

Outsourced Credit Control: The Myths Dispelled

Outsourcing is not the answer for all businesses but, for many, tapping into external resource to carry out a key business function can bring extensive benefits. However, businesses are often deterred from considering outsourcing for a variety of reasons.

Here we tackle 5 myths surrounding outsourcing your credit control function to show that, by working with the right company, you could improve your cash flow and regain the time to focus on your core activity and growing your business.

1 It's expensive

This is a common misconception about outsourcing any task, not just credit control, but when you consider the costs associated with an employee, bringing in the help of the experts can actually be a more cost-effective solution.

With in-house employees, a business has to account for overheads that go beyond their basic salaries including training, holiday pay, pensions, management overheads and even desk space.

Outsourcing eradicates these costs and also lets you ramp effort up or down to adjust to demand in a way that's not possible with full-time employees.

Additionally, the expertise and focus of an outsourced agency will often mean that money is collected more quickly which will improve your cash flow and therefore reduce the costs associated with any borrowing.

2 It's only for big companies

In reality it's often smaller businesses who benefit the most from outsourcing.

Thousands of small businesses are moving towards an outsourced credit control agency because they recognise that credit control is not their expertise and a third party is likely to have better results.

When you only have a small team it's unlikely you'll have the time or resources to manage your credit control without having to neglect key business tasks, but by fully outsourcing this function, you could free up time to concentrate on your business and still get paid.

3 It takes away control

Choosing to outsource this function can be daunting, but a good outsourced credit control agency will know that there's not a one-size fits all solution and will work with your business to create a solution that's fully tailored to your business's needs. So whether you're looking for a fully-outsourced service or just assistance with your in-house efforts, you can remain in control at all times.

4 Customers won't like it

A good outsourced service will be provided on a fully confidential basis so that your customers are unaware of the third party involvement. The outsourced service should act as an extension of your company with an approach that's professional, friendly and mindful of customer relationships. The service can also include a dedicated local phone number and email address so that it appears to be an extension of your company in all aspects.

5 It will damage my brand

The key is finding a company that will respect your brand as much as you do. A good credit control company will get to know your business and its customers and provide a service that complements your brand and nurtures your relationships with customers.

Having a dedicated credit controller at the outsourced company can ensure that they know your business well enough to maintain your relationships.

To find out how Hilton-Baird Collection Services could assist with your credit control, please call 0800 9774848 for a free, no obligations chat with a consultant. Alternatively, email collections@hiltonbaird.co.uk detailing your requirements and one of our team will be in touch.