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Developing strong working relationships with other departments

Success Strategies for Today's Workplace

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One of the greatest challenges in the workplace is getting along with other people. No matter what the job title, the ability to establish functional and healthy workplace relationships that can make or break the success of the organization. (Linaman)



The credit vs. sales dynamic is a long standing conflict with its own set of inherent problems – not the least of which is that each department has diametrically

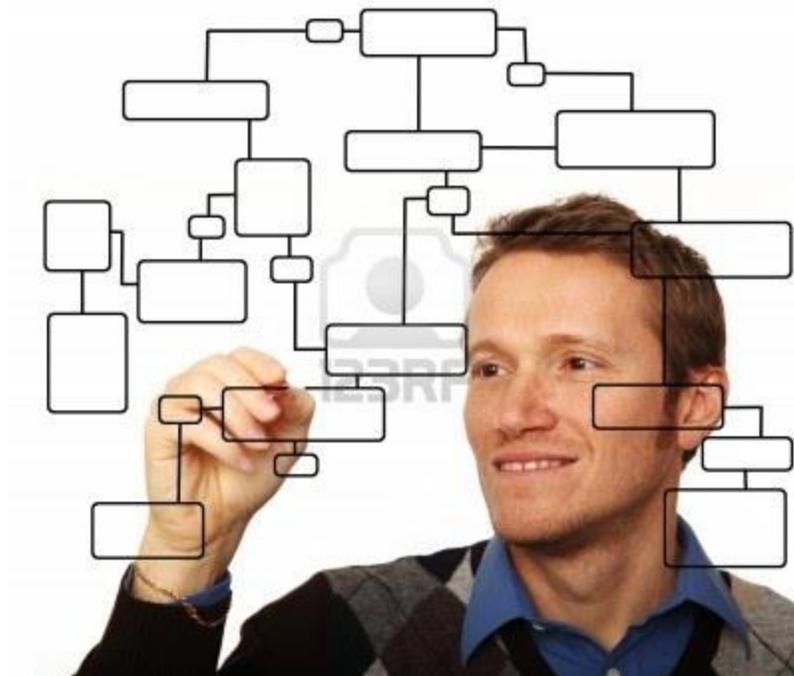
opposing methods of reaching their goals.

Since credit has multiple touch-points throughout the organization it is safe to say that establishing and nurturing positive working relationships with all other departments is imperative.

If you're someone who has to lead a credit department, it helps to keep the following in mind:

- Be prepared to deal with the usual territorial battles. Sales reps as a rule tend to be competitive and goal-driven. That's just the nature of the job. Each month they must hit certain numbers and there is usually a well-established pecking order within that department.
- In order to successfully work together, both sales and credit management need to emphasize the "big picture". In other words, spell out in detail how both departments can work together to make the organization successful.

- Credit should communicate to sales what they will need in order to approve sale transactions. This is largely a training issue and while some sales staff will come around quicker than others, be patient. If your sales leaders buy in, the others will likely follow their lead. This is truly a “help me to help you” relationship.
- The optimum time to gather COMPLETE credit info on a customer is when the account is new. The prospective customer is highly motivated in doing business and is willing to provide all necessary information. (Email addresses, phone numbers, names, bank accounts, etc.) Communicate this to your sales staff. You never know when some of this data will become useful later on.
- The accounting / billing department and credit department should be trained to recognize the challenges each department faces regarding: cash application, write-offs or tax issues. Attending each others’ department meetings will provide better understanding of the challenges and frustrations that each goes through.



Credit professionals have a vast array of valuable data at their fingertips regarding the organization’s best

customers and whether or not the company is maximizing its' business relationships.

Communicate with the sales staff. Let them be your eyes and ears. Don't forget outside sales reps. If you work in California chances are you won't be going to visit the slow-paying client in New York. But your outside salesperson who covers the East Coast might be able to. Be willing to discuss any problems or delays that arise and keep sales "in the loop."

Most importantly, keep the sales staff up to date regarding the deterioration of accounts. It won't look good if a sales rep receives a purchase order from a client that has been placed on credit hold. On the other side of the coin, collectors must be alerted whenever a dispute is received from customers.

When the sales and credit department are in sync, disputes pertaining to price or delivery of goods are much easier resolved. Establish clearly defined areas of responsibility as to what role each department will play. It is much easier to reach out to a sales person for assistance once an alliance has been forged.

Although the credit policy manual will establish formal lines of responsibility, the existence of "gray areas" will persist. Therein lies the danger of shifting responsibility and passing a customer off to another department. Nothing is more frustrating for a customer than being passed around from one department to another in an effort to resolve a complaint.

Keep in mind that when a customer has a negative experience with one department, it reflects on the entire organization and ultimately could affect future business. To the customer, it's all the same company. A well trained, cooperative, and motivated team will provide world-class service. This benefits the department and the organization as a whole.



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