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investigate further. I can certainly confirm from personal experience the veracity of that chilly feeling when you suspect that all is not well and without doubt, timeliness of response is crucial. The outsourced credit controller needs to be a pest. They have to be committed to your ledger and your risk and be regularly referring back to you about their feelings about this client or that client. What you don't need is the 'Well, we sent three letters and they never answered the phone' approach when dealing with that £250,000 exposure to that struggling chain of second-hand car dealers.

Then assess the wider resources that the outsourced team can provide. You may not require advice on that debt in China right now and you may feel that your local firm of solicitors does a fine job for £500 per hour. It is quite possible that difficulties have arisen because you haven't credit-vetted a client in months and insurance is just fine for the company car fleet. All true perhaps, but I would strongly suggest that these are just some of the areas that would benefit from the input of an experienced specialist – your provider must be able to offer the advice you require.

OUTSOURCING COSTS

When considering cost, an outsourced service is likely to be cheaper than hiring a full-time credit controller and quite possibly significantly more dedicated. You will, of course, have the option of replacing unsatisfactory service without too many difficulties. A strong outsourcing service will bring valuable experience and high motivation. The known costs will be clear but, as I have indicated, the unknown and less welcome costs will be that of the unnecessary bad debt or alienated client.

Outsourcing should not be seen as the dumping of a problem but as a cost-effective method of improving the service. Credit control is the last and not least important stage of your client's transaction and probably remains the most crucial and sensitive area of your working capital.

'Send it to India?' Maybe. But remember the key factors: relationships, administration, effectiveness, knowledge and cost. While the client and cash remain the kings of the jungle, the choice remains vital.

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