

# EFFECTIVE CREDIT CONTROL MANAGEMENT, CREDIT COLLECTION STRATEGY & DEBT RECOVERY

2-day course

## Course contents

	Topic
1	<p>Business and sales</p> <ul style="list-style-type: none"> <li>: In business to make profit/margin.</li> <li>: Know your business cycle...cash...goods...sales...cash.</li> <li>: Cash sales and credit sales.</li> <li>: Cash sales is the best, but not always possible in today's business and organization? Why?</li> <li>: Reasons and circumstances why people resort to credit sales.</li> </ul>
2	<p>Credit sales breeds debts.</p> <ul style="list-style-type: none"> <li>: Knowing when debt arises.</li> <li>: Fundamentals in cash sales and credit sales.</li> </ul>
3	<p>Understanding why people do not pay up</p> <ul style="list-style-type: none"> <li>: Reasons and causes why people do not honour their promise to settle their dues/owings.</li> <li>: Knowing root-causes (real reasons/causes) versus symptoms or outward signs (disguised reasons/causes).</li> </ul>
4	<p>Know your most problematic debts</p>
5	<p>How does organisation manage credit sales?</p> <p>(a) For normal debts</p> <ul style="list-style-type: none"> <li>: Inhouse staff</li> <li>: Through network channel.</li> <li>: Reminders, statements.</li> <li>: Dedicated collection agents</li> </ul> <p>(b) For chronic or bad debts</p> <ul style="list-style-type: none"> <li>: Inhouse lawyers.</li> <li>: Advertisement.</li> <li>: External services...outsourced litigation channel, panel of lawyers.</li> <li>: Outsourcing to collection agency</li> </ul>
6	<p>Negotiation style</p> <ul style="list-style-type: none"> <li>: The cardinal rule for credit and debt collection</li> </ul>
7	<p>Face to face negotiation</p>
8	<p>Handling complaints and difficult customers</p>
9	<p>Understanding various organisational and business risks</p> <ul style="list-style-type: none"> <li>: Strategic risk</li> <li>: Credit risk.</li> <li>: Market &amp; treasury risk.</li> <li>: Operational risk.</li> <li>: Systems (IT/IS) risk.</li> </ul>

	<ul style="list-style-type: none"> <li>: Debt collection and uncollected debts relate to credit risk.</li> <li>: How do you handle credit risk or poor and uncollected debts?</li> </ul>
10	<ul style="list-style-type: none"> <li>Assessment of the credit application</li> <li>: Steps in credit assessment.</li> <li>: Looking at the 6 Cs of borrowers or debtors</li> <li>: Applying credit risk controls.</li> <li>: Implementing or resorting to credit risk mitigant for comfort/assurance.</li> </ul>
11	<ul style="list-style-type: none"> <li>Credit evaluation and monitoring</li> <li>: How do you manage borrowers?</li> <li>: Individual limits, caps, exposures to ascertain to manage your credit risk.</li> <li>: Resorting to disciplinary measures. How?</li> <li>: Interim or temporary utility disruption/discontinuity of service.</li> <li>: Incentives for prompt payment.</li> <li>: Loyalty programmes, initiatives to encourage good and prompt paymasters.</li> </ul>
12	Record, identify and flag customer accounts
13	Know the tell-tale signs of defaulting accounts
14	Staff incentive plan
15	Legal action
16	Restructuring of debts
17	Qualities of an effective collector
18	Problem solving skills
19	Creating value for your company
20	Key performance indicators
22	Main case study for Day 3

**Course duration:**

2 days.

9-5pm daily.

**Course delivery:**

Powerpoint slides, and group discussion/exercise.

**Course materials:**

Powerpoint notes.

Articles written by Dr J. E. Ruin.

**Book as a give-away:**

Credit Management and Debt-service book written by Dr J. E. Ruin.

Title of book: Managing Service, Finance, Credit and Debt.

## Profile of speaker/facilitator:



(Dr) Joseph Eby Ruin @ (Dr) Josef.

*FCCA(UK); CA(M'sia); Hon DBA-Mgt Phi(Kursk).*

**Joseph Eby Ruin** graduated in ACCA(UK) in 1976, was an Associate Member in 1979, and elevated to Fellow Member in 1984. He was admitted as a member of The Malaysian Institute of Accountants in 1983. For his many publications of management books, newspaper articles, and conference/seminar/workshop papers, he was conferred an honorary degree of Doctor of Business Administration (Mgt Philosophy) by Kursk State Technical University Russia. He was elected the Regional Director for the Malaysian Chapter of PRMIA (Professional Risk Mgrs' International Association) in November 2007; and held office in 2007-2009.. He was the Treasurer of FAAM (Fulbright scholars Almuni Association of Malaysia), 2008-09.

### ***Executive/managerial experience:***

Joseph's executive and managerial career spanned the past 3 decades. Throughout this 30 years, he worked in 6 different banks as Branch Manager and later holding various posts at the corporate head office. He also worked in 5 non-banking organisations where he held various executive/managerial capacities, as Head of Internal Audit/Chief Auditor and Secretary to the Board's Audit Committee. His last job before he retired in April 2007 was as the Chief Risk Officer/Head of Risk Management Division of a large Malaysian commercial bank. He is now the Principal/Proprietor of RiskFirst Consultancy & Training Services.

### ***Sabbatical work:***

He was awarded the US-sponsored Fulbright Professional Exchange Program in 1995/96. For this sabbatical in the US he was attached to the Institute of Internal Auditors Inc Head Office at Altamonte Springs Florida; where he participated in an advanced auditing & corporate governance review workshops in Orlando Florida, Pheonix Arizona, Dallas Texas, and in Washington DC. In May 2004 he participated in the intensive workshop/seminar on risk management at INSEAD Paris France.

### ***Speaker:***

From 1996 onwards, Joseph is a regular speaker/facilitator/panel chairman for public and inhouse forums / workshops and conferences. He has accepted invitations to deliver his papers in **Kuala Lumpur**, Mekong Institute Khon Kaen University Thailand, Fontainbleu **Paris** France, **Shanghai & Beijing** China, **Sydney & Melbourne** Australia, **Bangkok** Thailand, **Mumbai & Hyderabad** India, **Singapore**, **Phnom Phen** Cambodia, **Orlando** Florida, **Hong Kong**, **Brunei**, **Mauritius**, **Nairobi** Kenya, **Manila** Philippines, **Seoul** Korea, **Hanoi & Ho Chee Min City** Vietnam, **Bali & Jakarta** Indonesia.

### ***Newspaper and journal articles:***

Since 1996 Joseph has contributed articles focusing on his areas of work. These articles are published in the local Malaysian newspapers (the NST) regularly, as well as in Malaysian business-magazines and professional newsletters/journals.

### ***Management books:***

Joseph has authored 19 management-books titled (1) Enterprise-wide Risk Management Made Easy, (2) Managing Operational Risks in Organisations, (3) ) Managing Crisis in Organisation, (4) Managing Tomorrow's Organisations, (5) Guide to Effective Management of Business Organisation, (6) Guide to the Management of Anti-Money Laundering and Counter-Financing of Terrorism, (7) (viii) Business Planning and Report Writing, (8) Getting One Step Ahead of the Pack, (9) Managing People and Business, (10) Managing Effective Teams in Organisations, (11) Managing Service, Finance, Credit and Debts, (12) Essentials of Managing Yourself, (13) The Art & Soul of Project Management, (14) Banking and Finance in Malaysia, (15) Guide to Import and Export Trade in Malaysia, and (16) Guide to Obtaining Bank Financing, (1) Internal Auditing---supporting fraud awareness, risk mgt & corporate governance; and two books for The Malaysian Institute of Corporate Governance, namely (18) Audit Committee...Going Forward Towards Corporate Governance, (19) The Essentials of Corporate Management.

**Dr Joseph Eby Ruin's website is at : [www.riskfirstconsult.com](http://www.riskfirstconsult.com)**