
Business Credit News

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DECEMBER 2017

“HOW MANY ACCOUNTS SHOULD/CAN A CREDIT REP HANDLE?”

By: David Balovich

In this month's column I would like to discuss the number of accounts a credit/collection representative should be responsible for.

I am often asked this question and was recently reminded of it when I came across this ad for a collection representative in the Dallas Morning News.

“Experienced collector needed for fast growing security company. Must be able to make 180 daily collection calls and achieve four hours of talk time during an eight hour shift.”

That is 22.5 calls an hour with no lunch. Less than 3 minutes a call. Where the four hours of talk time comes into play is beyond me. What is important, I believe, is the perception those outside the field of credit and collections have about our profession.

This ad appeared under the Professions section and yet there is nothing professional in expecting someone to work the second most important asset a company has in the same manner as a telemarketer.

The number of accounts handled by credit/collection personnel should be reasonable so that the accounts who are not paying timely can be called and those who are paying can have their disputes, if any, settled timely so that they do not become delinquent. Ideally, no one credit/collector should have in excess of 500 accounts. In fact, the larger the account then the fewer accounts should be assigned. Major customers tend not to be collection problems because they usually pay on a regular basis. They do, however, require more attention than smaller accounts because deductions are usually greater. If one spends too much time with a major account then smaller accounts tend to become past due but if not attention is paid the major account then disputes become more difficult to reconcile.

The average credit/collection representative spends less than 30% of their day on the telephone with the customer either collecting or obtaining information. 70% of their day is spent off the telephone tracking down or researching information provided them by the customer during the collection call.

The average number of work days in a month is 20. 500 divided by 20 is 25 customers a day. The average work day is six and a half hours (even if we spend more hours at the office). That averages out to four customers an hour or fifteen minutes per each customer. I know that sometimes it takes fifteen minutes or more just to make contact with the appropriate party.

So what do you think the answer is? I know all too well that we all have more accounts than we can possibly contact in a 30-60-90 day period. I also know that regardless the answer this trend is not going to change. It is what the accountants would describe as an “absolute.”

I will tell you what in my estimation the ideal number should be. How many accounts is the average sales representative in your organization responsible for? Whatever that number is - the credit/collector should handle no more than twice that number of accounts to be successful.

I wish you well.
Happy Holidays.

***** DECEMBER 2017 *****

Day	Date	Group	Location	Time
Tues	5	Austin Construction	Saltgrass Steak House 10614 Research Blvd, Austin, TX	11:30
Fri	8	Corpus/Victoria/Laredo	SW Credit Exchange Meeting – San Antonio TX	
Fri	8	Rio Grande Valley	SW Credit Exchange Meeting – San Antonio TX	
Thurs	14	SW Food Credit Group	Las Palapas, 4802 Walzem Rd, San Antonio TX	11:00
Wed	21	Fuel & Lube/Heavy Eq.	***** CANCELLED DUE TO HOLLIDAYS *****	
Thurs	21	Austin Ad Media	***** CANCELLED DUE TO HOLLIDAYS *****	
Thurs	21	HVAC Credit Group	***** CANCELLED DUE TO HOLLIDAYS *****	
Fri	17	SW Electrical Group	SW Credit Exchange Meeting – San Antonio TX	
Tues	21	Austin Construction	***** CANCELLED DUE TO HOLLIDAYS *****	
Tues	25	SA Construction	SW Credit Exchange Meeting – San Antonio TX	

Collection Corner

After placing a customer for collection, what should a creditor do when the customer contacts them? If the customer wants to discuss the account, refer them to the agency or attorney representing you. They had plenty of time to “talk” before being turned over. If your customer wants to know a balance, also refer them to the agency or attorney. We can’t count the number of debtors who try to avoid paying legally owed interest, fees, costs, etc. by contacting their creditors.

If the customer wants to pay in person or by mail, resist the temptation to accept the check. Again, defer to the agency or attorney. If the check is sent to you anyway, do not deposit the check, rather forward it to the agency for proper handling and accounting purposes. Once a claim is placed for collection, your goal should be to have as little contact with the debtor as possible. For example, don’t continue to send statements; having more than one entity pursuing the debt may be grounds to file harassment charges.

Let our BCMS Collection Staff go to work for you today! Give us a call at (210)225-7106 or 800-256-5306

EASY ACCESS TO LEGAL INFORMATION

Did you know you could go on-line to get the legal list bulletin? You can download legal information (mechanic liens, state, and federal liens, suits, bankruptcies, abstract of judgments, etc) on any of the following counties: Travis, Williamson, Hays, Cameron, Hidalgo, and Bexar. To access go to our web site at www.bcmstx.com. All you have to do is go to BCMS Online, enter your membership information and make selection under Legal Bulletin. It will bring you to the legal information you need. Select the county, type of legal information and the time period requested. Type in the word **all** at the search information box. Also, you can type in the business name to receive all legal information on that specific company. For help on how to use the legal bulletin on-line give us a call at (210)225-7106.



One of the real joys of the
 Holiday Season is the
 opportunity to express our
 sincere appreciation for the
 part you have played in

