



**Francesco Boccardo**  
**MBA, CPA, CIA | CFO APAC**

Since 2017  
**Regional CFO APAC**  
**at PERI**  
(Singapore)

**accounting**  
**& FINANCE SHOW** HK

2006-2007 **MBA**  
**Rotterdam School of**  
**Management**

10 years **at**  
**KAEFER Group**

2 years **Finance**  
**Manager North**  
**Africa**

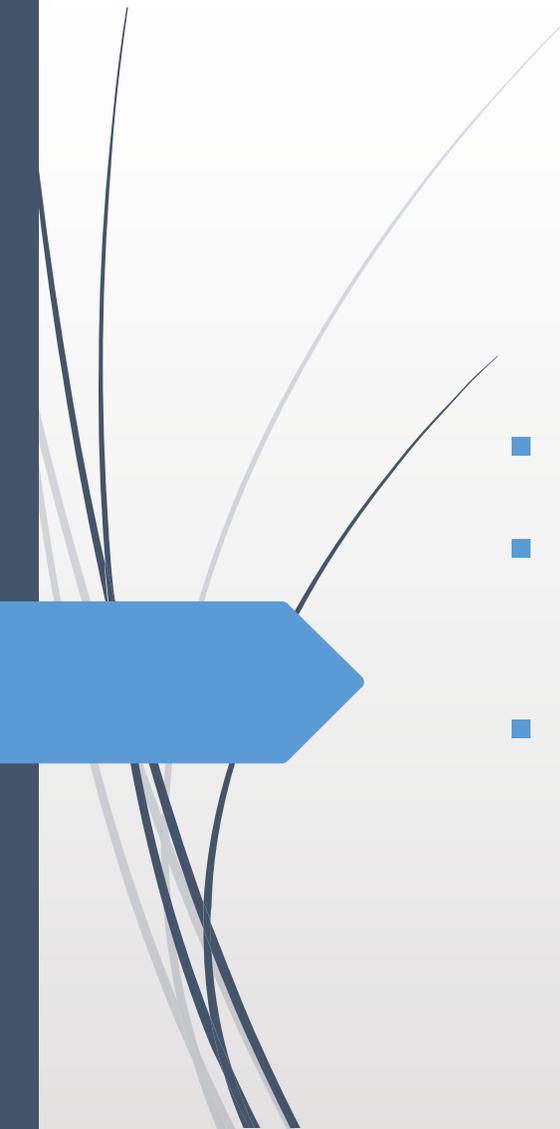
1 year **Area**  
**Controller South East**  
**Asia**  
(Vietnam)

1 year **Turnaround**  
**Manager** of KAEFER  
India

3 years **Managing**  
**Director** of KAEFER  
Taiwan

3 years **Finance**  
**Director SEA**  
(Singapore)

Experience  
Restructuring,  
ERP implementation,  
transformation of  
finance organization

- 
- Refine your credit management in the time of COVID-19
  - Segmentation of receivables: from generalized approach to issue based
  - Improve efficiency and effectiveness in collection activity

# Credit Management Strategy

## **Improve process**

Make use of dedicated tools to improve accountability and collaboration



## **Segmentation of receivables**

Improve effective allocation of resources and identification of actions



## **Stricter enforcement of existing credit policies**

Audit of credit policy



## **Clear collection targets and related incentive system**

From DSO targets to cash targets



First segment, then conquer



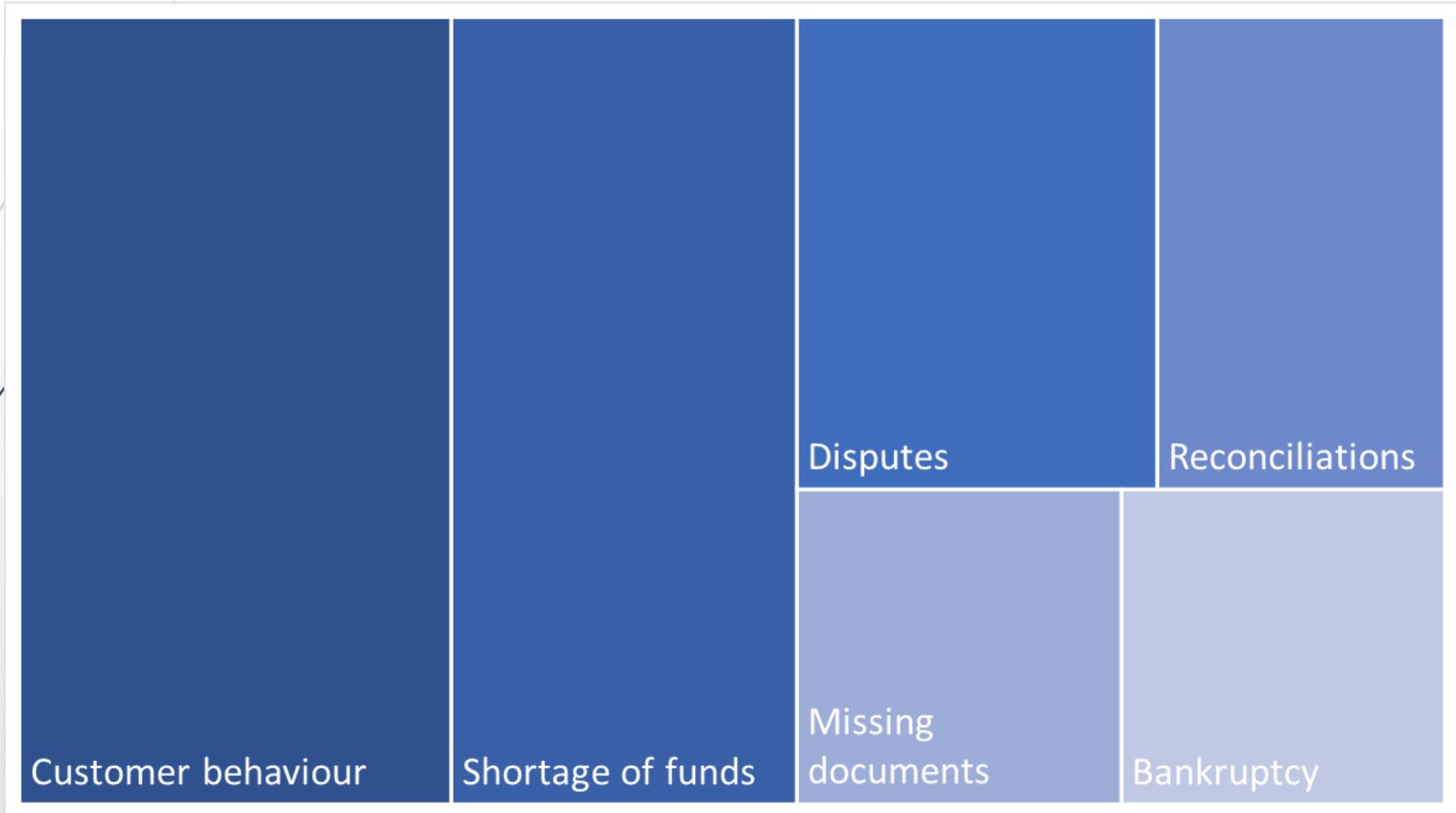
Customer pay late for a variety of reasons and issues requiring different strategies and allocation of dedicated resources to each specific case

# From generalized approach to issue-based



- Cash flow issues
- Contract clarity
- Delivery issues
- Disputes
- Claims
- Delaying tactics
- Misunderstandings

## Segmentation of receivables



## Segmentation of receivables – Matrix

	Category A	Category B	Category C
Customer behavior	500.000	2.000.000	5.000.000
Shortage of funds			5.000.000
Disputes	4.000.000	1.000.000	3.000.000
Reconciliations	300.000	1.000.000	1.000.000
Missing documents	1.000.000	500.000	3.000.000
Bankruptcy			2.000.000

# Customer behavior



- Smart dunning
- Constant follow-up
- Demand to third parties (e.g. partner)
- Collection agencies
- Threat repossession of goods
- Threat of legal cases
- Find agreement without trial
- Arbitration
- Mediation
- Extrajudicial settlement

# Shortage of funds



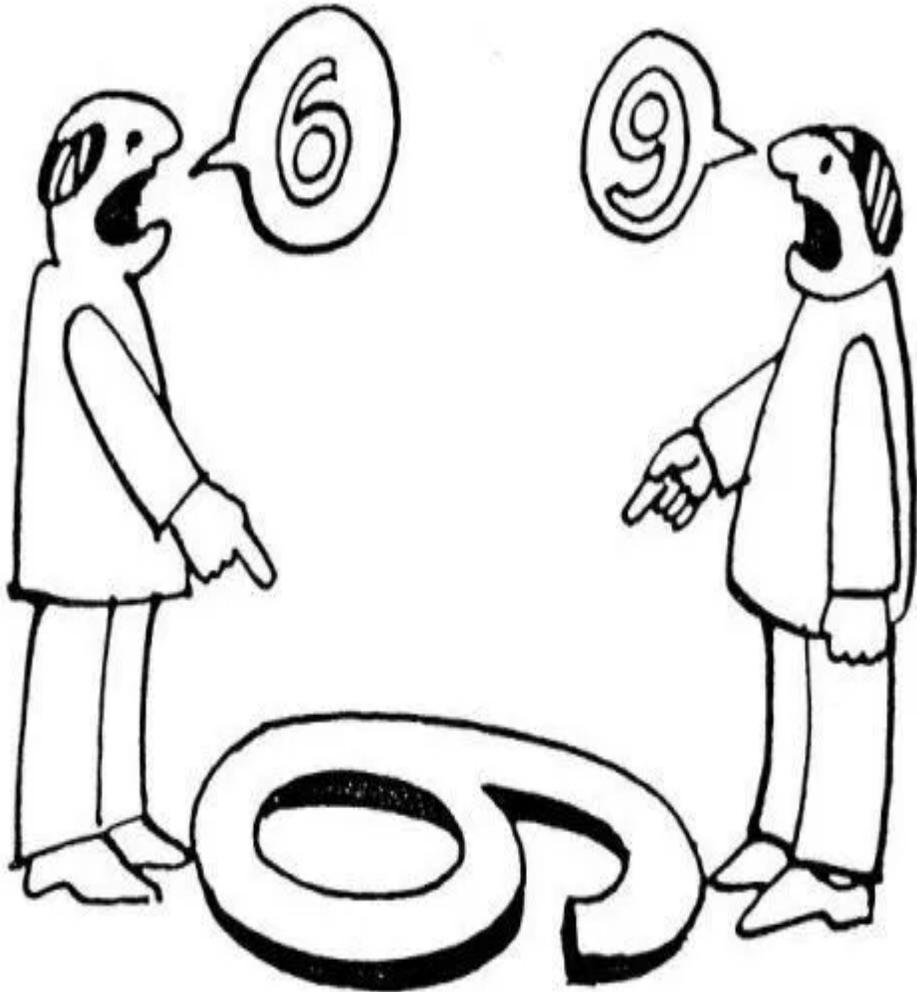
- Repossession of goods
- Authorization to receive information from the bank when funds become available
- Threat of legal case
- Threat to wind-up
- Payment plans (guarantees)
- Assignment of AR or other assets to guarantee the payment

# Disputes



- Improve contract clarity
- Clarify pain points
- Earlier escalation and resolution of disputes
- Dispute management
- Legal case

# Reconciliations



- Clarification billing process
- Agree on coordinated process
- Simplicity is the king
- Identify bottle neck
- Identify recurring mistakes
- Appoint reconciliation officer
- Use reconciliation platform/tool

# Back-up documentation required



- Follow-up with requirement faster
- Identify document flow
- Make use of document sharing tools

# Bankruptcy



- Familiarize with bankruptcy procedures
- Prepare all documents required for proof of debt
- Appoint person in charge to file the claim