

ARTICLE

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Staying Ahead of the Evolving Trade Credit Landscape

Trade credit has historically been a valuable resource for the growth of businesses while establishing and nurturing long-term customer relationships. But in current market conditions, Trade Credit Managers are under pressure to increase their productivity and reduce error rates.

These demands mean that Trade Credit Managers need to continuously learn new and updated ways to create more effective and efficient processes for internal trade credit management programs.

"For trade credit professionals to feel confident in company information, it's important for them to have verified data that gives a full view of how a company does business." -Amanda Panza, Senior Product Strategist

» Consider the impact of rapidly evolving sanctions being placed on entities worldwide and take into account how that might influence customer portfolios or upcoming business relationships.

» Utilize technology to stay abreast of real-time bankruptcy news, and adverse news of companies that are current or potential prospects, set standards and guidelines for decisioning to create an efficient process of vetting a business, and implement the use of calculation engines to set and adjust credit limits.

» Ensure trend information such as macro-economic trends, emerging risk trends, ESG and particularly behavioral trends – such as how a company is paying its business partners – tell a story that provides insight on how to approach new business relationships and credit increases over time.

"Factors such as regulations and ESG are also components that can be looked at when deciding the level of credit to extend to another company." -Amanda Panza

To learn more about how Moody's Analytics can assist your Trade Credit Management Solutions click [here](#).

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