

# The NACM Collections Process

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*Get ready to reduce those delinquencies this year!*



# NACM Collection Services

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## To Reduce Risk



- Ensure credit and collection policies are in writing
- Conduct credit checks on new credit customers
- Have a well documented and strict policy for the follow up of overdue accounts
- Review credit balances on a regular basis

# In the next 60 minutes....

- 360 businesses will have a lien filed against them
  - 150 phone numbers will be disconnected
    - 20 corporations will fail
  - 15 new businesses will open

# Internal Collection Suggestions

- Know your customers
- Keep credit records current
- Review and tighten collection procedures, be consistent
- Discourage extended payments
- Keep communication open
- Attempt to resolve disputes

# Using Credit & Collections to increase sales

- a) Sell more to your best customers
- b) Be aggressive in your collection strategy
- c) Sales & Credit as PARTNERS

# Keys to building successful relationships with Sales

- a) Positive Image
- b) Effective Communications
- c) Accountability
- d) Education

# Collecting accounts

- a) Negotiating (using logic & no emotions)
- b) Positive resolutions for both sides
- c) “INFLUENCING” the customer
- d) EXCUSES



# EXCUSES

*“The job isn’t finished”*

*“I haven’t received an invoice”*

*“The money isn’t due yet”*

*“The bill payer is out”*

*“We will pay you in a lump sum”*

*“We are a loyal customer so you should give us more time”*

*“We don’t have the money right now”*

*“The check is in the mail”*

*“You are on the NEXT check run”*

# When to place accounts

Use **60-90 days** as a guideline *unless*:

- Two or more broken promises
- Telephone is disconnected and e-mail is no longer good
- Customer **REPEATEDLY** requests documentation
- Customer will not adhere to **YOUR** terms
- No ability for customer to pay
- No commitment to a payment schedule
- Sudden dispute (to payment requests) not previously raised

# NACM Collections



# Why NACM?

- a) **YOUR AGENCY**
- b) **In business since 1896**
- c) **A trusted name in the industry**
- d) **National entity with collection branches in most states**
- e) **Teachers of the trade; not JUST collectors**
- f) **All services are available through NACM:**
  - **pre-collection**
  - **contractor bond program**
  - **litigation**
  - **skip tracing**
  - **investigative services**
  - **multi-lingual**

# Questions





**NACM**  
National Association of Credit Management

BUSINESS  
CREDIT  
SERVICES  
*Driving results*