is to hold a variety of “fun”draisers to appeal to many and get members engaged and involved.

Want to see your chapter highlighted here? Send news about members, meetings, special events and photos to: DeLinda Goodman, CCE delindaw@juno.com



Michael Miller

Use Technology to Improve Credit Processes

The world of credit management is in the process of changing. It's a slow but steady evolution that has been underway for several years. The introduction of technology into the credit field has been the catalyst that sparked the industry during the first part of the 21st century.

“Technology in credit is getting really exciting,” said Credit Manager Staci Cima, CCE, during an educational session at this year's Credit Congress and Expo in Phoenix. “Technology allows smaller customers the ability to automate processes in credit and collections, and it gives everyone involved a better experience.”

Cima is a one-person credit department in St. Louis, Missouri, so she doesn't have time to do everything, and she often can't do everything. Being a small credit department caused her to begin integrating technology into her daily work. It began with an online credit application; however, this was only the beginning and did not alleviate all the problems. The credit application was not automated, but it was a start, a first step to integrating new technology, said Cima. However, she was still manually processing the credit applications after receiving them.

This is where a company like Bectran, a software-as-a-solution (SaaS) platform, can come into play to help credit professionals get the job done. As humans, we fear the

unknown. The same goes for credit professionals. A fear of technology has caused its implementation to be somewhat slowed, said a Bectran representative at the Credit Congress session. There's a fear of big problems, and some believe it will remove their focus from credit, yet it does the exact opposite—it gives them more time to do their credit functions, he explained.

Cima said she had to determine how to select the correct product for what she needed. She knew she needed assistance with credit applications, being a team of one. But it was also important to have a return on investment. She found that partnering with Bectran saved her time with an easy IT setup as well as the instant benefit of cutting credit application process time from weeks to days. And, according to the Bectran rep, paper credit applications will be obsolete in the next five to ten years.

She also uses technology to help with trade references, which she did not have time for previously, by adding tech solutions to her job. Technology now has the ability to send notifications to the trade references listed by new customers, in turn, notifying the creditor when references have submitted their information about that potential customer.

In the session, Director Worldwide Credit & Treasury Paul Watters from a Wisconsin manufacturing company revealed that NACM

National Trade Credit Report preferred partner HighRadius helped him navigate new technology in credit. “The way we do the job has changed and will continue to change over the next five to 10 years,” he noted. “If we don’t conform to the industry, and customers aren’t buying from us today, they are going to be buying from someone else [competitors] tomorrow.”

However, commercial credit is still a step behind consumer credit, where individuals can apply for credit cards online and have an approval and credit limit established in a matter of seconds. “We’re on the cusp of reaching credit decisions as seen in consumer credit,” continued Watters.

HighRadius helped Watters with online automated credit applications as well as automatically notifying customers when they are nearing their credit limits. Customers enter their own information into the credit application where certain categories or fields are mandatory, meaning a customer can’t submit the application unless the fields are filled in.

Adding new customers has many challenges, including manual data entry errors and back-and-forth correspondence. It previously took Watters more than four days to onboard new customers. Now, it’s down to about a day and a half. Online credit applications help remove the need to input customer

data multiple times. Adding technology also improved productivity 100% and reduced customer onboarding time by two-thirds.

Ultimately, technology, artificial intelligence, online solutions and the like give credit professionals the ability to view customer credit data in a single-view pane, said Watters. This includes bank references, financial statements, trade references, credit application information and more.

It’s important, as with anything new, to make sure the decisions you’re making are the right ones. Some technology options aren’t for everyone, so using the correct solution is the first step toward a faster, brighter future in the credit industry.

Michael Miller, NACM managing editor

Check Out Our NEW National Program

Perfect for a Chapter Presentation Topic



Negotiations

This 23-slide powerpoint presentation takes a look at negotiating with internal and external clients. Participants will learn:

- Overview of Negotiations
- Types of Negotiations
- The Purpose of Any Negotiation
- The Who and What of Negotiations
- The Negotiation Environment
- Negotiation Preparation
- Motivations Behind the Negotiation
- Negotiation Reminders
- Follow Up & Close

Download the [powerpoint presentation](#) from the [Members Only](#) area.

Chapter Program Topics This Month

Elevating the Credit Profession Through Knowledge

	Topics	Speaker	Chapter Sponsor
Scams Targeting Businesses	Scams can impact every business, regardless of location, size or industry. BBB's research suggests that scam activity directed at small businesses is growing and these scams pose a significant risk to them.	Better Business Bureau Speaker	Kansas City
Creative Problem Solving	Have you ever struggled to find a solution to a challenge or felt like an opportunity slipped away? Do you wish you had more creative ideas or better ways to communicate and collaborate with team members? Creative problem solving is a tool that can help you find and implement solutions to challenges and opportunities. Through hands-on teams, build skills in creativity, communication and collaboration.	Professional Speaker	Portland
Collection Strategies after a Natural Disaster	While Texas has their fair share of natural disasters, such as tornadoes, hurricanes, heavy winds and flooding, so do many other regions. Being cognizant of the timing and understanding that your customer may need help in the next few months to get their business back on track is very important. Make sure you put the human element in your thought process. You have an opportunity to earn great respect, while still being mindful of your open A/R.	An Attorney	Dallas/Ft. Worth
Fraud Detection & Prevention	Cyber-security and current trends in phishing and other online activities.	United States Secret Service	Phoenix
Cutting Edge Issues in Credit	A member who attended this Credit Congress session is leading the discussion topic.	Member	Evansville
NACM's 122nd Credit Congress Roundtable Discussion	The Kansas City Chapter of CFDD had eight delegates at this year's NACM Credit Congress in Phoenix, Arizona. With over 50 session choices, each attendee gathered information we want to share with our fellow NACM-CFDD members and colleagues and discuss ideas and solutions. <ul style="list-style-type: none"> • Can I Have Your Attention? Overcoming Distractions and Reclaiming Focus • Show Up & Stand Out: Three Ways to Increase your Personal Presence • Millennials Got You Down? 	Members	Kansas City
2018 Hiring and Compensation Trends	2018 Hiring and Compensation Trends <ul style="list-style-type: none"> • Trends Examined • The Hiring Environment • What's Driving Demand • Public Accounting Trends • Financial Services Trends • Spotlight on Healthcare • Salary Guidelines • Other Forms of Compensation • Bonus Guidelines • Most Common Benefits • Incentives and Other Benefits • Improving Employee Engagement • Local Trends 	Experienced Staffing Professional	Raleigh/Durham



CFDD

NATIONAL CONFERENCE

September 13-14, 2018 • Doubletree Suites Charlotte Southpark • Charlotte, NC

Registration

Member	\$475
Non-Member	\$550
Additional Friday Dinner Ticket	\$69

Hotel

DoubleTree Suites by Hilton—
Charlotte-SouthPark
6300 Morrison Blvd., Charlotte, NC 28211

The special conference room rate is \$179 a night for single/double occupancy. The hotel deadline is **Aug. 21, 2018**, based upon availability.

Please call 704.364.2400 or 1-800-HILTONS, and request the group rate for the 2018 CFDD National Conference. Or, to make reservations online, please visit [here](#).

Please join us in Charlotte for networking, news and these valuable sessions

- Making a Confident Credit Decision
- It's not about you, it's about your audience. What audiences want from you in presentations.
- Trade Creditor Beware: Lessons Learned from Toys 'R' Us and Sports Authority
- Credit Applications: Goldilocks (Too much, too little, just right?)
- Preparing the New Generation of Credit Professionals
- Deductions
- Best Practices Roundtable



Refund Policy: All cancellations and requests for refunds must be made in writing to conventions_info@nacm.org. Due to financial obligations, no refunds will be issued for cancellations received after Aug. 17, 2018; however, substitutions may be made at anytime.

NACM's Credit Managers' Index

Since its inception, the Credit Managers' Index (CMI) has been a startlingly accurate economic predictor, proving its worth most notably during the recession. The more participants we get, the stronger the CMI is.



- Earn 0.1 roadmap points each month
- Only 12 questions to answer
- Membership not required
- Receive [email alerts](#) when survey opens

CMI TIMELINE	SURVEY OPENS	SURVEY CLOSES
September	Mon., September 10	Fri., September 14
October	Mon., October 15	Fri., October 19
November	Mon., November 12	Fri., November 16 noon

Read more about the CMI [here](#).

UPCOMING WEBINARS	
August 22	Credit Surcharging in the B2B World Following the 2017 and 2018 Supreme Court Decisions
August 23	Leadership Series: Delegating in a New Economy
September 5	Generational Unity at Work: Managing Incoming Generations While Keeping Everyone Happy
September 6	Doing Business in India
September 10	New Technology and the Fair Debt Collection Practices Act
September 11-12	Developing an International Credit Policy (Two Parts)
September 12	Life After Debit
September 20	General Terms and Conditions in International Contracts
September 25	Doing Business in the Middle East
September 27	Leadership Series: Conducting Difficult Conversations
October 18	Doing Business in Turkey
October 25	Leadership Series: Your Personal Brand
November 27	Credit Risk Models and Solutions
November 29	Leadership Series: Tier Networking: Call-Send-Call

The **Mission** of the NACM Credit and Financial Development Division is to develop tomorrow's business leaders through core offerings.

Our **Vision** is to be a leading provider of professional development opportunities through learning, coaching, networking and individual enrichment.

