

Credit Manager Europe

FECMA Magazine for European Credit Managers



**Customer Segmentation
in Accounts Receivable**

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European Best Practices in Credit Management



Inspiration for
Credit Managers



DIRECTORY & FOREWORD

Dear Credit Managers

As we navigate the complexities of 2025, one truth stands out: trade credit management is no longer a back-office function — it is a strategic imperative. In today’s volatile global economy, credit managers are at the forefront of safeguarding financial stability, enabling growth, and mitigating systemic risk.

The economic landscape has shifted dramatically. According to UNCTAD, global trade in goods and services expanded by approximately US\$300 billion in the first half of 2025, with goods contributing US\$230 billion and services US\$70 billion. Yet, this growth masks underlying fragilities. The average U.S. tariff rate has surged to 17.4%, the highest in over a century, triggering ripple effects across supply chains and credit portfolios worldwide. In Europe, insolvencies rose by 17% in 2024, with mid-sized companies seeing a 30% increase, particularly in manufacturing and wholesale sectors.

These figures are not just statistics — they are signals. Signals that credit risk is intensifying, payment delays are accelerating, and the domino effect of business failures is becoming more pronounced. In this environment, the role of the credit manager has evolved. We are no longer just assessing creditworthiness—we are forecasting risk, shaping policy, and driving resilience.

The challenges are multifaceted:

- Geopolitical tensions and trade wars are reshaping global commerce.
- Policy uncertainty is distorting interest rate expectations and refinancing conditions.
- Digital transformation is redefining how we assess and monitor credit risk.
- Human resource pressures and fragmented data systems are testing operational capacity.

But with challenge comes opportunity. Credit managers today have access to advanced tools—dynamic risk scoring models, multi-bureau data analytics, and early warning systems—that empower smarter, faster decisions. The key is to embrace these innovations, foster cross-functional collaboration, and remain vigilant in the face of uncertainty.

So, what’s next?

This edition of the magazine is a call to action. It invites you to rethink your strategies, retool your systems, and recommit to excellence in trade credit management. Whether you’re navigating tariff impacts, restructuring portfolios, or building resilience into your receivables, your leadership matters.

Let us rise to the occasion — not just to protect our organizations, but to shape a more stable, transparent, and resilient credit ecosystem.



Robert Dyrz
President, FECMA

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Customer Segmentation in Accounts Receivable

Experienced people in business would agree that every customer is unique. Customers have different aims, agendas, needs, expectations, set of resources to manage their own business concern and may also differ in their structure and internal business culture. Customers also differ in the way they communicate and build business relationships with various stakeholders. This makes customers different in their own way!

Josef Busuttill

Director General, Malta Association of Credit Management (MACM)

People involved in the field of Marketing strongly pronounce that it would be a failure for a business to consider every customer the same, as customers have different needs, wants, perceptions and behave differently. Very often, Marketers refer to Henry Ford who famously said that “you can have any colour you want as long as it’s black” when referring to Model-T produced by Ford. However, the market reality was that there were people with different expectations who wanted other colours, faster cars, bigger cars, and different types of cars. When other car manufacturers identified these wants, they found profitable markets which Ford was not satisfying and gained competitive advantage in the automotive market.

This customer phenomenon does not only apply for marketing but also for credit and cash flow management. Credit practitioners know well that customers differ in their paying behaviour! There are customers who pay on time, others pay only when reminded, and others who pay variably late and for different reasons. There are also debtors who are always trying to avoid payment and never honour commitments and agreements!

Therefore, to manage differences in customers’ behaviour, customer segmentation is strongly encouraged not only for the Marketing Teams, to promote and sell a product or a service in identified markets and niches, but also for the Credit Management Teams to manage Accounts Receivable effectively and achieve sound cash flow.

One must remember that competition exists not only when selling a product in a market but also when trying to get paid as there are other creditors chasing the same customers to get paid themselves! Hence, segmentation should also play an important role in AR Management and in the collections of dues for a number of benefits, which will be explained later in this article.



“ Credit practitioners know well that customers differ in their paying behaviour! There are customers who pay on time, others pay only when reminded, and others who pay variably late and for different reasons.”

Segmenting credit customers has several advantages which should help to facilitate better efficiency and effectiveness in managing AR, only if customer segmentation is done using customer's payment behaviour as one of the criteria. One can easily be deceived by segmenting credit customers using only the following criteria:

- Geographically
- Demographically
- Product or product portfolio
- Order size
- Order frequency
- Size of the customer

Although in some businesses the above criteria may be necessary to segment credit customers, segmenting customers or sub-segmenting customers according to the customer's paying behaviour is critical as there are various benefits to manage AR effectively and efficiently:

a. Understanding Customers – The credit practitioner should ask a simple question: Why is this customer paying late? Hence, identifying and understanding the customers' behaviour and internal culture. Paying late may also be the result of the needs, expectations and perceptions of customers which are critical for KYC purposes and the monitoring of AR.

b. Customer relationships – Knowing and understanding customers' needs and wants would help to build and sustain good customer relationships in order to keep customers buying and paying.

c. Allocation of resources – Segmentation according to the customers' paying behaviour would help credit managers to allocate their limited resources where they are most required and most effective. Hence, communicating with the proper segment of credit customers systematically and when necessary.

d. Time Management – allocating more time to those customers who may have, or perceive that there is, a dispute. One should never expect customers to continue buying and paying for their purchase/s unless a dispute, 'or a perceived dispute by the customer' is resolved. It is the role of the credit practitioners to identify such doubts and disagreements in order to take the necessary action/s and resolve them asap. Thus, keeping customers satisfied and loyal.

e. Strategic planning and action – knowing only the customers' paying behaviour, brings with it an acknowledgment that particular customers would require distinctive strategies and actions in a timely manner together with identifying the proper means of communication with such customers.



“The credit practitioner should ask a simple question: Why is this customer paying late? Hence, identifying and understanding the customers' behaviour and internal culture.”

To conclude, credit practitioners should be more systematic and organised in managing AR. Cash flow is important for a business and it should be managed effectively. Living in a competitive environment with customers demanding for more credit, and internal resources are becoming more rationed, gone are the days to manage AR without having a systematic and effective approach. Forget chasing customers alphabetically! Customers should be contacted when it is appropriate, and this can only be achieved by segmenting the credit customers according to their payment behaviour!



Josef Busuttil
Director General, Malta Association of Credit Management (MACM)



Unintended consequences

Credit managers have always faced challenges – it is part of the job, and no apology is made for pointing out that the credit road has long been plagued by potholes and speed bumps. It is what makes the profession interesting in every respect, and no credit manager worth his or her salt would consider even for a moment not facing those challenges and making every effort to fill in those potholes and flatten those bumps.

Glen Bullivant FCICM

Chartered Institute of Credit Management (CICM)

We need to win more than we lose – business would not survive without us, let alone prosper, even if the reality is that we may not win them all. Obstacles in our path take many forms, some more obvious than others, but all to be tackled with skill and determination. Events well beyond our control shape the way in which we ply our trade – the 9/11 attack on the World Trade Centre in New York City, for example, changed the travel patterns for business and pleasure and hastened the use of video conferencing and on-line meetings. It is hard for us to remember now, but before 9/11 boarding planes was almost as easy as boarding a bus or a train. Nearly 25 years later, those air travel restrictions still apply, even though technology in screening has advanced and limits on liquids carried in hand luggage increased. It is still the norm to say, “if you have time to spare, go by air!”

Air travel is only a minor consequence of such an event and only impacts upon the habits and culture of those who do actually use such services for business or leisure – a sizeable minority it is true, but it does not represent a major cultural shift across society. Of much greater importance is the huge explosion in social media in recent years which, combined with the Covid-19 pandemic of 2019-2021, has led to an almost complete change in human behaviour in both the work environment and the way in which we communicate with each other. The pandemic and ensuing “lock downs” catapulted work society into an almost total reliance on technological interaction – online meetings, working from home, greater use of SMS and email, and a near extinction of face-to-face encounters. It also accelerated the use of social media as a source of information – it has been estimated, for example, that 60% of people aged under 25 now source their news from social media rather than the traditional platforms (BBC and ITV in the UK). Indeed, it was recently reported that YouTube is now second only to the BBC as the viewing platform for 16–24-year-olds in the UK. The real danger is that there has developed a reliance on what has become known as “fake news”, something which some world leaders today appear to promote and encourage where it suits their purposes. The British Broadcasting Corporation

launched a service called BBC Verify where it tries to filter the real from the fake and presents only facts that they can verify as true. This is proving difficult on two fronts; firstly, they have to be seen as balanced and unbiased (the BBC is not a government mouthpiece), and secondly, they have to report from areas and on subjects where for whatever reason governments domestic or foreign, do not allow journalists or freedom of speech. Social media is awash with conspiracy theorists, biased opinions and unfiltered opinions, and it follows therefore that fact and fiction merge. Credit professionals make credit decisions based upon verified factual information – filed company accounts, payment history, industry standards and the rest – and those credit decisions generally discount gossip and inuendo.

The decline in face-to-face meetings and real human contact has brought about an alarming deterioration in the ability to not only read the tell-tale signs of body language, but also the understanding of the importance of language in written communications. When credit managers met with potential customers (not to mention actual debtors), looking eye to eye gave prime indications of truth or not so true – the credit manager needs to distinguish between what is genuine and what may be just an excuse. Many of us honed our skills by being in the company of experienced colleagues in the office – listening to their conversations with customers or simply chatting at the coffee machine. If all work is now done from home, remote from the workplace environment, such experiences are lost and are very

“Credit professionals make credit decisions based upon verified factual information – filed company accounts, payment history, industry standards and the rest – and those credit decisions generally discount gossip and inuendo.”



difficult to replace or to replicate elsewhere. Human beings are basically herd creatures – we benefit from each other, even if being alone makes a nice change from time to time. The combination of isolation from a group workplace and the bombardment from social media platforms has also damaged a fundamental skill required by credit managers. Awareness is about understanding the world around us – the real world inhabited by real people, and as such said world is both large and small. In other words, awareness is about each other. One easily recognisable value of the importance of knowing what is going on around us is driving a car. Learner drivers are taught the rules of the road, the meaning of traffic signs, speed limits and all the rest, but the greatest lesson lies in knowing what everyone else is doing and making allowances and decisions based upon their actions as well as your own. Driving off the car ferry at Dover after driving across the European mainland for two weeks, the first signs greeting the driver would be “Keep Left”, and that sign is repeated many times. The driver is expected to remain aware of keeping left when in the UK – mind you, I have often heard it said that the Brits drive on the left, the Germans drive on the right, and the Italians drive in the shade.

Awareness show itself in other ways. When a credit professional visits a customer or potential customer in the company of a sales colleague, it is more often than not that they both look at the same thing in the office or warehouse but actually see that same thing differently, or put another way, form a different interpretation of what they are actually looking at. Well stocked shelving in the warehouse may look healthy to one, but the level of dust on the cartons may tell the other a tale of slow stock movement. On the other hand, it may be that the two colleagues are looking at two different things and not just the same thing differently – we both see the same number of staff, but do we both see the same morale level? It is often the case that the customer ticks all the right financial boxes, but the visit reveals something which gives cause for concern. In other words, it is imperative that people meet people when circumstances dictate, and video conferencing and email communication does not tell the complete story. We can all see things differently and we make our own interpretations. When reading Agatha Christie’s “A Pocketful of Rye!”,

The importance of language in written communications is vital to achieving understanding, results and desired outcomes. We take the spoken word for granted in so far as the tone of voice or the emphasis placed on certain words accurately conveys meaning. The written word can be ambiguous or open to misinterpretation if not correctly punctuated or even spelled incorrectly. Take for example a company operating in the UK

“The decline in face-to-face meetings and real human contact has brought about an alarming deterioration in the ability to not only read the tell-tale signs of body language, but also the understanding of the importance of language in written communications.”



called Vernon Land Transport. Is that a land transport business run by the Vernon family or a transport business run by the Land family, the head of which is Vernon Land? The spoken word makes it clear by emphasis – “Vernon Land Transport, how may I help you?” or “Vernon Land Transport, how may I help you?” It is also true to say that the difference between the response to a statement being an acceptance of fact or an expression of doubt is in the tone and emphasis in the voice. In written form, that difference has to be made by punctuation. Customer – “I will make the payment tomorrow”; Seller – “Really!” or “Really?” Spot the difference. The English language is notorious for lack of structure and for words spelled the same but meaning something different in another context. A citizen of Warsaw may be Polish, but polish makes the car paintwork shine – the distinction is made by the correct application of upper and lower case.

It is also true that in this social media age, awash with innumerable communication methods, it is easy to forget that a business-to-business email is nothing more or less than a business letter – it is simply delivered electronically, rather than typed, signed, put in an envelope and posted. It is not a party invite for mates – “Hiya, Jack – how you doing?” is not suitable – “Dear

Jack” (or Mr Smith if not that familiar) is more acceptable. Many companies now include email etiquette, rules and ethics in their employee handbooks and also now in their credit policies. The golden rule is that the BtB email should be written as it was a letter on company headed stationery.

Human beings need each other, whether we like it or not and we lose the ability to communicate effectively at our peril.



Glen Bullivant FCICM
Chartered Institute of Credit
Management (CICM)



Origins of Credit Management in the United States and Europe: history, context, and evolution

Credit Management is today a strategic business function that combines financial analysis, risk management, negotiation, and debt collection. Its core objective is to enable companies to extend credit in a profitable and secure way, balancing sales growth, liquidity, and risk. Although today it is a globalized discipline, its roots developed independently in the United States and Europe, each shaped by its own economic history, legal framework, and commercial traditions.

Enrique Rosas González

CEO Rosas & Nash, in collaboration with Asociación de Gerentes de Crédito (AGC)

Historical background

Before specialized departments or even the formal concept of a Credit Manager existed, credit transactions were based almost entirely on trust. For centuries, merchants, farmers, and craftsmen sold on credit relying on the buyer's reputation and third-party references. In England, France, Germany, and the Netherlands, trade fairs served as meeting points to agree on payment terms and credit conditions. Since the Renaissance, the bill of exchange and promissory note were used to formalize debts and facilitate international trade. The Napoleonic Code of 1807 in France, and English insolvency laws, laid the legal groundwork to regulate transactions and bankruptcies.

Early United States

In the 18th-century American colonies, credit was essential for agricultural and maritime trade. Unlike Europe, however, the legal environment was less regulated and more contractually flexible, which encouraged private solutions for assessing creditworthiness. The United States was the first country to shape Credit Management as a structured business and professional field, driven by three forces: territorial expansion, industrialization, and an entrepreneurial mindset.

Creation of credit agencies

In 1841, Lewis Tappan founded The Mercantile Agency in New York — the first organization dedicated to collecting and centralizing information on merchants' creditworthiness. The system relied on a network of correspondents sending written reports, organized into files accessible to clients. Decades later, the agency evolved into R.G. Dun & Company, which merged with the Bradstreet Company in 1933 to become Dun & Bradstreet, a global leader in credit information.

The rapid expansion of industry and railroads in the second half of the 19th century increased the need for longer payment terms and greater volumes of trade credit. In 1896, the National Association of Credit Men (now the National Association of Credit Management – NACM) was founded to:

- Establish credit evaluation standards.
- Create ethical codes.
- Promote the training of specialized professionals.

Cultural influence

The U.S. legal environment, rooted in common law and pragmatic business practices, favoured experimentation and the creation of private tools for credit management, in contrast to Europe's more centralized, state-driven legal traditions.

Europe developed its own credit management model, more closely tied to mercantile traditions and public regulation.

“The United States was the first country to shape Credit Management as a structured business and professional field, driven by three forces: territorial expansion, industrialization, and an entrepreneurial mindset.”



United Kingdom and the Commonwealth

Since the early 19th century, publications such as The London Gazette (1803) included official listings of bankruptcies and insolvencies, serving as early warning systems for merchants. Britain's highly international trade network promoted the use of trade references and commercial networks to assess customers.

France and continental Europe

The French Commercial Code of 1807 provided detailed regulations on credit instruments, insolvency procedures, and commercial liabilities. While this legal framework offered security when granting credit, it also made processes more bureaucratic compared to the U.S.

Germany and Central Europe

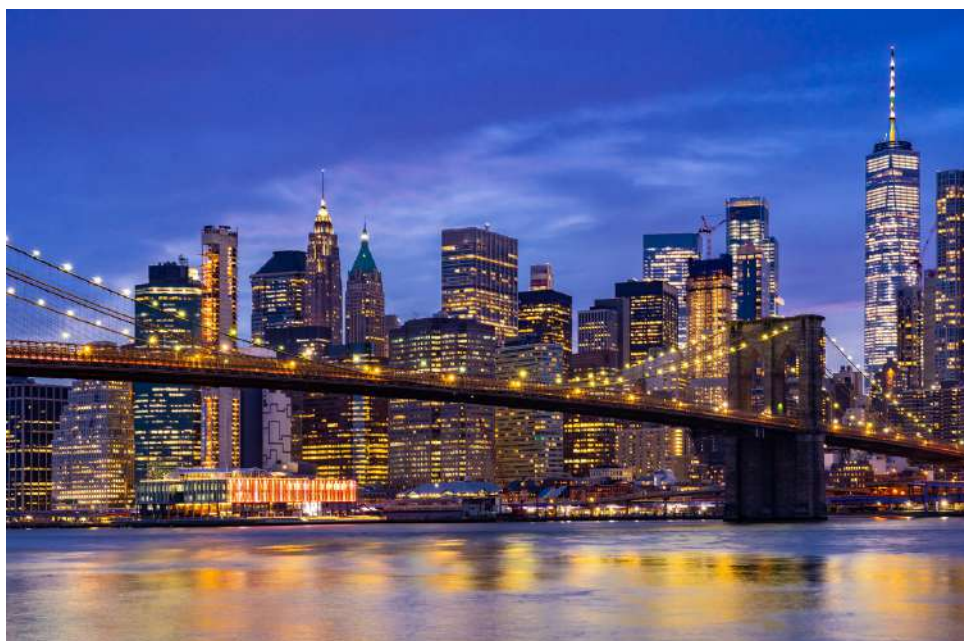
In the late 19th century German Empire, commercial registries and credit information offices linked to banks and cooperatives became central to credit assessment. Germany's culture of precision and accounting discipline fostered a more conservative and methodical approach.

Convergence and globalization

In the second half of the 20th century, the two models began to influence each other. 1950s: U.S. multinationals exported Credit Management methods to Europe during post-WWII reconstruction. 1970s: The Federation of European Credit Management Associations (FECMA) was founded to promote European standards and professional training. 1990s: Digitalization and computerized credit scoring narrowed regional differences. 21st century: Credit Management became integrated into global risk management and customer relationship management (CRM) strategies.

Legacy and present-day relevance

The history of Credit Management reflects the evolution of modern commerce. In the United States, the emphasis has been on creating private, flexible, and scalable solutions. In Europe, the contribution has been strong legal frameworks and structured mercantile traditions. Today, the most effective systems combine U.S. agility with European legal solidity, adapting to a world where information speed and risk management are decisive for competitiveness.



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Navigating Credit Risk Amid Supply Chain Disruptions: The Case of SIDMA and the European Steel Industry

The European steel industry stands at a crossroads. Years of global overcapacity, trade distortions, and regulatory changes have culminated in a new era of uncertainty for steel producers, distributors, and end-users. For SIDMA STEEL S.A., a leading steel distributor in Greece, these disruptions are not just abstract policy debates—they are daily operational realities that directly impact credit risk and business sustainability.

Michalis Samonas

General Manager, SIDMA STEEL S.A., Hellenic Association of Risk Managers (H.A.RI.MA)

The Steel Supply Chain Under Pressure

Since 2008, EU steel production capacity has shrunk by over 35 million tonnes, with thousands of jobs lost and further closures announced. The COVID-19 pandemic, followed by geopolitical tensions and inflation, accelerated this decline. However, the most recent and impactful disruptions stem from trade policy shifts: the introduction of import quotas, the Carbon Border Adjustment Mechanism (CBAM), and the 'melt and pour' origin rules.

Tariffs, Quotas, and CBAM: A New Trade Regime

The European Commission, responding to the existential threat posed by global steel overcapacity, is moving to replace the temporary safeguard regime with a highly effective steel trade measure. This includes:

- **Tariff-rate quotas (TRQ):** Setting strict import market shares for steel products, with above-quota tariffs proposed at 50%—mirroring recent U.S. actions.
- **CBAM:** Imposing duties based on the carbon intensity of imported steel, aiming to level the playing field for EU producers investing in decarbonization.
- **Melt and Pour Rule:** Tracing the true origin of steel to prevent circumvention of trade measures.

These policies are designed to restore viable capacity utilization for EU steel producers, promote decarbonization, and protect strategic industries. However, distributors like SIDMA introduce new layers of complexity and risk.

The Impact on SIDMA's Operations

SIDMA sources steel from both European and non-European suppliers. The new quotas and tariffs have led to several immediate challenges:

- Foreign suppliers are reluctant to provide price quotes. With CBAM and quota rules still being finalized, the final landed cost of imported steel is unknown. This uncertainty makes it difficult to plan purchases and negotiate contracts.
- Local steel prices are rising. Reduced competition and constrained supply have driven up prices for all steel products, affecting SIDMA's cost base and pricing strategy.
- Clients face higher costs and liquidity pressures. Construction firms, manufacturers, and other end-users must absorb these increases, often with fixed project budgets and tight margins.

How Tariffs, Quotas, and CBAM Affect Creditworthiness

For SIDMA's clients, construction companies, manufacturers, and processors, the new regime means:

- **Higher input costs:** Tariffs and CBAM duties increase the price of steel, squeezing margins and potentially making some projects unviable.
- **Uncertainty in planning:** With suppliers unable to provide firm quotes, clients face difficulties in budgeting and risk management.

- **Liquidity stress:** Rising costs and delayed deliveries can lead to payment delays, defaults, and requests for extended credit terms.
- **Reduced competitiveness:** EU-based firms may struggle to compete with global rivals not subject to the same regulatory burdens.

For SIDMA, this translates into heightened credit risk. The company must carefully assess which clients can weather the storm and which may be at risk of insolvency. Credit insurance, while helpful, is not a panacea—insurers themselves are reassessing risk considering the new trade environment.

Credit Risk: The Domino Effect

The volatility in steel prices and supply has a direct impact on credit risk throughout the whole value chain:

- **Payment delays and defaults:** SIDMA's clients may struggle to pay on time due to project overruns or cash flow shortages, increasing the risk of bad debts.
- **Difficulty in credit assessment:** Traditional financial metrics are no longer sufficient. Credit managers must now evaluate clients' exposure to regulatory changes, supply chain agility, and their ability to pass on costs.

“Clients face higher costs and liquidity pressures. Construction firms, manufacturers, and other end-users must absorb these increases, often with fixed project budgets and tight margins.”

- Pressure on SIDMA's own liquidity: As procurement costs rise and receivables become less predictable, SIDMA must carefully manage its own working capital and credit lines.

Strategic Responses from SIDMA

To navigate this environment, we have implemented several key strategies:

- Flexible Credit Policies: Dynamic credit limits and payment terms that adjust based on market conditions and client risk profiles.
- Enhanced Risk Monitoring: Close collaboration between credit, procurement, and legal teams to track regulatory developments and supplier reliability.
- Client Communication: Transparent discussions with clients about potential delays, price fluctuations, and the impact of new trade measures.
- Supplier Diversification: Reducing reliance on single-source suppliers to mitigate risk, though this often comes at a higher cost.
- Scenario Planning: Financial models simulating different CBAM outcomes, quota scenarios, and their effects on margins and receivables.

Scenario Planning: Valuing Uncertainty in Credit Management

In today's volatile steel market, traditional forecasting is no longer sufficient. At SIDMA, we have adopted advanced scenario planning techniques, from single-path DCF to scenario analysis, stochastic simulation, and contingent valuation, inspired by the 8th Edition of *Measuring and Managing the Value of Companies* by McKinsey & Company (see Figure 1). Our aim is to anticipate a range of possible outcomes for steel prices, supply chain disruptions, and regulatory changes, such as CBAM and quotas.

This approach is essential for effective credit management, as it allows us to stress-test our receivables portfolio and adapt our credit policies dynamically.

The Role of FECMA and European Coordination

These challenges highlight the need for coordinated action across Europe. Credit

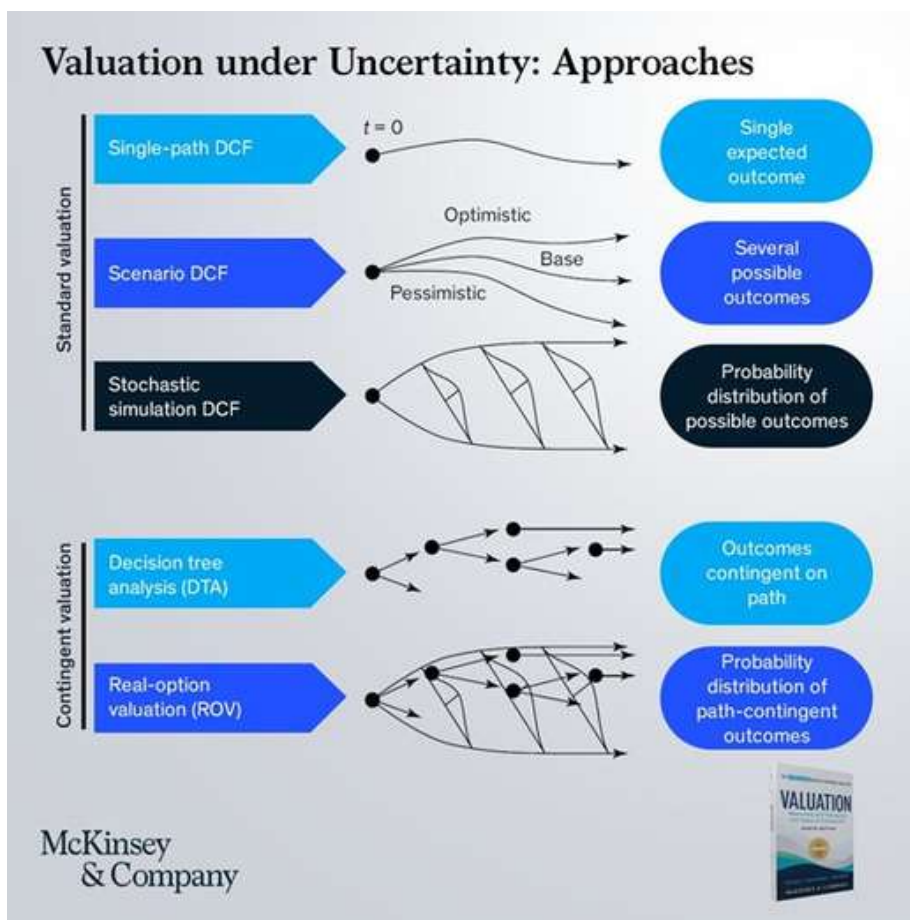


Figure 1: Approaches to valuing uncertainty in credit management, from single-path DCF to scenario analysis, stochastic simulation, and contingent valuation Source: McKinsey & Company. *Valuation: Measuring and Managing the Value of Companies* (Wiley Finance) 8th Edition.

managers, CFOs, and industry bodies must share best practices, harmonize data standards, and engage in dialogue with regulators. FECMA, with its pan-European reach, is uniquely positioned to facilitate this exchange and advocate for policies that balance industrial resilience with market stability.

Conclusion

The steel industry's experience is a microcosm of broader trends in European supply chains. Credit risk is no longer just about financial statements—it's about understanding the interplay of trade policy, regulation, and global market dynamics. For SIDMA and its peers, resilience means staying informed, staying agile, and staying

connected. As the EU moves forward with its Steel and Metals Action Plan, companies must adapt their credit management strategies to a rapidly changing environment. The lessons from SIDMA and the steel sector offer valuable insights for the entire European credit community: in times of disruption, proactive risk management and open communication are key to sustaining business and supporting clients.

"In today's volatile steel market, traditional forecasting is no longer sufficient. At SIDMA, we have adopted advanced scenario planning techniques. Our aim is to anticipate a range of possible outcomes for steel prices, supply chain disruptions, and regulatory changes, such as CBAM and quotas."



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The AFDCC, for the first time in Casablanca

Requests for information to the AFDCC to understand and know the field of credit management by people based in Morocco and partners represented in this country have been increasingly frequent in recent years. This demonstrates a clear interest in finding solutions to struggle against long payment delays and significant level of insolvencies.

Eric Latreuille

VP International, L'Association des Credit Managers et Conseils (AFDCC)

Morocco, ideally located at the crossroads of Africa and Europe, is becoming a leading economic hub with a certain economic boom, a country that will host the future African Cup and the football World Cup.

It was also relatively spared in the trade war triggered by the USA, with an increase in the customs rate of only « 10 % ».

According to the estimates and analysis of Luis Dalmau Taules, Allianz Trade's emerging markets economist, Morocco's growth remains strong with a rate of 3.6%, slightly corrected compared to the initial forecast of 3.7% (before the announcements of customs duties). It is the first country with Egypt in the region, which displays this dynamism.

The growth engine that was agriculture before Covid-19 has been replaced by the industrial and services sector (tourism showing record results in 2024).

Morocco has also regained a leading role (outside of China) in the attractiveness of the value chain in the industrial field.

We were approached with Gérald Hallais, member of the executive committee AFDCC and VP Finance of the association by important partners to intervene in remote events (webinars).

- Attijariwafa bank (representing BPI's interests for Morocco), the first commercial bank in this country.
- The CFCIM: French Chamber of Commerce with headquarters in Casablanca. It is the first commercial chamber in the world as an establishment abroad compared to the developed activity. Four thousand companies are members.
- Allianz Trade (our historical partner), the leader in credit insurance in Morocco with a market share of 51%.

These webinars around the following themes:

- What does credit management consist of
- Contribution to providing solutions to businesses
- Credit management optimization

Allowed us to generate interest for 60 to 80 attendees.

In a second phase, we organize with Allianz and the CFCIM an event in Chamber of Commerce at the room's premises with the presence of sixty people on Tuesday, May 27.

The program was as follows:

- Introduction by Jean-Charles Damblain, General manager of the CFCIM
- Second introduction by Stéphane Rutili, General manager of Morocco Allianz Trade
- Economic Outlook 2025-26 World & Morocco, by Luis Dalmau Taules, emerging markets economist Allianz Trade
- Control of non-payment risks in companies, by Eric Latreuille VP International AFDCC and Souphian Massoudi, co-delegate IDF AFDCC
- Protection of account receivable by credit insurance by Nabil Khabir, director of crédit Allianz Trade.

Our intervention with Souphian highlighted the significant progress made by Morocco, both in the creation over the past three years of the Observatory on Payment Periods (very comprehensive statistical studies) and in the implementation of law 69-21.

This law, which aims to combat excessive payment delays and the risk of company failures, is structured around the following points:

- Mandatory declaration with the Morocco authorities of any payment made to suppliers beyond the legal deadline.
- 60 days as payments terms, if no agreement settled.
- 120 days max, if agreement settled.
- 180 j days by decree for certain sectors subject to strong seasonality
- Financial penalties in case of non-compliance with these dispositions.

Many questions lasting 45 minutes were asked to all the stakeholders, demonstrating a certain interest in optimizing the management of the client position.



AFDCC remains fully available to support credit management needs, notably through training on key topics:

- Collection and dunning process (Level 1: Efficiency of dunning process and be paid on time, Level 2 : Reinforcement of dunning methods),
- Risk assesment,
- How to organize a credit management structure.

This event allowed us to become better known as credit management specialists and consider other developments with companies present in Morocco.

On behalf of the association, I especially thank Gérald and Souphian who contributed to the success of this event.



Eric Latreuille
VP International, L'Association
des Credit Managers et
Conseils (AFDCC)



European Best Practices in Credit Management



Inspiration for
Credit Managers



The (Evolving?) Profile of the Credit Professional

To better understand the profile of today's credit manager — and other credit professionals — Ludo Theunissen, Chairman, IvKM - Institute for Credit Management Belgium spoke with Sven Bruggeman, founder and managing partner of iCredit, a Belgian firm specializing in recruitment and outsourcing, particularly for positions in credit management and working capital.

Ludo Theunissen

Chairman, IvKM - Institute for Credit Management Belgium

How do you see the profile of the credit manager?

Based on 20 years of experience, I see two distinct types of credit professionals. On the one hand, there are the more financially and analytically oriented profiles. Slightly more often, we find the more commercially oriented ones.

Interestingly, many credit managers fall into the profession more by chance than by choice. Credit management is still largely unknown territory for graduates, meaning few candidates deliberately start their careers here. Often, someone takes responsibility for credit management through internal promotion or role change. Once exposed to the field, however, they discover a very fascinating and varied profession. And many choose to stay.

There are also professionals who grow from collections into credit management. But this transition can be challenging, as it requires solid financial expertise. Those who start collections work with a financial background are generally more successful in making the move.

A good knowledge of corporate finance is essential. Credit risk assessment, for example, requires skills in financial analysis and a strong grasp of basic accounting to properly interpret balance sheets and income statements. A credit manager must go beyond simply reading credit reports; they must be able to draw (and to explain) their own conclusions.

In addition, important communication skills are also needed. First, there is an important aspect of internal communication. This will primarily be the case in the cooperation with colleagues from sales. It will often be necessary to persuade sales. And that requires not only technical knowledge but also a certain maturity. Especially in a sales-driven organization (are there any others?), a well-reasoned discussion with sales may be needed to explain the risks of a customer or a specific transaction. The right combination of technical and communication skills can make a decisive difference.

Credit managers must also have a broad understanding of the processes and functions within their own organization. Issues with customers are often first spotted in credit management or collections. Resolving them requires insight into the company's full order-to-cash chain — from products and services to invoicing processes and logistics.

Externally, communication must be tailored to the audience. Interacting with a small business calls for a different approach than

dealing with a multinational or a remote shared service center. This demands an understanding of customers' internal processes across various types of organizations.

On top of this, ICT affinity has become essential. Supporting tools are widely used, but managers cannot blindly rely on them. With mandatory e-invoicing on the horizon in Belgium, familiarity with platforms such as PEPPOL will soon be indispensable, even if many processes will be automated.

“Credit risk assessment requires skills in financial analysis and a strong grasp of basic accounting to properly interpret balance sheets and income statements. A credit manager must go beyond simply reading credit reports; they must be able to draw (and to explain) their own conclusions.”



Sven Bruggeman, founder and managing partner of iCredit
source: iCredit

How do today's profiles differ from 20 years ago?

In some respects, they do differ—largely because the job content has changed. Fundamentally, though, the profiles themselves are not that different. We still recruit broadly, with competencies proving more important than formal degrees.

What has changed is technology. The use of automation and, increasingly, the arrival of AI is leading to adjustments. More and faster data is available about customers and prospects. Data on payment behavior can be tracked and used in more advanced ways, for example using AI. Collection strategies are also increasingly data driven.

The analysis of creditworthiness is becoming increasingly automated. This is already the case in the banking sector. But that also means that for more complex cases, personal expertise becomes more important.

In collections, supporting tools are everywhere, but communication remains a key differentiator, particularly when personal contact with the customer is required.

Overall, the role is becoming more complex. Routine tasks are too costly to perform manually and are now automated. Yet the tools themselves are also becoming more complex, especially for handling non-standard cases.

E-invoicing deserves special mention. While it should simplify processes, the reality is a proliferation of platforms. Submitting an invoice can, in some cases, become more complicated, even if the format itself is standardized. What will improve is certainty—companies can no longer claim they “never received the invoice.”

How is employee training organized?

Training focuses on two broad skills: commercial and financial.

On the commercial side, language skills remain critical. For us - Dutch speakers in Belgium—not only English but also French. We provide additional training in this area, as well as a specific program for collections staff.

But as we said earlier, financial basics must also be present. We see an expansion from purely financial basics to evaluating customer compliance. Various forms of fraud are becoming an increasing problem, so employees must be well prepared and trained to detect these as effectively as possible. So, there is a shift in the information needed, and in the techniques used to manage these new risks.

We use both internal programs and external specialists for training, depending on the

“The analysis of creditworthiness is becoming increasingly automated. This is already the case in the banking sector. But that also means that for more complex cases, personal expertise becomes more important.”

subject. In addition to finance, training covers areas such as negotiating with credit insurers and setting credit limits.

A basic knowledge of law is also necessary, if only to properly manage the handling of a bankruptcy with a customer. Fortunately, the number of bankruptcies remains quite limited for the time being.

IT skills are typically developed on the job, through exposure to different systems.

Knowledge-sharing is essential in credit management. We use mentorship programs to ensure expertise is passed on, tailored to the employee's role and sector.

When recruiting, we find that CVs often lack the detail needed to assess a candidate's true capabilities. That's why thorough interviews are indispensable. Even experienced candidates may have very narrow or specialized expertise that must be complemented by targeted training.

How difficult is it to find employees?

We are looking for people with the right competencies and basic knowledge. But it remains a significant challenge to find candidates interested in the often-unknown field of credit management. As mentioned earlier, many current professionals ended up in the field by coincidence, not through prior training.

Collections work is especially difficult for staff, as younger employees are often reluctant to take on the customer contact and phone-based collection work it requires. New recruitment channels are therefore needed.

Maintaining the quality of service is critical. This requires not only training but also fostering genuine passion for the profession. At the same time, we must avoid promoting employees beyond their competence. Those who make progress will eventually take on people management responsibilities, which require a different skill set.

Turnover in collection teams is a persistent issue, but strong management can help reduce it. Work-life balance has also become more important, though this is true across all professions. Remote work is now more common, but credit managers still

need close interaction with sales and colleagues. They must have a full understanding of the organization, which requires direct contact as well as digital communication.

Conclusion

So, has the profile of the credit manager really changed? The answer is nuanced. Fundamentally, no. There is no single profile that fits all roles within credit management. While the job content, tools, and technologies have evolved significantly, the core competencies required to succeed remain largely the same.



Ludo Theunissen
Chairman, IvKM - Institute for
Credit Management Belgium



International cooperation is the key to stop cybercrime

International police cooperation has existed for a long time, but in line with digitalization and an exponential increase in cybercrime, it has become increasingly necessary for crime prevention. FECMA meets Jan Olsson, who in his work as a police officer has participated in many international collaborations.

Malin Simonsen

FECMA Vice President, Svenska Kreditföreningen

Jan Olsson has worked with the Swedish police for 35 years, and for 18 of those years he has focused on internet-related crimes, i.e. cyberattacks and online fraud. Among other things, he helped in the founding of the Swedish National Fraud Center and has been working at the National IT Crime Center since 2018. Jan says that his work with cybercrime has always been characterized by close international collaborations.

– When it comes to cybercrime, the international aspect is already inherent in the nature of the crime. The internet has no borders, and a person can be located practically anywhere in the world and expose Swedish companies and private individuals to crime, says Jan.

International cooperation on these cybercrimes takes place partly with Europol, where EMPACT (International Multilateral Partnership Against Cyber Threats) plays a major role, but police also work closely with the private markets in different countries. Today, Jan works primarily with crime prevention, including through the collaboration InterCop (International Cyber Offender Prevention Network), which works to prevent children and young people aged eight to twenty to commit cybercrime. He also works within the MRC (Merchant Risk Council) and ECCFI (Cybercrime and Fraud Investigators), among others.

– With other types of crime, there is a limit to how many crimes an individual perpetrator can commit in a certain period of time. On the internet, these limitations do not apply; the person can operate anonymously in thousands of places at the same time and attack hundreds of thousands of victims within a few days. In such cases, the best tactic for fighting crime is to prevent it, and that work must start early. If we can turn just one young person away from crime, we have already stopped thousands of crimes from happening, says Jan.

One problem with investigating cyberattacks and fraud is that the reporting rate is so low. Only 1% of these crimes are

reported in Sweden, and it is most common that victims simply pay the ransom, either because they don't want the attack to become public knowledge, are too overwhelmed by the attack, or because there is a lack of trust with the police.

– Unfortunately, there is a perception that the Swedish police cannot investigate this type of crime. The truth is that, more often than not, they actually do it successfully.

But the police cannot investigate the crime themselves since the perpetrator is rarely located in Sweden and therefore cannot be prosecuted here. What we do, however, is to send all data and information about the crime to Europol, as all other EU member states do, which can analyze and then coordinate global efforts.

When a report is sent to Europol, all information about the countries affected

“With other types of crime, there is a limit to how many crimes an individual perpetrator can commit in a certain period of time. On the internet, these limitations do not apply; the person can operate anonymously in thousands of places at the same time and attack hundreds of thousands of victims within a few days.”



and all data about these crimes is collected. A global preliminary investigation is then started with international prosecutors, where all affected countries cooperate to obtain local information. In the event that this happens, the police actually have a good chance of prosecuting the perpetrator.

– We are not good enough at reaching out with this information. Not infrequently, the only thing the affected company hears is that the preliminary investigation has been closed, not that it has been forwarded to Europol. For example, in the high-profile cyber attack against Coop (A Swedish grocery store), those behind the attack have been arrested. This was thanks to international police cooperation with the Swedish police, in which the private market also helped.

Jan emphasizes that cybercrime is always worth reporting, and that you should never pay the ransom in the event of a ransomware attack (when a type of malicious software encrypts your computer or systems and demands a ransom to unlock them again).

– Not only does this help finance more cybercrime, but also contributes to wars and crime around the world, says Jan.

Although collective resources and cooperations can often stop criminals, prevention is still the most effective way to stop cybercrime.

– This is not a type of crime that is investigated and eliminated. For every person we arrest, ten new ones appear. A higher penalty scale is not necessarily a deterrent. However, it can enable the police to have more tools at their disposal in a preliminary investigation. This can make a difference in getting a person convicted, but the penalty itself rarely makes a difference for a criminal, says Jan.

Along with large-scale preventive efforts, Jan wants to see more international collaborations.

– It is definitely the most effective way to arrest cybercriminals. And a natural consequence of the collaboration is that the police in different countries can share working methods, best practices and cutting-edge expertise. This has a major effect, also on national police work, concludes Jan.

“Unfortunately, there is a perception that the Swedish police cannot investigate this type of crime.”



“Cybercrime is always worth reporting, and you should never pay the ransom in the event of a ransomware attack (when a type of malicious software encrypts your computer or systems and demands a ransom to unlock them again).”



Malin Simonsen
FECMA Vice President
Svenska Kreditföreningen



Not only Altman

A feature of a market economy is to operate in conditions of constant uncertainty and risk, which in the sphere of trade receivables management implies the need for constant control of the financial situation of counterparties. Proper assessment of the finances of the clients we work with is invariably one of the most important elements of a holistic credit assessment. Due to the imperfection of traditional indicator analysis, a synthetic metric has been sought for many years to assess a subject with the greatest possible accuracy. Discriminatory models are still very popular in this area, including the oldest one, i.e. the Altman model (or in fact: models). Is it right? What other models do we have at our disposal and is it right to rely on just one?

Robert Dyrzcz

FECMA President, Polish Institute of Credit Management (PICM) Founder & CEO

The issue of forecasting the bankruptcy of enterprises in the world has been known since the beginning of the twentieth century. It was related to the economic crisis prevailing at that time. Conducted mainly in the United States, research focused on the use of information from the financial statements of companies to forecast their bankruptcy. The first to make such an attempt were already in 1930. **R.F. Smith and A.H. Winakor**. They examined changes in the value of 24 financial indicators, characterizing the situation of 29 companies at risk of bankruptcy. Based on the results obtained, they selected a group of 8 indicators with a high prognostic value. Two years later, a similar analysis was conducted by **P.J. Fitzpatrick**. This time, the values of the examined financial ratios were compared for two groups: 19 companies operating efficiently and 19 for which bankruptcy was declared. Based on the conducted research, the author indicated two indicators, the values of which made it possible to predict the bankruptcy of enterprises most efficiently:

$X1 = \text{net financial result} / \text{equity} / \text{own fund}$,
 $X2 = \text{equity} / \text{equity} / \text{external capital}$.

A few years later, in 1942, **C. L. Merwin** published the results of his research. The author analyzed 939 American enterprises, including 538 "bankrupt" enterprises and 401 "non-bankrupt" enterprises. The author classified enterprises as "bankrupt" enterprises that were deleted from the commercial register in the years 1926–1936. As the most diagnostic indicators, C.L. Merwin recognized:

$X1 = \text{net working capital} / \text{total capital}$,
 $X2 = \text{capital} / \text{equity} / \text{external capital}$,
 $X3 = \text{current assets} / \text{current liabilities}$.

The author's research showed that already in the sixth year before the deletion from the commercial register, the above indicators indicated significant differences between groups of solvent and insolvent enterprises, and moreover, these differences became more visible the closer the year in which the deletion from the

commercial register took place. C.L. Merwin's main contribution to the development of early warning systems is that he was the first to use arithmetic averages for groups of enterprises and profile analysis to compare solvent and insolvent enterprises by means of financial indicators. The use of arithmetic means consisted in the calculation of arithmetic means of financial ratios for enterprises deleted from the register and enterprises still functioning. The profile analysis consisted in presenting over time (successive years before the bankruptcy of the company), using a line chart, the arithmetic averages of a given financial ratio calculated for a group of solvent and insolvent enterprises.

Research into corporate insolvency accelerated in the second half of the 1960s. In 1966, **W.H. Beaver** published the results of a test conducted to determine the possibility of recognizing the threat of bankruptcy. The author understood the term insolvency as: declaring bankruptcy, ceasing to service bonds, creating a debit

balance on a bank account or not paying dividends on preferred shares. The author limited the subjective scope of the research to 79 enterprises from each group (solvent and insolvent – a total of 158 enterprises) publicly traded in the USA, and therefore large (with a significant balance sheet total). Over 90% of all capital in the United States was invested in the analyzed enterprises (both in the form of bank loans and equity investments). The group of companies analysed was basically homogeneous in terms of legal form and size, but it was not homogeneous in terms of industry – the surveyed companies came from 38 different industries (according to the SIC - Standard Industrial Classification), including trade and production. In the first stage, W.H. Beaver selected 30 indicators, which he classified into 6 different groups. Out of 30 indicators, the author then selected 6 indicators:

$X1 = \text{net financial surplus} / \text{total liabilities}$,
 $X2 = \text{net financial result} / \text{total assets}$,
 $X3 = \text{total liabilities} / \text{total assets}$,
 $X4 = \text{net working capital} / \text{total assets}$,



$X5 = \text{current assets} / \text{current liabilities}$,
 $X6 = [(\text{cash} + \text{current securities} + \text{receivables} - \text{current liabilities}) / (\text{operating expenses} - \text{depreciation})] \times 360 - \text{the non-credit gap ratio}$.

According to the author, the first indicator had the greatest weight in the group of six analysed indicators. The second indicator also had a high prognostic power. On the other hand, the statistical values of the third indicator have been systematically increasing during the five years of the period under review for enterprises at risk of bankruptcy. High debt with a simultaneous lack of liquidity inevitably led to insolvency. According to W.H. Beaver, a company is exposed to a very high risk of insolvency if all six of the above-mentioned indicators are in a high-risk zone. In a situation where more than three indicators are below the threshold value, the company is insolvent. If one or two indicators are in a critical area and the others are in a grey area, the company needs to be further analysed.

All the approaches presented so far are referred to as **one-dimensional early warning systems**. This means that to assess the risk of insolvency, we analyse one indicator or a group of indicators, but in fact considered separately. However, today the most used are **multivariate models**, otherwise known as multivariate discrimination analysis.

The pioneer in the use of multidimensional discrimination analysis to predict the bankruptcy of companies was, of course, **E. I. Altman**. In 1968, E. I. Altman used the financial data of 66 American companies to build the system (the so-called Z-score model), 33 of which went bankrupt and the remaining 33 were operating on the market. The analysed enterprises were selected considering the criterion of the industry (manufacturing enterprises) and the value of the balance sheet total. The original form of the system, in which the author reduced the set of the most diagnostic analytical indicators to five, was as follows:

$$Z = 0.012 \times X1 + 0.014 \times X2 + 0.033 \times X3 + 0.006 \times X4 + 0.999 \times X5$$

where:

$X1 = \text{net working capital} / \text{total assets}$,
 $X2 = \text{Cumulative Profit} / \text{Total Assets}$,
 $X3 = \text{financial result before tax and interest payment (EBIT)} / \text{total assets}$,
 $X4 = \text{market value of the capital/equity/total liability}$,
 $X5 = \text{sales revenue} / \text{total assets}$.

In the literature, you can also find the following slightly modified original version:

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

As a result of his research, Altman set the following limit values and thus guidelines for classifying the risk of bankruptcy of companies:



“Altman's system, although widely used to this day (let's remember that 57 years have passed since the first one was published!), is full of shortcomings, controversial and debatable issues. Like any other discriminatory model of bankruptcy prediction, it should be treated with reservation and reservations already raised by its pioneering author.”

- 1.80 or less - very high bankruptcy risk
- 1.81 to 2.99 - unspecified bankruptcy risk
- 3.00 and above - small bankruptcy risk

The relatively high effectiveness of the Altman model was confirmed by research conducted in the USA: 95% accurate predictions of company failure in the case of one-year advance prediction, 72% of accurate forecasts in the case of two years in advance, 48% of accurate forecasts in the case of three years in advance, 29% of accurate forecasts in the case of four years in advance.

In the next version of the system from 1983, developed for companies not listed on the stock exchange, E.I. Altman changed the weights assigned to individual indicators, but did not make any changes in the selection and construction of the individual, originally adopted indicators. A small, but significant, change concerned basically only the fourth ratio, which was defined as the ratio of the book value of equity/equity (instead of market value) to the book value of total liabilities). The new form of the function has taken the following form:

$$Z' = 0.717 \times X1 + 0.847 \times X2 + 3.107 \times X3 + 0.420 \times X4 + 0.998 \times X5$$

The change in weights obviously caused the system threshold values to be changed to those presented below:

- 1.20 or less - very high bankruptcy risk
- 1.21 to 2.89 - unspecified bankruptcy risk
- 2.90 and above - small bankruptcy risk

In the next stage of his research, Altman wanted to minimize the impact of the economic situation and the specificity of the industry to which the analysed company belongs. Therefore, it has abandoned the last of the indicators, i.e. the asset turnover ratio, because the value of this indicator depends, m.in, on the size of sales revenues, which may be small for parent holding companies compared to assets. Sales are usually carried out by subsidiaries, which consequently lowers the value of the ratio and may indicate the likelihood of bankruptcy. The next version of the system, which also involved a change in weights, took the following form:

$$Z'' = 6.56 \times X1 + 3.26 \times X2 + 6.72 \times X3 + 1.05 \times X4$$

The threshold values for this model version are defined as follows:

- 1.10 or less - very high bankruptcy risk
- 1.11 to 2.59 - unspecified bankruptcy risk
- 2.60 and above - small bankruptcy risk

Altman's system, although widely used to this day (let's remember that 57 years have passed since the first one was published!),

is full of shortcomings, controversial and debatable issues. Like any other discriminatory model of bankruptcy prediction, it should be treated with reservation and reservations already raised by its pioneering author. What should you keep in mind? The model does not consider changes in the economic environment, which undoubtedly affect the conditions of operation of enterprises. The construction of selected indicators, primarily concerning the cumulative financial result and the market value of the capital, is also controversial.

Altman warns against drawing too hasty conclusions from the application of the model. He considers his system to be unrepresentative. It also claims that it is used in the analysis of commercial and service companies, conglomerates and companies operating in countries other than the USA. The Altman system should not be applied to economic realities other than the American ones, m.in. due to different legal and economic conditions of the functioning of enterprises.

Discriminatory models are not the "golden grail" of insolvency risk analysis. What else should you keep in mind when using these tools, otherwise known as early warning systems? Early warning systems are used to assess the "chances" of bankruptcy, they do not give unambiguous assessments. Usually, studies give their effectiveness measured in percentages – let's pay attention to this. Enterprises, except for the "young", usually do not go bankrupt overnight. It is a process that lasts, often for years. And here is a surprise. Most models give an assessment in the perspective of an annual basis, but there are some that allow us to assess the "chances" of bankruptcy two or even four years in advance. Early warning systems built and used within a homogeneous group of companies are more effective than for diverse groups (e.g. in terms of size and industry). As previously stated, it is not recommended to transfer ready-made early warning systems between countries. The early warning system will not work if there is falsification or manipulation of data. So let's keep in mind the quality of financial statements! An initial assessment of a company is very important and can consist, for example, in checking the availability of data – usually, companies in a bad situation are reluctant to publish their reporting. Early warning systems place great importance on the assessment of profitability and indirectly assume that



"Altman's system does not consider changes in the economic environment, which undoubtedly affect the conditions of operation of enterprises."

profitable companies have no "chance" of failing. This can be misleading, although in general there can be no question of generating cash (and thus maintaining financial liquidity) without generating positive margins. Early warning systems are based on simple indicators, mainly from the balance sheet and the profit and loss account, and therefore the question arises as to the effectiveness of the systems, given the possibility of relatively easy formation of the value of the items of the statements – again, accounting manipulations bow down!

The conclusion is obvious. It is best if we use models created as close as possible to the type of company being examined. Fortunately, over the past few decades, quite a lot of discriminatory models have been published. Unfortunately – this is still not enough to be able to choose the one that would be most suitable for us in the given conditions.

"Early warning systems are used to assess the "chances" of bankruptcy, they do not give unambiguous assessments. Usually, studies give their effectiveness measured in percentages – let's pay attention to this."



Robert Dyrzcz
FECMA President
PICM Founder & CEO



Credit Management and AI: Trust Decides Between Banks and Businesses

In the digital transformation landscape, artificial intelligence is undoubtedly one of the most discussed drivers. But if we broaden the scope to credit management, we immediately realize that the promises of AI are traveling at different speeds. Change is happening, but it's uneven. Some players are moving forward, others are still stuck. And the fault line lies primarily in trust.

Greta Antonini

Chief Marketing & Communication Officer at Opyn

To better understand the current state of the art, at Opyn, we co-sponsored the first Italian study dedicated to the adoption of AI in credit management with Ipsos. The study involved over 70 CFOs and credit managers from medium-sized and large companies and 13 financial institutions, including traditional banks, local banks, and fintechs. The goal? To measure the gap between perception and reality, between hype and operations.

Banks and Companies: Two Opposing Views

The first striking finding is a true polarization in the approach to artificial intelligence. All the banks involved stated they have already begun investments in AI: risk assessment, onboarding, anti-money laundering, and document management are the main fields of application. And above all, 100% of them declared their confidence in the technology.

The position of companies is quite different. Only 27% said they use AI to evaluate their customers, and just 11% rely on external providers. The rest remain tied to a relational approach, often based on direct knowledge of the customer. Perhaps the most revealing finding? Only half of the credit managers surveyed said they trust AI. This is a clear cultural divide, which is holding back adoption even in cases where the technology could generate operational and strategic advantages.

Assessment and Monitoring: AI as an Accelerator

Credit has historically been one of the most regulated and sensitive sectors. Therefore, when it comes to introducing artificial intelligence into decision-making processes, caution is understandable. But it's also limiting. AI's ability to process large amounts of data, cross-referencing heterogeneous sources—financial, reputational, ESG—represents a concrete opportunity to improve the quality of assessments and reduce the risk of default, especially in contexts with high customer turnover or complex supply cycles.

Banks, in fact, have already understood this: in most cases, they conduct monthly or even daily monitoring of their customers. Businesses, on the other hand, often limit themselves to an initial assessment and sporadic, non-continuous checks. Here too, AI could bring about a significant evolution, transforming risk management from reactive to predictive.

The real difference? Data quality and new skills

Among the factors influencing the adoption of AI in credit management, the quality of available data plays a key role. Banks rely on consortium databases, certified sources, and internal documentation, with a greater capacity to integrate structured and continuously updated datasets. Companies, in many cases, rely on less consolidated or difficult-to-access sources.

And this is precisely one of the most delicate points: without reliable data, AI doesn't work. Worse, it can produce distortions. This is why at Opyn, we've chosen an approach that combines algorithms and human intelligence, with transparent and auditable models that integrate certified data, bank documents, reports, current accounts, and ESG sources.

What clearly emerges from the research is that technology alone is not enough. New skills are needed to read and interpret AI models, to manage increasingly sophisticated tools without losing control. And a shift in mindset is needed, one that overcomes the fear of automation and embraces a more hybrid approach, where AI assists, not replaces.

The credit manager of the future will need to know how to interrogate a model, understand its logic and limitations, and verify its output. Clear policies on ethics, responsibility, and transparency will also be needed.

A cultural issue

The adoption of artificial intelligence in credit management isn't just a technical issue. It's a question of corporate culture. Banks, driven by regulatory pressure and the need for scalability, have already embarked on this path. Businesses, especially SMEs, are still waiting. But the time for observation is running out.

Those who integrate AI, human capital, and reliable data will have a competitive advantage. Those who remain tied to traditional processes risk being left behind. The credit of the future will be increasingly digital, predictive, and personalized. But above all, it will be the result of a dialogue between different intelligences: human and artificial.



Greta Antonini
Chief Marketing &
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