



# Credit Management Course

*IICM Certificate awarded by Irish Institute of Credit Management upon exam completion:*

## Programme Details



Export Edge Training are accredited / recognised by:

- Irish Department of Education (Ref: NEL/104)
- Irish State Training Authority (FAS ref. 900692)
- Further Education and Training Awards Council (FETAC)
- Irish Institute of Credit Management (IICM)
- Irish Exporters Association (IEA)
- Institute of International Trade of Ireland (IITI)
- Institute of Leadership & Management (ILM, UK)
- Chartered Institute of Logistics & Transport (CILT)
- International Chamber of Commerce (ICC Paris)
- International Association of Trade Training Organisations (IATTO)

**Awarded by the Irish Institute of Credit Management**

*Associate or Student Members are entitled to take part in all Irish Institute of Credit Management activities and services with the exception of being able to vote at General meetings.*

## The Certificate Programme in Credit Management

The **Certificate in Credit Management** is essential for any business professional who is involved in any stage of company cash flows, from order management, customer service, contract negotiation, account management to accounts receivable. The Certificate in Credit Management was designed to expand participants current knowledge within commercial, legal and financial areas.



Course subjects include credit management, accounting, economics and law. Export Edge Business College will assist eligible students with applications for exemptions based upon their academic achievements.



The Irish Institute of Credit Management (IICM) is the professional and examining body for this Certificate course. Students are required to register as members of the Institute for duration of their studies. Through membership, students will have contact with the Institute. They will also be invited to attend workshops and exhibitions run by the Institute on relevant aspects of Credit Management.

### **AWARDS**

The certification is awarded to students who successfully pass examinations and complete assignments. The exams results are notified by IICM to students within 2 months of completion of examination. Holders of the Certificate are entitled to display "A.I.I.C.M. (Cert)" if associate member, or M.I.I.C.M. (Cert) if full member, after their name.

## Course Subjects / Syllabus



The part-time Certificate in Credit Management subjects are delivered over an academic year:

- **Credit Management** *Exams Jan 2011*
  - **Accounting** *Exams Jan 2011*
  - **Economics** *Exams June 2011*
  - **Law** *Exams June 2011*
- *Examinations of two hours duration require students to answer four questions out of eight set. Assignments make up 30% of the overall marks.*

### ENTRY REQUIREMENTS

- Leaving Certificate & Third level / Professional experience
- Associate membership of IICM\*.

Ideally, the entrants to the course will already have commercial experience and are seeking enhanced education in business management to advance their career prospects.

*\* Associate or Student Members are entitled to take part in all Irish Institute of Credit Management activities and services with the exception of being able to vote at General meetings.*

## Course Module



# Credit Management

The **Credit Management** subject gives a practical overview of the function, the components and how to manage credit. It covers Consumer, Trade and Export issues to give students a better understanding of the topic. The course is dynamic, surprisingly commercial and focuses on building strong customer relationships and finding a way to deliver every order, and what must be in place if getting paid is important to your business.



### OBJECTIVES:

As a result of completing this module the student will have a greater understanding of how to make the credit function an essential ingredient in protecting your margin, maximising collections and managing risk.

### SYLLABUS CONTENT:

#### – Module 1

Introduction – Understanding the basics – payment terms & payment methods – credit policy – building relationships.

Getting paid – The important, the cost and the value of credit.

#### – Module 2

Setting up New Accounts – the right way – types of customer.

Understanding Export Credit including INCOTERMS & documentation.

Consumer Credit – overview.

#### – Module 3

Dealing with queries and disputes.

Internal Communications.

Documentation – discover, what makes it work.

#### – Module 4

Collection Methods – phone – letters – e-mails – text.

Winning approach to collections.

Reporting.

## Course Module



# Accounting

The **Accounting** subject is specifically designed for Credit professionals – not accountants – you will never have to prepare a set of accounts but you have to be able to understand them and make important decisions on that basis – this section shows you how. It also incorporates some simple and effective scoring models to improve your understanding of your customers.



### OBJECTIVES:

As a result of completing this module the student will have a greater understanding of Accounting and its relation with Credit Management.

### SYLLABUS CONTENT:

#### Module 1

- Introduction to Accounting
- The Accounting Equation
- The Trial Balance and Adjustments
- Preparation of Financial Statements
- The Trading Account

#### Module 2

- Preparation of Financial Statements
- The Profit & Loss Account
- The Balance Sheet
- Fixed and Long Term Liabilities
- The Balance Sheet
- Current Assets and Current Liabilities

#### Module 3

- The Cash Operating Cycle
- Cash Flow Statements and Forecasting
- Analysis and Interpretation of Financial Statements
- Introduction to Risk Assessment

#### Module 4

- Risk Management
- Bad and Doubtful Debts
- Business Failure

## Economics

The **Economics** subject gives you a view of the economy works and why. What factors to look out for and will give you a better understanding of news and current affairs when you understand what is behind it.

### OBJECTIVES:

At the end of this module the student will understand Economics and its relation with Credit Management.



### SYLLABUS CONTENT:

#### Module 1

Introduction to scarcity, choice and the concept of opportunity cost  
Efficiency, equity and the economic problem  
Method of economics, models, microeconomics and macroeconomics  
Role of economic theory  
The economic model of human behaviour  
The importance of economics

#### Module 2

Microeconomic theory including concept of the market, markets and allocation of scarce resources. Consumer and demand, producer and supply.  
Market equilibrium, the price mechanism, price controls (price ceilings and floors).  
Market failure, externalities, public goods. Elasticity of supply and demand.  
Elementary theories of competitive behaviour and price discrimination.  
Macroeconomics, measuring the level of economic activity  
National Income Accounts (NI, GNP, GDP, GNI, etc), issues relating to the use of these statistics. National income and employment.  
Sources/uses of economic statistics. CSO, ERSI and government department publications.  
Principal statistics; demography, labour force, external trade, financial, and prices.  
Models of national income determination, basic Keynesian model, multiplier and implications of openness of Irish economy.  
Role of government, the budget and fiscal policy.  
Budget process, government borrowing, and national debt.

#### Module 3

Money, definitions of and its functions.  
Money supply, credit creation, monetary policy. The role of IFSRA, European Central Bank  
Open economy macroeconomics, int'l trade theory, absolute/comparative advantage.  
Balance process of payments and exchange rate determination.



## Law

The **Law** subject gives you an understanding of the basics of the Legal System in Ireland – and covers relevant topics like Contract Law, Law of Torts and the Sale of Goods act, as well as a section on Credit & Security.

### OBJECTIVES:

At the end of this module the student will understand Irish Law and its relation with Credit Management.

### SYLLABUS CONTENT:

#### Module 1:

- *Introduction to the Legal System*

The Courts and Court officers, and the Sources of Law;

Jurisdiction of the Courts – Enforcement procedures for civil debt;

Jurisdiction of Courts and Enforcement of Judges (European Communities) Act 1988;

Mareva Injunctions.

- *Contract Law:*

Essential Ingredients for the Formation of a Contract; Terms of a contract – Express and Implied; Discharge of a Contract; Remedies for breach of contract.

#### Module 2

- *Tort Law*

Negligence; Defamation.

#### Module 3

- *Sale of Goods*

Sale of Goods Act 1893, Sale of Goods and Supply of Services Act 1980: Implied terms – Title; Description; Merchantable quality; Fitness for a disclosed purpose; Sale by sample; Delivery and Payment of goods;

Buyer's and Seller's remedies.

- *Hire Purchase, Leasing and Credit Sales:*

Consumer Credit Act 1995: Hirer/Finance company (trader)'s obligation and rights;

Lessor/Lessee's obligations and rights.

- *Negotiable Instruments:*

Bills of Exchange; Cheques; Promissory notes.

#### Module 4

- Credit and Security

Land: Mortgages and Charges;

Chattels: Retention of Title Clauses, Lien, Pledge;

Company floating charges, Agricultural Chattel Mortgages;

Choses in Action: Lien, Pledge, Mortgage and Charge, Guarantees.