



activity that few relish and so rarely makes it to the top of a to-do list. There is also a fear that 'hassling' members to pay might drive them to leave.



Clearly then, trade associations would benefit from a professional credit control function, separated from the day to day business. Unfortunately the 'lumpy' pattern of invoicing means that the need is concentrated (or should be!) in only a few months of the year.

An outsourced credit control function makes tremendous sense, even for larger organisations.

## Immediate Results

The Solar Trade Association (STA) faced just such a set of challenges when it was introduced to My Credit Controllers (MCC).

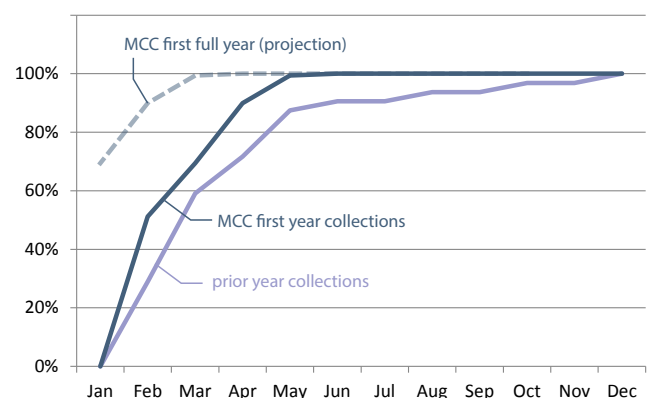
The STA issues invoices each December with payment due by January 31. In the past, an early settlement discount for members paying before December 31st was offered. Despite this a significant number of invoices remained beyond terms at the end of January. Many members took the discount in any case, irrespective of when they paid.

The chart shows the progress collecting of beyond terms membership fees. In the year prior to the appointment of MCC, chasing members for payment dragged on until December.

MCC started work with the debtor book at the end of January. By May, 99% of the invoices had been paid, fully six months ahead of the previous year. Next year, MCC can start work on collecting invoices sooner, and based on last year we anticipate completing collections by March.

Our outsourced credit control service is delivering budget certainty and releasing staff for core activities. In addition, the service is cost neutral due to the saving from dropping the early settlement discount.

Graph - beyond terms invoices collected at month end (as a percentage of the total successfully collected)



Membership organisations can budget with confidence once they know who is going to pay their annual fees. My Credit Controllers has helped the Solar Trade Association collect payment from members faster than ever before.

## Background

Trade associations often invoice their members annually at the beginning of their financial year. Unfortunately, paying membership fees to support their association can often take second place for many businesses when compared to paying invoices for more pressing or tangible business needs.

The impact of members paying late is two-fold. Firstly, the association cannot plan its expenditure if it is not certain how much of the invoices issued will eventually be paid. Secondly, the often stretched staff of the association have to divert their time to chasing members for payment, an

"My Credit Controllers offers an excellent service for a fair price and yielded immediate results. I can now spend more time on my own job, helping the association grow"

Paul Barwell, CEO,  
Solar Trade Association