

QUERY MANAGEMENT

This is one of the most important parts of Credit Management. No company is infallible and we all make mistakes at sometime. However, good customer service is ensuring customers are satisfied.

- Have they received the correct goods?
- Were there damages or shortages?
- Have they been invoiced at the agreed prices?

Control and resolution of customer disputes is essential to ensure good customer service and payment of accounts. Everyone involved, including customers, should be aware of queries raised, who they are with for resolution and the time scale for either a credit note to be raised or proving the query was wrongly raised.

If a resolution has not been reached by a certain date, then someone should have the authority to override and credit action!

QUESTIONS TO BE ASKED AND ANSWERED WHEN THERE ARE TOO MANY QUERIES :-

- Where are we going wrong?
- Why are we going wrong?
- How long is it taking us to put it right?
- What is it costing us?
- How can we improve the situation?

Pro-active collection identifies queries at an early stage. Re-active collection will identify disputes later as a cause of non payment! Re-active collection does not help cash flow, but good query administration will minimise the affects of late payment on it. The fewer the queries the better the credit controllers can become at concentrating their efforts on getting the money in!

To ensure good query management information, a system needs to accept and show:

- Query identification number and date
- Name of person query has been sent to
- Resolvers manager
- Credit controller responsible for account
- Customer name and telephone number
- Contact name and telephone number
- Query type
- Invoice or debit note number and date
- Invoice value
- Query value
- Aged report of queries
- Details of non-justification queries

- Credit value
- Credit note number
- Date resolved

QUERY PERFORMANCE REPORT

The query performance report should show the increase/decrease in outstanding queries from one period to the next and should be available in several formats:

- Query Aged
- Query Type
- Resolution Personnel
- Sales Person
- Division or Department

Query Days Outstanding (QDO) should also be used as a measurement.

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