

Get Your Money

A Newsletter by Assegai Communications

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Dear Reader

Reading time: 4 minutes

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DON'T DO THE DIVORCE THING!

Do you want to keep your customers, and get them to pay? If so, don't divorce them!

Too many businesses divorce customer service from 'money recovery' in their businesses. Like a divorce in your family, this can be a disastrous decision, though in extreme cases it may be occasionally necessary.

The ideal of 'customer service' imbues all the positive aspects of our relationship with the customer – we strive to keep the customer by ensuring that he, she or it is receiving positive attention, is assisted in acquiring the goods or services needed and is kept happy. In all well-managed concerns, this function is driven by the sales team. It should be followed up by the rest of the squad however, to avoid a divorce when the customer has contact with personnel from other departments – especially the credit department.

A salesperson may work for months – or even years, to develop a good relationship with a customer. The sale, when it is finally secured, is a reward for all the hard work, and in many cases, it marks the end of the hard work by the sales person. Considering the job to be done, the sales person switches his focus to other prospects, leaving it to the rest of the team to 'mop up'. Mistake! Unless everybody else is highly attuned to customer care, the relationship with

the customer may crash. Payment may, in fact, be the event, which causes the collapse of the relationship. When a customer is faced with a hard, possibly belligerent (as some are) credit enforcer who is not familiar with the customer, nor sensitive to his needs or special problems, problems can arise. The change in tone can repulse the customer and actually cause, or aggravate, a resistance to payment. The supplier loses a customer and gains a bad debt.

Does this mean we must pamper non-payers? No, of course not. However, we should involve those of our staff members who know the customer, when dealing with the issue of payment. It must in fact begin at the very start of our company's relationship with the customer. Making it as easy as possible, for the customer to pay, is an integral part of customer care. Just as it is part of the credit control process. The two aspects are different sides of the same coin. Divorce them, and you may invite payment problems and lose customers who might otherwise be retained.

LEGAL NOTE: THE SHERIFF'S MISSION

The Sheriff of the court, whether we are using the Magistrate's Court, or the High Court – is not a modern day 'Lone Ranger'. He is not in business to help you get your money, as such. An independent contractor, he is also an officer of the court, appointed to perform certain tasks. The 'service' (delivery) of summonses, is the first of these which most of us come across. A summons must be 'served' on the Defendant. The Sheriff serves the summons at the address, which has been given to him. If the summons is to be served on an individual and it appears that the address on the summons is the wrong one, do not expect the Sheriff to make any enquiries – for example, by asking the supervisor in a block of flats if the Defendant occupies one of the other flats. The Sheriff will do nothing of the kind. He will merely note the fact that the debtor does not reside there, and return the summons to the attorney, together with his account. He must be paid, whether the attempt to serve is successful, or not. He is not a detective.

The same warning applies, when we instruct the Sheriff to attach goods, with a 'writ' or 'warrant of execution'. While he is obliged to look for attachable items, he is not a magician – he cannot see into safety deposit boxes and he will not question the debtor about investments, insurance policies and the like. It follows that the Sheriff must be given clear, accurate instructions when he is asked to serve any court process. Addresses must be correct – include a map, or directions, when addresses are difficult to locate. When dealing with a warrant of attachment, try to give the Sheriff a clear indication of the assets to be attached. If a thorough investigation was done before extending credit, you may have an idea of what attachable assets the debtor has. Describe these in as much detail as you can, so the Sheriff knows what to attach.

The Sheriff has a tough job. Make it a little easier, if you want positive results.

THE SHADOW OF APRIL

April was a bad month, for many businesses. It follows, that some of your customers will be short of money. Perhaps payments will be missed, or late. Make contact anyway; show an understanding for their predicament and press for a double payment in May or June.
