

# Unit 208 Operate credit control procedures

## Unit Summary

---

Assess non-payments and take action to recover monies due.

## Skills

---

You will apply the following skills:

- Organising
- Checking
- Communicating
- Using technology
- Managing time
- Using number
- Recording
- Reading

## Performance indicators

---

You will:

1. Assess the nature of non-payment
2. Identify bad and potentially bad debts accurately
3. Take action to recover monies due
4. Establish the reasons for non-payment
5. Clarify discrepancies and request any outstanding amounts
6. Obtain the customer's agreement to pay the amount owed
7. Agree appropriate methods of payment with the customer and monitor compliance with these
8. Identify continued non-payment and take appropriate action
9. Take the nature and circumstances of the account holder into account when deciding what action to take
10. Keep accurate and up to date records of all actions taken
11. Comply with legal requirements, industry regulations, organisational policies and professional codes

## Knowledge

---

You will know:

1. The sources of financial advice and information at work
2. Your organisation's time-scale standards
3. Your organisation's computer systems
4. Your organisation's filing and information retrieval systems
5. Your organisation's customer service procedures (including dealing with complaints)
6. Your organisation's requirements relating to the application of codes, laws and regulatory requirements, including health and safety, as they impact on your activities
7. The limits of your own personal authority and the action required if a problem is beyond your authority
8. How to access existing business customer records
9. Your organisation's policy and procedures for writing to customers
10. Your customers' payment procedures
11. Ledger systems
12. Your organisation's computerised account set up procedures, including amendment arrangements
13. Different methods of receiving financial information
14. Escalation procedures when dealing with late payments
15. Your organisation's procedures for identifying bad and potentially bad debts

## Evidence requirements

---

This section is aimed at the assessor and sets out the evidence requirements for this unit.

1. Evidence for this unit is generated when your candidate is carrying out real work in a private sector organisation, not-for-profit organisation or public service organisation whether full-time or part-time, paid or voluntary.
2. For this unit, evidence may be collected in an approved Realistic Working Environment or an extended work placement.
3. Simulation is not allowed for this unit.
4. Evidence must show that your candidate has consistently met the standard over a sufficient period of time for you to consider the candidate competent.
5. You may use the following assessment methods when assessing this unit:

Performance evidence	Observation	Yes
	Examination of work products	Yes
Supplementary evidence	Witness testimony	Optional
	Questions *	Yes

\*This includes verbal and written questioning, questionnaires, work based tasks, reflective accounts, case studies, professional discussion and feedback reports.

6. Your candidate needs to show that they:

**Assess the nature of non-payment.** Evidence may include:

- Telephone records
- Account records
- Customer payment records
- Ledger systems
- Aged debtors list
- Customer statements
- Filing systems
- Terms and conditions of payment
- Credit control correspondence

**Take appropriate action to recover monies due.** Evidence may include:

- Correspondence with debtors
- Telephone records
- Account records
- Customer payment records
- Ledger systems
- Aged debtors list
- Customer statements
- Filing systems
- Terms and conditions of payment
- Credit control correspondence
- Monitoring reports
- Action plans

7. Contingencies

Performance Indicator 5	If no discrepancies occur during the assessment period, 'what if' questions may be asked to confirm competence
Performance Indicator 8	If no continued non-payment occurs during the assessment period, 'what if' questions may be asked to confirm competence

8. Evidence generated for this unit may contribute towards Unit 201:

- Communicate information
- Plan and be accountable for your work

- Improve your own performance
- Behave in a way that supports effective working

and Unit 202

- Work to achieve your organisation's purpose and values
- Support sustainability
- Maintain security and confidentiality