

Credit Department Ethics

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Some basic ethical guidelines for the credit and collection department include these concepts:

1. All decisions must be made in the best interest of your company
2. Every member of the credit department has an obligation to report potential conflicts of interest
3. If you even think there might be the appearance of a conflict of interest, disqualify yourself from making the decision
4. Do not accept gifts from vendors, customers, or salespeople because doing so might bias your actions or decisions
5. You have an obligation to report unethical or unlawful behavior when you observe it
6. Act in a way in which you seek to avoid even the appearance of impropriety
7. Don't develop close relationships with credit managers with competitor companies
8. Don't play favorites with your direct reports
9. If information with you is provided in confidence, make certain that you honor that obligation to maintain the confidentiality of that data
10. Avoid having any off-the-record conversations with other creditors

Michael Dennis is one of our key instructors teaching various programs in our training collaborative. Michael is the author of "Credit and Collection Handbook" and "Credit and Collection Forms and Procedures Manual."