

# Global Credit Management

## An Executive Summary

**Ron Wells**

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# Global Credit Management

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## Preface

Credit has the power to drive your business beyond your ambition. Effectively harness this power and it will prove the foundation of your success. Let this power out of your control and it could destroy all your efforts to build a flourishing enterprise.

Harnessing credit power is the responsibility of every employee, just as it is the responsibility of every executive. Avoiding the negative propensities of credit power is an equal responsibility.

Loss of creditworthiness, loss of trust, can drive a healthy business to ruin, just as a substantial amount of bad debt can bankrupt a company.

Credit power propels modern commerce and industry. In yesteryear credit power enabled Henry Ford to make mass production work. If his customers had been forced to “save up” to buy the Model-T, the demand-pull to justify mass production would not have existed. Henry’s great achievement would not have seen the light of day.

Today the emphasis is on supply chains, rather than mass production, but the fact is that credit power is the grease that keeps these virtual production lines functioning.

Credit is about trust and trust is like truth, just as truth is like reality. As reality changes so what is true one day may not be true the next. Hence as circumstances change, what can be trusted today may not be trusted tomorrow. Thus harnessing credit power is about understanding that credit is believing a future event (being paid on time) will occur. Not on the grounds of faith. On the grounds of understanding the forces that will cause that event to occur.

Take credit power by the throat, understand the forces that drive people to pay or not to pay. Understand how to make those forces press home their influence at the right moment.

Likewise, take control of the credit profile of your business and see your fortunes blossom. Suppliers will rush to fill your purchase orders, and bankers will inundate you with offers of money.

Establish confidence you will pay and be paid. Then you will be able to expand your business aggressively, yet safely. You will power past your competitors and survive “the slings and arrows of outrageous fortune” (*Hamlet*, III. i. 58).

Discover the vital life force of your business through the medium of this book, discover *credit power*.

Ron Wells



Part I

Credit Power and Business Development:  
The Strategic Overview