CICM Professional Qualifications



Level 2 Certificate and Diploma Qualifications in Credit Management

CICM
Chartered Institute of Credit Management

WWW.CICM.COM

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CICM Level 2 Awards and Qualifications in Credit Control & Collections

For baseline skills and knowledge

The Chartered Institute of Credit Management's Level 2 entry level programme provides core skills and knowledge in the areas of credit control, collections and associated subjects. Learners can either take a single CICM unit award or complete a selection of units to gain the CICM Certificate or Diploma.

Awarded by the largest recognised professional body for the credit management community in the world, the CICM Level 2 awards, Certificate and Diploma in Credit Control & Collections are internationally recognised and regulated by the Office of Qualifications and Examination Regulations (Ofqual). CICM also holds End Point Assessment Organisation status for Credit Management apprenticeships.

Awards in Credit and Collections

Level 2 entry level unit awards demonstrate knowledge and skills in a specific area of credit control /collections. Learners gain a unit award certificate following successful completion of an examination or assignment. Unit awards can be used towards a Certificate or Diploma in Credit Control & Collections. The unit awards are designed for roles such as credit controllers, collectors, credit analysts and ledger clerks, and people for who credit management forms part of their role. CICM unit awards form part of the Level 2 Credit Controller/Collector apprenticeship.

Entry level Certificates and Diplomas in Credit and Collections

The Certificate and Diploma qualifications establish the level of competency required for roles such as credit controllers and telephone collectors. They demonstrate expertise and detailed knowledge in credit control & collections work.

Structure

Learners can complete any number of units and in any order. Each unit award is individually certificated.

Learners need to complete **two units** to gain a Level 2 Certificate in Credit & Collections and **four units** to gain a Level 2 Diploma in Credit & Collections. See table below:

Level 2 Certificate in Credit & Collections	Level 2 Diploma in Credit & Collections
Any **two** from:	Any **four** from:
Online exams: • Credit Management* • Consumer Collections • Taking Control of Goods	*Online exams:* • Credit Management* • Consumer Collections • Taking Control of Goods
**You may select a combined unit in Credit Management or specialise within the Trade, Export or Consumer sector. Details of each unit can be found on pages 11- 28 of this syllabus.*	
Assignments: • Credit Control & Collections • Commercial Telephone Collections • Business Communications & Personal Skills • Consumer Telephone Collections	*Assignments:* • Credit Control & Collections • Commercial Telephone Collections • Business Communications & Personal Skills • Consumer Telephone Collections

See page 11 onwards for unit learning outcomes, assessment criteria and indicative content.

Learning hours

CICM currently recommends a total qualification time of between 46 and 101 learning hours per award, depending on the unit chosen. You will find the total qualification time for each award in each of the unit details. These can be found from page 11 onward.

A CICM Certificate takes about a year to complete and a CICM Diploma takes about two years to complete, depending on how many awards a learner takes at one time and whether any units are exempted because of other qualifications.

Qualification Title	Accreditation Code	GLH	TQT
Level 2 Certificate in Credit & Collections	603/3992/5 C00/3784/0	37	186
Level 2 Diploma in Credit & Collections	603/3990/1 C00/3784/1	141	373

Ofqual Level 2 level descriptors

The following summarises the level of achievement required to pass the units and qualifications:

Knowledge and understanding	• Use understanding of facts, procedures and ideas to complete well-defined tasks and address straightforward problems. • Interpret relevant information and ideas. • Be aware of the types of information that are relevant to the area of study or work.
Application and action	• Complete well-defined, generally routine tasks and address straightforward problems. • Select and use relevant skills and procedures • Identify, gather and use relevant information to inform actions. • Identify how effective actions have been.
Autonomy and accountability	• Take responsibility for completing tasks and procedures. • Exercise autonomy and judgement subject to direction or guidance as needed.
Summary Level 2	Achievement at Level 2 reflects the ability to select and use relevant understanding, ideas, skills and procedures to complete well-defined tasks and address straightforward problems. It includes taking responsibility for completing tasks and procedures and exercising autonomy and judgement subject to overall direction or guidance.

Entry requirements

There are no minimum Level 2 entry requirements. If learners are unsure as to which Level is suitable for them, they are encouraged to contact the CICM for assistance. Useful contact details can be found at the end of this syllabus.

For the Level 2 and Level 3 principle units of Credit Management and Consumer Collections, learners' study from the same learning materials and results depend on the level of attainment in the examination[1].

For this reason, it is recommended that learners take either the Credit Management or Consumer Collections online exam as their first unit as results can be allocated to either a Level 2 or a Level 3 qualification.

Study methods

There are a range of study methods and learning providers for each unit: home study, supported distance learning, evening classes, e-learning or virtual classrooms. Classes tend to start in January, June and September (see CICM website for details) although supported distance learning learners start at any time.

Learning resources

CICM publishes study guides which have links to electronic resources and wider reading (see CICM website for details). The CICM Awarding Body supplies the current assignments, where relevant, and learners can download from the website the following:

- Syllabus
- Moderator reports for written assessments
- Level 2 learner guidance booklet
- Depending on assessment method and learning package learners may also access past examination reports and sample multi choice questions.

[1] Candidates may achieve a Level 2 or Level 3 pass in these Credit Management or Consumer Collections principle units.

Registration with the CICM

Learners are required to register with CICM in order to take the Chartered Institute's assessments because teaching centres do not handle this process. Fees are split into registration fees and assessment entry fees to enable CICM to provide additional learner support and effectively monitor the quality of provision of learning providers.

The Chartered Institute has an open entry policy and to register, learners just need to complete an online registration form with appropriate fees. Contact CICM Awarding Body for information. E: awardingbody@cicm.com or T: +44 (0)1780 727272.

Study methods, resources, assessments and the Chartered Institute's customer service policy and complaints procedure are explained on the CICM website www.cicm.com.

On registration with the CICM Awarding Body learners automatically receive studying member membership of the Chartered Institute of Credit Management (non-designatory grade). This provides a range of support (see website for details). On achievement of the Level 3 intermediate Diploma, learners are eligible to Associate Membership ACICM(Dip) and the Chartered Institute offers Graduate membership MCICM(Grad) following completion of the CICM Level 5 Diploma.

Assessment methodology

Some awards involve a final online examination and others are assessed by a written assignment which requires work-based evidence. Most units are assessed in January, March, June and October. Assessment is only available in the English language.

For Level 2 units, candidates will receive a 'Level 2 pass'[1] or 'fail/refer' grade for each unit, depending upon their level of achievement in the assessment.

Candidates must achieve all learning outcomes to gain a pass.

Additionally, for every unit candidates will receive a percentage mark and details about the pass mark if they submit an assignment or complete an online exam.

[1] Candidates may achieve a Level 2 or Level 3 pass in these Credit Management or Consumer Collections principle units.

Grading

The entry level Certificate and Diploma have pass/fail grades only. Unit award grade bands are:

Written Assignments	
Fail/Refer	**Pass**
0% – 49%	50% – 100%

Online Examinations		
	Fail	**Pass**
Credit Management/ Consumer Collections	0% – 59%	60% – 100%

Assessment re-sits/resubmissions

There are no restrictions on the number of times a student can re-sit or resubmit an assignment for a unit they have failed.

Results and certification

CICM notifies grades in a results letter and candidates can access results online on the published results day. Approximately six weeks later, candidates receive a certificate for unit award passes and a final qualification certificate if they have achieved the Level 2 Certificate or Diploma.

Exemptions

The Institute assesses exemptions for units or for other business-related qualifications on an individual basis, following standard exemption arrangements (see CICM website).

CICM will recognise exemptions from previous units to new units for learners who are part way through the Level 2 Certificate or Diploma in Credit Management.

Arrangements for adjustments

The CICM will make adjustments to assessments to ensure equality of opportunity and to enable learners with particular conditions to demonstrate their knowledge, skills or understanding. Please contact the CICM for the guidance booklet which explains how a learner qualifies for an adjustment and what adjustments will be made.

Progression

Following completion of the entry level Certificate and/or Diploma in Credit and Collections at Level 2, candidates can progress onto the Level 3 Diploma in Credit and Collections. See CICM website for more detail.

CERTIFICATE AND DIPLOMA IN CREDIT AND COLLECTIONS
For professionals working at operational level or looking for an introduction to credit management, collections or enforcement
Level 2

DIPLOMA IN CREDIT AND COLLECTIONS
For professionals working in, or working towards, senior operational roles in credit management, collections or enforcement
Level 3

DIPLOMA IN CREDIT AND COLLECTIONS MANAGEMENT
For professionals working in, or working towards, managerial or leadership roles in credit management, collections or enforcement
Level 5

Credit Management (trade, export and consumer)

46 Guided Learning Hours 101 Total Qualification Time

Aim

The unit provides an understanding of the concepts, processes and techniques that underpin best practice across a range of credit environments.

Syllabus topics

1. **Value of credit** (10%)
   - Definition of credit
   - Cost of credit

2. **Organisation of the credit function** (15%)
   - The credit department
   - Credit policy

3. **Credit customers and arrangements** (35%)
   - Customers
   - Credit agreements
   - Documents

4. **Credit risk control** (15%)
   - Risk assessment and control
   - Information sources and their value
   - Scoring
   - Insurance

5. **Credit documents and systems** (10%)
   - Customer master file
   - Sales ledger system
   - Computerised systems

6. **Collections methods and legal action** (15%)
   - Targets and use of resources
   - Methods
   - Dealing with problems
   - Legal procedures and use of third parties

Assessment

One hour online examination involving 60 multiple choice questions.

Credit Management (trade, export, consumer)

46 Guided Learning Hours 101 Total Qualification Time

Learning outcomes The learner will:		**Assessment criteria LEVEL 2 K/502/0214 The learner can:**	
1.	Understand the role of credit management within the business environment.	1.1	Identify the purpose of controlling credit within the business environment.
		1.2	Describe the provision of credit in trade, export and consumer markets.
		1.3	Recognise the impact of credit on costs, profits and liquidity.
2.	Understand the organisational requirements of credit management functions.	2.1	Describe the credit management function and its personnel.
		2.2	Identify potential areas of conflict between the credit function and other areas of business.
		2.3	Identify the characteristics of customer service within the credit function.
		2.4	Describe the main features of a credit policy and procedural manual.
		2.5	Describe how an organisation measures credit management performance and sets targets.
3.	Understand the impact of legislation on the credit function.	3.1	Identify the liability of different types of customers.
		3.2	Identify the current legislation that affects the decision making process when dealing with credit applications.
		3.3	Describe the key features of a range of credit arrangements.
4.	Understand how to assess and control risk.	4.1	Identify the risks associated with credit provision in export, trade and consumer environments.
		4.2	Describe different sources of information used in credit assessment.
		4.3	Identify methods of risk assessment control.
		4.4	Understand how to control risk by selecting appropriate payment terms and methods of payment.

		4.5	Identify different methods of financing credit.
5.	Understand the different documents and systems used for trade, export and consumer credit.	5.1	Assess the design and purpose of documents used in trade, export and consumer credit.
		5.2	Describe the content and purpose of a customer master file.
		5.3	Describe the principal features of a sales ledger/accounts receivable system.
6.	Understand collection and recovery methods.	6.1	Identify various collection methods.
		6.2	Identify techniques necessary for collections letters and telephone collections work.
		6.3	Describe how to deal with non-payment and disputes.
		6.4	Describe the steps for debt recovery through the County Court and High Court.

Indicative content

1.	• Provision of credit. • Control of credit. • Differences and features of trade, export and consumer credit. • Working capital. • Impact of offering credit.
2.	• How the credit function fits into the overall organisation of a company. • Functions and structure of a credit department. • The relationships of a credit department with other departments. • Key measures of credit department performance and target setting. • The role of the credit manager and the qualities you would expect them to possess. • Value of good customer service and how this can be achieved in a credit department. • The importance of a credit policy.

3.	• Relevant characteristics of individuals, sole traders, partnerships, limited companies and other types of customer. • Financial advantages and disadvantages of granting credit to different types of customers. • Anti-discrimination legislation. • Key provisions of the Consumer Credit Act and Data Protection Act. • Main features of credit arrangements, including HP, credit sale, credit cards, mortgages and credit unions. • Appropriateness of various types of credit agreements in a range of circumstances. • Advantages and disadvantages of credit agreements to the credit supplier and the customer.
4.	• Features of different payment terms and methods of payment. • Advantages and disadvantages of offering discount for early payment, and charging interest on overdue accounts. • Importance of initial and continuous risk assessment and control. • Sources and value of information available to assess applications for trade, export and consumer credit. • Purpose and operation of a risk category system. • Calculation and use of credit limits. • Use of credit scoring for the processing of consumer credit application. • How credit insurance and CPI works. • The key provisions of Money Laundering Regulations. • Sources of finance.
5.	• The purpose and features of credit application forms, invoices, credit notes, statements and other documents for trade, export and consumer credit. • Meaning and purpose of various INCOTERMS used in export. • The content and purpose of a customer master file. • Principal features of a sales ledger system. • Computerised systems and the benefit to the credit management function.
6	• Techniques necessary for effective collection letters and telephone collection work. • Advantages and disadvantages of methods of collection activity. • Use of predictive dialing in the collection process. • Methods for dealing effectively with queries and non-payment effectively. • Circumstances for withholding supplies or services. • Basic steps for debt recovery in the High and County Courts • Advantages and disadvantages of using third parties. • Methods for evaluating a third party before entering into a service agreement. • Involvement and role of third party debt advisors in consumer credit matters. • Legislation relating to the harassment of debtors. • Personal and corporate insolvency.

Assessment - One hour online examination involving 60 multiple choice questions.

Trade Credit Management

46 Guided Learning Hours 91 Total Qualification Time

Aim

The unit provides an understanding of the concepts, processes and techniques that underpin best practice across the trade credit environment.

Syllabus topics

1. **Value of credit** (10%)
   - Definition of credit
   - Cost of credit

2. **Organisation of the credit function** (15%)
   - The credit department
   - Credit policy

3. **Credit customers and arrangements** (35%)
   - Customers
   - Credit agreements
   - Documents

4. **Credit risk control** (15%)
   - Risk assessment and control
   - Information sources and their value
   - Scoring
   - Insurance

5. **Credit documents and systems** (10%)
   - Customer master file
   - Sales ledger system
   - Computerised systems

6. **Collections methods and legal action** (15%)
   - Targets and use of resources
   - Methods
   - Dealing with problems
   - Legal procedures and use of third parties

Assessment - One hour online examination involving 60 multiple choice questions.

Trade Credit Management

46 Guided Learning Hours 91 Total Qualification Time

Learning outcomes **The learner will:**		**Assessment criteria LEVEL 2** M/502/0215 **The learner can:**	
1.	Understand the role of credit management within the business environment.	1.1	Identify the purpose of controlling credit within the business environment.
		1.2	Describe how the provision of credit in trade, differs from export and consumer markets.
		1.3	Recognise the impact of credit on costs, profits and liquidity.
2.	Understand the organisational requirements of credit management functions.	2.1	Describe the credit management function and its personnel.
		2.2	Identify potential areas of conflict between the credit function and other areas of business.
		2.3	Identify the characteristics of customer service within the credit function.
		2.4	Describe the main features of a credit policy and procedural manual.
		2.5	Describe how an organisation measures credit management performance and sets targets.
3.	Understand the impact of legislation on the credit function.	3.1	Identify the liability of different types of customer.
		3.2	Identify the current legislation that affects the decision making process when dealing with credit applications.

4.	Understand how to assess and control risk.	4.1	Identify the risks associated with the provision of trade credit.
		4.2	Describe different sources of information used in credit assessment.
		4.3	Identify methods of risk assessment control.
		4.4	Understand how to control risk by selecting appropriate payment terms and methods of payment.
		4.5	Identify different methods of financing credit.
5.	Understand the different documents and systems used for trade credit.	5.1	Explain the purpose and features of documents used in trade credit.
		5.2	Describe the content and purpose of a customer master file.
		5.3	Describe the principal features of a sales ledger/accounts receivable system.
6.	Understand collection and recovery methods.	6.1	Identify various collection methods.
		6.2	Identify techniques necessary for collections letters and telephone collections work.
		6.3	Describe how to deal with non-payment and disputes.
		6.4	Describe the steps for debt recovery through the County Court and High Court.

Indicative content

1.	• Provision of credit. • Control of credit. • Differences and features of trade, export and consumer credit. • Working capital. • Impact of offering credit.

2.	• How the credit function fits into the overall organisation of a company. • Functions and structure of a credit department. • The relationships of a credit department with other departments. • Key measures of credit department performance and target setting. • The role and qualities of the credit manager. • Value of good customer service and how this can be achieved in a credit department. • Why it is important for a company to have a credit policy.
3.	• Relevant characteristics of individuals, sole traders, partnerships, limited companies and other types of customer. • Financial advantages and disadvantages of granting credit to different types of customer. • Key provisions of the Data Protection Act. • Main features of credit arrangements, including HP, credit sale, credit cards, mortgages and credit unions. • Appropriateness of various types of credit agreements in a range of circumstances. • Advantages and disadvantages of credit agreements to the credit supplier and the customer.
4.	• Features of different payment terms and methods of payment. • Advantages and disadvantages of offering discount for early payment, and charging interest on overdue accounts. • Importance of initial and continuous risk assessment and control. • Sources and value of information available to assess applications for trade credit. • Purpose and operation of a risk category system. • Calculation and use of credit limits. • How credit insurance works. • The key provisions of Money Laundering Regulations. • Sources of finance.
5.	• Designing credit application forms, invoices, credit notes, statements and other documents. • The content and purpose of a customer master file. • Principal features of a sales ledger system. • Computerised systems and their benefit.

6	• Techniques necessary for effective collection letters and telephone collection work. • Advantages and disadvantages of methods of collection activity. • Methods for dealing effectively with queries and non-payment. • Circumstances for withholding supplies or services. • Basic steps for debt recovery in the High and County Courts. • Advantages and disadvantages of using third parties. • Methods for evaluating a third party before entering into a service agreement. • Personal and corporate insolvency.

Assessment

One hour online examination involving 60 multiple choice questions.

Export Credit Management

46 Guided Learning Hours 91 Total Qualification Time

Aim

The unit provides an understanding of the concepts, processes and techniques that underpin best practice across the export credit environment.

Syllabus topics

1. **Value of credit** (10%)
   - Definition of credit
   - Cost of credit

2. **Organisation of the credit function** (15%)
   - The credit department
   - Credit policy

3. **Credit customers and arrangements** (35%)
   - Customers
   - Credit agreements
   - Documents

4. **Credit risk control** (15%)
   - Risk assessment and control
   - Information sources and their value
   - Scoring
   - Insurance

5. **Credit documents and systems** (10%)
   - Customer master file
   - Sales ledger system
   - Computerised systems

6. **Collections methods and legal action** (15%)
   - Targets and use of resources
   - Methods
   - Dealing with problems
   - Legal procedures and use of third parties

Assessment - One hour online examination involving 60 multiple choice questions**.**

Export Credit Management

46 Guided Learning Hours 91 Total Qualification Time

Learning outcomes The learner will:		**Assessment criteria LEVEL 2** A/502/0220 **The learner can:**	
1.	Understand the role and effect of credit management within the global business environment.	1.1	Identify the purpose of controlling credit within export business.
		1.2	Describe how the provision of credit in export, differs from domestic trade and consumer markets.
		1.3	Recognise the impact of credit on costs, profits and liquidity.
2.	Understand the organisational requirements of credit management functions.	2.1	Describe the credit management function and its personnel.
		2.2	Identify potential areas of conflict between the credit function and other areas of business.
		2.3	Identify the characteristics of customer service within the credit function.
		2.4	Describe the main features of a credit policy and procedural manual.
		2.5	Describe how an organisation measures credit management performance and sets targets.
3.	Understand the impact of legislation and country culture on the credit function.	3.1	Identify the liability of different types of customers.
		3.2	Identify current international legislation and cultural differences that affects the decision making process when dealing with credit applications.
		3.3	Describe the key features of a range of credit arrangements.
4.	Understand how to assess and control risk.	4.1	Identify the risks associated with credit provision in the export environment.
		4.2	Describe different sources of information used in credit assessment.
		4.3	Identify methods of risk assessment control.

		4.4	Understand how to control risk by selecting appropriate incoterms, payment terms and methods of payment.
5.	Understand different documents and systems used for export credit.	5.1	Explain the purpose and features of documents used in export credit.
		5.2	Describe the content and purpose of a customer master file.
		5.3	Describe the principal features of a sales ledger/accounts receivable system.
6.	Understand collection and recovery methods for export debt.	6.1	Identify various collection methods.
		6.2	Identify techniques used in collections letters and telephone collections work.
		6.3	Describe how to deal with non-payment and disputes.
		6.4	Describe steps for export debt recovery through external recovery routes.

Indicative content

1	• Provision of credit. • Effect of credit on the global economy. • Control of credit. • Differences and features of trade, export and consumer credit. • Working capital. • Impact of offering credit.
2.	• How the credit function fits into the overall organisation of a company. • Functions and structure of a credit department. • The relationships of a credit department with other departments. • Key measures of credit department performance and target setting. • The role and qualities of the credit manager. • Value of good customer service and how this can be achieved in a credit department. • The importance of a credit policy.
3.	• Relevant characteristics of individuals, sole traders, partnerships, limited companies and other types of customer. • Relevant cultural differences of customers in the export market. • Financial advantages and disadvantages of granting credit to different types of customers, and countries. • Appropriateness of various types of credit agreements in a range of circumstances. • Advantages and disadvantages of credit agreements to the credit supplier and the customer.

4.	• Features of different INCOTERMS, payment terms and methods of payment, including letters of credit and bills of exchange. • Importance of initial and continuous risk assessment and control. • Sources and value of information available to assess applications for export credit. • Purpose and operation of a risk category system. • Calculation and use of credit limits. • How credit insurance works. • The key provisions of Money Laundering Regulations. • Sources of finance.
5.	• The purpose and features of export payment documents, including bill of exchange, letter of credit and promissory note. • The purpose and features of export transport documents, including export invoice, bill of lading, CMR, CIF, airway/seaway bill and certificate of origin. • The content and purpose of a customer master file. • Principal features of a sales ledger system. • Computerised systems and the benefit to the credit management function.
6.	• Techniques necessary for effective collection work. • Advantages and disadvantages of methods of collection activity. • Methods of dealing effectively with queries and non-payment. • Circumstances for withholding supplies or services. • Basic steps for debt recovery in the international courts. • Advantages and disadvantages of using third parties and agents abroad. • Methods for evaluating a third party before entering into a service agreement.

Assessment

One hour online examination involving 60 multiple choice questions.

Consumer Credit Management

46 Guided Learning Hours 91 Total Qualification Time

Aim

This unit provides an understanding of the concepts, processes and techniques that underpin best practice within consumer credit management.

Syllabus topics

1. Role and effect of consumer credit (15%)

- Purpose of controlling credit
- Differentiation of consumer markets compared with export and trade
- Effect on costs, profits & liquidity

2. Organisation of the credit function (25%)

- Management function & personnel
- Conflict: credit and other departments
- Customer service and credit
- Credit policy and procedures
- Measurement of credit performance and targets

3. Regulation and Marketing of consumer credit (15%)

- Promotion and sale of credit as a product
- Marketing strategies and regulations in consumer credit
- Consumer credit products

4. Credit risk control (20%)

- Customer credit risk
- Sources of information
- Risk control via assessment and via payment
- Financing credit

5. Credit documents and systems (10%)

- Purpose and features of consumer credit documents
- Master files
- Credit scoring and predictive dialing

6. Collections methods and recovery methods (15%)

- Methods and techniques: letters and telephone
- Non-payment and disputes
- Debt recovery
- Third Party debt advisors
- Tracing absconders

Assessment One hour online examination involving 60 multiple choice questions.

Consumer Credit Management

46 Guided Learning Hours 91 Total Qualification Time

Learning outcomes The learner will:		**Assessment criteria LEVEL 2** M/508/2794 **The learner can:**	
1.	Understand the role and effect of consumer credit within the business environment.	1.1	Identify the purpose of controlling credit within the business environment.
		1.2	Describe how the provision of credit in the consumer sector differs from export and trade markets.
		1.3	Recognise the positive and negative impact of credit on costs, profits and liquidity.
2.	Understand the organisational requirements of credit management functions.	2.1	Describe the credit management function and its personnel.
		2.2	Identify potential areas of conflict between the credit function and other areas of business.
		2.3	Identify the characteristics of customer service within the credit function.
		2.4	Describe the main features of a credit policy and procedural manual.
		2.5	Describe how to measure credit management performance and set targets.
3.	Understand the marketing and sale of a range of consumer credit products.	3.1	Describe how credit is promoted and sold as a consumer product.
		3.2	Identify marketing strategies and regulations used in consumer credit.
		3.3	Identify the main consumer credit products and describe their key features.

4.	Understand how to assess and control risk.	4.1	Identify risks associated with credit provision in the consumer sector.
		4.2	Describe different sources of information used in credit assessment.
		4.3	Identify methods of risk assessment control.
		4.4	Understand how to control risk by selecting appropriate payment terms and methods of payment.
		4.5	Identify different methods of financing credit.
5.	Understand different documents and systems used for consumer credit.	5.1	Explain the purpose and features of documents used in consumer credit.
		5.2	Describe the content and purpose of a customer master file.
		5.3	Describe the principal features of credit scoring and predictive dialing systems.
6.	Understand collection and recovery methods.	6.1	Identify various collection strategies and methods.
		6.2	Identify techniques used in collections letters and telephone collections work.
		6.3	Describe how to deal with non-payment and disputes.
		6.4	Describe the steps for debt recovery through the County Court and High Court.
		6.5	Explain the role and involvement of third party debt advisors in consumer credit.
		6.6	Describe the procedures for tracing absconders using both in-house and external resources.

Indicative content

1.	• Provision of credit. • Control of credit. • Differences and features of trade, export and consumer credit. • Working capital. • Impact of offering credit.

2.	• How the credit function fits into the overall organisation of a company. • Functions and structure of a credit department. • The relationships of a credit department with other departments. • Key measures of credit department performance and target setting. • The role and qualities of the credit manager. • Value of good customer service and how this can be achieved in a credit department. • The importance of a credit policy.
3.	• Promotion and sale of consumer credit. • How organisations market credit as a product. • Marketing strategies available to organisations that use credit as a product. • Advantages and disadvantages of different types of consumer credit products from the perspective of the customer as well as the supplier.
4.	• Features of different payment terms and methods of payment. • Why initial and continuous risk assessment and control is necessary. • Identifying credit qualities (the 4 C's) that should be investigated. • Sources and value of information available to assess applications for consumer credit. • Calculation of credit limits and how credit scoring can be used in the processing of consumer credit applications and the monitoring of consumer creditworthiness. • How credit insurance protection works. • The key provisions of Money Laundering Regulations and the Data Protection Act. • Sources of finance.
5.	• Design of credit application forms, statements and other documents for consumer credit. • The purpose and features of these documents. • The content and purpose of a customer master file. • Principal features of a credit scoring system. • The importance of monitoring the performance of credit application systems and scorecards and the various ways they can be adjusted. • Principle features of a telephone predictive dialer. • Computerised systems and the benefit to the credit management function.

6.	• Techniques necessary for effective collection letters and telephone collection work. • Advantages and disadvantages of strategies and methods of collection activity. • Methods of dealing effectively with queries and non-payment. • Basic steps for debt recovery in the High and County Courts. • Advantages and disadvantages of using third parties. • Evaluating a third party before entering into a service agreement. • Involvement and role of third party debt advisors. • Procedures for in-house and external tracing of absconders. • Consumer Credit Act 2006 and legislation relating to the harassment of debtors. • Personal insolvency.

Assessment

One hour online examination involving 60 multiple choice questions.

Taking Control of Goods

13 Guided Learning Hours 90 Total Qualification Time Hours

Aim

The unit aims to establish baseline knowledge of Taking Control of Goods and meet the certification requirements of enforcement agents.

1. Understand the role of enforcement agents within the enforcement profession

- Describe the structure of the enforcement sector
- Explain the purpose of the enforcement profession
- Explain the role and responsibilities of enforcement agents in accordance with legal requirements
- Explain the meaning of commonly used terminology

2. Understand the law relevant to enforcement agents

- Identify the powers and obligations conferred by relevant Acts and regulations
- Identify aspects of human rights legislation that are relevant to enforcement
- Identify enforcement agents' obligations in respect of data protection legislation
- State possible consequences of not complying with legislation and regulations

3. Understand the practice of taking control of goods

- Identify categories of legally exempt goods
- Explain an enforcement agent's rights of entry and re-entry
- Describe how to deal with common types of ownership and exemption disputes
- Explain the process of taking control of goods in accordance with legal and regulatory requirements

4. Understand the practice of removal and sale of goods

- Explain the process of removal of controlled goods in accordance with legal and regulatory requirements
- Explain how to sell controlled goods in accordance with legal and regulatory requirements
- Describe the implications of the sale of controlled goods on those involved

5. Understand relevant aspects of customer care

- Describe how an enforcement agent can deliver good customer care in accordance with national standards
- Describe how to deal with vulnerable people in accordance with national standards and regulations
- Describe how to handle complaints in accordance with national standards and regulations

6. Understand how to manage conflict situations

- Assess risks associated with a range of conflict situations
- Explain how to reduce risks associated with potential conflict situations
- Explain how to defuse conflict situations

Assessment

One hour online examination involving 60 multiple choice questions.

Taking Control of Goods

13 Guided Learning Hours 90 Total Qualification Time

Learning outcomes The learner will:		Assessment criteria The learner can:	
1	Understand the role of enforcement agents within the enforcement profession.	1.1	Describe the structure of the enforcement sector.
		1.2	Explain the purpose of the enforcement profession.
		1.3	Explain the role and responsibilities of enforcement agents in accordance with legal requirements.
		1.4	Explain the meaning of commonly used terminology.
2	Understand the law relevant to enforcement agents.	2.1	Identify the powers and obligations conferred by relevant Acts and regulations.
		2.2	Identify aspects of human rights legislation that are relevant to enforcement.
		2.3	Identify enforcement agents' obligations in respect of data protection legislation.
		2.4	State possible consequences of not complying with legislation and regulations.
3	Understand the practice of taking control of goods.	3.1	Identify categories of legally exempt goods.
		3.2	Explain enforcement agent's rights of entry and re-entry.
		3.3	Describe how to deal with common types of ownership and exemption disputes.
		3.4	Explain the process of taking control of goods in accordance with legal and regulatory requirements.
4	Understand the practice of removal and sale of goods.	4.1	Explain the process of removal of controlled goods in accordance with legal and regulatory requirements.
		4.2	Explain how to sell controlled goods in accordance with legal and regulatory requirements.
		4.3	Describe the implications of the sale of controlled goods on those involved.

5	Understand relevant aspects of customer care.	5.1	Describe how an enforcement agent can deliver good customer care in accordance with national standards.
		5.2	Describe how to deal with vulnerable people in accordance with national standards and regulations.
		5.3	Describe how to handle complaints in accordance with national standards and regulations.
6	Understand how to manage conflict situations.	6.1	Assess risks associated with a range of conflict situations.
		6.2	Explain how to reduce risks associated with potential conflict situations.
		6.3	Explain how to defuse conflict situations.

Indicative content

1.	• Key developments of enforcement profession. • Structure of enforcement sector. • Purpose of enforcement profession. • How enforcement agent's role fits into legal process. • Key functions of enforcement agents. • Meaning of current terminology commonly used in enforcement profession e.g. – creditor/claimant – debtor/defendant – enforcement – enforcement agent business – enforcement agent – Warrant and Writs of Control – taking control of goods – possession – committal and arrest – Liability Order. • Role of police when called by enforcement agent or debtor. • How fees and charges are applied at various stages. • Importance of correct handling of payments.

2	• Powers and obligations conferred by the Tribunals, Courts and Enforcement Act 2007 and associated regulations, including Commercial Rent Arrears Recoveries (CRAR). • Relevant aspects of Human Rights legislation. • Enforcement Agents' data protection obligations. • Consequences of enforcement agent not complying with current legislation.
3	• Categories of legally exempt goods. • Enforcement agents' rights of entry and re-entry. • Common types of ownership and exemption disputes. • How to deal with common types of ownership and exemption disputes. • Process for taking control of goods, including: – Different ways of taking control of goods – Obligations of Enforcement agent – Obligations of debtor. • Documentation that must be completed when taking control of goods. • Importance of accurate and legible completion of documentation. • Importance of providing information about payment opportunities and consequences of non-payment.
4	• Process for removal of controlled goods. • Process for the sale of controlled goods. • Duty of care when removing and selling controlled goods. • Documentation that must be completed when removing and selling controlled goods. • Enforcement Agent's responsibilities for making or obtaining a valuation of controlled goods. • Methods of selling removed controlled goods under current legislation. • Responsibilities for selling removed controlled goods under current legislation. • Implications of sale of controlled goods on those involved, including: – Debtor – Purchaser – Enforcement agent – Auctioneer.

5	• Identification of an enforcement agent's customers. • How an enforcement agent can deliver good customer care. • Requirements of National Standards for Enforcement Agents relating to: – Professionalism and conduct – Complaints/discipline – Information and confidentiality – Time and hours – Vulnerable situations. • People who might be vulnerable during the enforcement process. • Actions to take in situations where vulnerable people are involved. • Enforcement agent's obligations for dealing with real and potential complaints. • Complaint handling – where complaints can be escalated.
6	• How to recognise and assess conflict situations. • How to defuse and resolve conflict situations. • How to reduce risks associated with potential conflict situations.

Assessment
One hour online examination involving 60 multiple choice questions.

Consumer Collections

26 Guided Learning Hours 104 Total Qualification Time

Aim

This intermediate award provides an understanding of the concepts, processes and techniques that underpin best practice within consumer credit management.

Syllabus topics

1. Principles of consumer collections (18%)

- Evolution of debt collection as a function
- Identification of why customers fall into arrears
- Collection life cycle
- Key systems and technology
- Common debt repayment arrangements

2. Regulation and industry frameworks for consumer collections (9%)

- Risks associated with consumer collections
- Legal, regulatory and industry frameworks
- Impact of frameworks on collections work

3. Commencement of consumer collections (12%)

- Types of financial and non-financial information required
- Validation of accuracy of customer information
- Locating missing information
- Customer segmentation

4. Consumer collection contact (22%)

- Plan for outbound calls
- Appropriate methods of building accurate picture of customers' situation
- Techniques for identifying vulnerable customers
- Communicating with and supporting vulnerable customers
- Establishing repayment plans
- Disputes and conflicts

5. Action in response to continued non-payment (9%)

- Taking appropriate action toward non-payment
- Affordability of repayment plans
- Negotiation of revised repayment arrangements

6. Preparation for legal proceedings (12%)

- Documents used in the debt collection process
- Accuracy and timeliness of documentation
- Third party assistance in legal recovery
- Writing off debts

7. Effective consumer collection processes (18%)

- Maintenance of compliant collection processes
- Methods of checking quality and integrity of work
- Training and support for collection teams
- Setting and monitoring effective operational targets
- Partnership maximisation

Assessment

One hour online examination involving 60 multiple choice questions.

Consumer Collections

26 Guided Learning Hours 104 Total Qualification Time

Level 2 Award in Consumer Collections

Aim

To develop the knowledge and skills required for consumer collections work.

	Learning outcomes The learning will:		**Level 2 Assessment criteria The learner can:**
1	Know the principles of consumer collections.	1.1	Describe the evolution of debt collection as a function.
		1.2	Identify reasons why customers fall into arrears.
		1.3	Identify the steps involved in the collection life cycle from collections to recoveries.
		1.4	Identify common consumer collection methods for main customer types, including deceased customers.
		1.5	Describe key systems and technology which support consumer telephone collections.
		1.6	Identify common debt repayment arrangements.
2	Know the legal, regulatory and industry frameworks which relate to consumer collections.	2.1	Identify the risks associated with consumer collections.
		2.2	Identify legal, regulatory and industry frameworks which relate to consumer collections.
		2.3	Describe the impact of legal, regulatory and industry frameworks on consumer collections
3	Understand how to obtain sufficient information to commence consumer collections.	3.1	Describe the types of financial and non-financial information required before the commencement of debt collections.
		3.2	Explain the importance of validating the accuracy of financial accurate, customer information.
		3.3	Describe how missing information about customers can be located.
		3.4	Identify customer information which helps segment customers into main types and inform the collections process.
4	Know how to carry out consumer collection contact.	4.1	Describe how to plan for outbound telephone calls or visits (to a range of customers – Level 3) in arrears.
		4.2	Identify appropriate methods for building an accurate picture of the customer's situation.
		4.3	Describe techniques for identifying and communicating with customers in vulnerable circumstances.
		4.4	Describe arrangements that should be put in place to support customers in vulnerable circumstances.

		4.5	Describe how to establish a repayment plan and record a customer's ability and willingness to pay.
		4.6	Describe the importance of recording and tracking progress with any disputes or complaints.
		4.7	Describe the skills required to communicate with a range of customers in arrears, including abusive ones, in order to meet the needs of the customer and business.
5	Understand how to instigate action in response to continued non-payment.	5.1	Describe how to instigate action appropriate to the customer circumstance, in response to continued non-repayment.
		5.2	Describe how to check the affordability of repayment plans.
		5.3	Describe how to negotiate and agree revised repayment arrangements.
6	Understand how to prepare for legal proceedings.	6.1	Outline the documents used in the debt collection process.
		6.2	Outline the importance of ensuring the accuracy and timeliness of documentation.
		6.3	Describe the types of external stakeholders that can offer assistance in the debt recovery process.
		6.5	Describe circumstances when it would be in the interests of the creditor to write off a debt.
7	Understand effective consumer collection processes are maintained.	7.1	Describe how collection processes are maintained to ensure compliance with legal, regulatory and industry frameworks.
		7.3	Describe methods for checking the quality and integrity of work.
		7.4	Describe how collection team are trained and supported.
		7.5	Describe the effects for operational targets on collections activities.
		7.6	Describe how to monitor targets in order to improve performance.
		7.7	Describe how to maximise partnerships with a range of expert third party intermediaries.

Assessment 1-hour online examination (60 multiple choice questions).

Indicative content

1.1	Evolution of debt collection globally as a function into a significant business area (exemplified by UK journey) including: • rise of third party debt collection agencies. • increased role and impact of technology. • debt sale/purchase. • credit reference agencies. • impact of third party consumer support groups.

	• impact of increased regulation. • growing distinction between concepts of consumer and commercial debt collection, private and public, regulated and non-regulated. • growth of debt management services. • in-house recoveries. • increasing focus on positive outcomes for all customers and debt prevention. • growth of clear company collection policies and philosophy linked to company's vision, mission and value statements.
1.2	Reasons why customers fall into arrears including: **Macro trends** – rise of consumer credit, expansion of credit products – increased consumerism – increased lending and excessive borrowing. **Personal circumstances** – Changes to benefits – Common issues resulting from billing – Change in circumstances – Life events – Non-standard requirements or credit history. **Health conditions which potentially makes a customer financially vulnerable** – Severe or long-term illness – Medical conditions – Mental health problems – Alcohol or drug abuse. **Limited capacity** Being young, 'old', significant learning disabilities. **Communication difficulties** Lack of English language skills. **Organisational action (or inaction)** contributing to a vulnerable situation.
1.4	Steps involved in the collection life cycle from collections to recoveries: – proactive collections – early delinquency – post default.
1.3	• Common consumer collection methods including collections letters or written communications, telephone calls, home visits, transfer to debt collection agencies, legal action. • Grant of probate, Letters of Administration. • Insolvency options: – Petition for Bankruptcy – Individual Voluntary Arrangement (IVA) – Debt relief order (DEO) – Administration order in England and Wales (Sequestration (Bankruptcy) and Trust Deeds – Scotland).
1.5	Collections systems, master files, flags, e.g. to identify customers in vulnerable circumstances, dialler, automated voice messages, email and text.

1.4	• Tailored options offered, e.g. freezing orders, winding back charges and payment holidays. • Flexible payment arrangements or social tariffs for customers in vulnerable circumstances.
2.1	Key risks associated with debt collections: • financial impact of uncollected debt on business. • effect of different debt collection strategies and timeframes on the customer's ability to self-manage debt. • customer harassment. • customer data risks. • customer redress. • organisation's reputation and brand. • potential fraud.
2.2	Ways that government and sector bodies control debt collection in order to protect consumers. Legal, regulatory and industry frameworks: • Government – Data-protection – Anti-harassment – Consumer Rights legislation. • Regulatory bodies - Role, statutory powers, complaint-handling and sanctions for non-compliance e.g. – Financial Conduct Authority (FCA) principles and regulations in UK (principles based regulation) – Sector regulation. Overarching principles: – Treating customers fairly – Business practice rules – e.g. FCA Principles – Rules of business practice (PRIN) – Characteristics of improper business practice. • Industry frameworks, e.g. Credit Services Association Code of Practice, Chartered Institute of Credit Management (CICM) Vulnerability Framework.
2.3	Impact of legal, regulatory and industry frameworks on consumer collection: • implications of non-compliance on business. • identifying fraudulent activity. • focus on individual circumstances. • responsible lending. • code of practice for accurate utility bills. • different type of customer solutions. • affordability. • identification and support for people in vulnerable circumstance. • increasing focus on positive outcomes for all customers and debt prevention.
3.1	Types of financial and non-financial information required before commencement of debt collections.
3.2	Importance of accurate, customer information before debt collection commences and accurate collection and recording during collection process.
3.3	• Locating missing information. Validation and verification requirements. • Locating a 'gone away' customer – tracing and investigation techniques.

	• Credit reference agency searches. • Alternative non-credit reference agency data sources: telephone, letter and field tracing techniques, use of external tracing and investigation services.
3.4	• Customer types: customer (will pays but don't, can't pays but could, and can't pays but wish to) financial difficulties, vulnerable customer, deceased – key elements and impact on collection process. • Segmentation and profiling information including – customer availability – payment behaviour, – information about any legal action or insolvency – queries. • Impact of customer type on recovery process. • Collections procedures including dynamic, tailored pathways for a full range of customer circumstances. • Pathways have clear, simple information and advice; appropriate internal and external communication and signposting; and a clear escalation process. • Best practice is to tailor approach offered to customers without seeing and treating customers in situations of vulnerability as a different group. • Types of debt (consumer debt – sole trader, partnership, limited companies, limited companies, joint/several liability; and consumer debt including sole and joint personal accounts, joint and several liability and decreased debtors).
4.1	• Call and customer visit preparation. • Legal and organisational requirements for contact methods e.g. – Timing – Advice to customer about quality checks and recordings made during a call – Verification of identity of a caller – Information which is confidential to the organisation and the customer. • Techniques for effective customer contact – know your customer. • How to make appropriate contact with customers, evidence to authenticate collectors' relations and explain their debt obligation. • Action when unable to make contact with customer.
4.2	• Appropriate methods to establish customer's ability and willingness to pay e.g. income and expenditure statements. • Methods for confirming customer details. Validating authenticity and accuracy of customer information. • Questioning techniques to build an accurate picture of customer's situation.
4.3	Methods for identifying and signposting customers in vulnerable circumstances including: • Triggers – behaviours and what customer says on call to indicate potential vulnerability. • Use of red flags. • use of conversation tools: TEXAS, BLAKE, IDEA, SPIDER, BRUCE. • Consent arrangements are established to enable third parties. • Consistent advice and treatment provided to those who are recently bereaved, have power of attorney or a third party mandate.

4.4	• Methods for supporting customers who are struggle to pay e.g. forbearance and due consideration, affordable repayments, appropriate payments for customer type, social responsibility funds. • Departments/external agencies which can provide debt advice. • Disclosure policy, compliant with data protection requirements. • Use of collections experts with time, authority and discretion to take a tailored approach for vulnerable customers. • Partnership with third parties for money advice. • Handling enquiries from third parties.
4.5	• How to establish affordable repayment plans. • How to close the call. • Referrals. • Maintenance of customer records.
4.6	• Dispute and complaint investigation and management.
4.7	• Empathy, active listening, probing, vocal techniques for conveying clear and coherent information. • Negotiation and influencing skills. • Handling of abusive or threatening calls. • Best practice customer communication. • Tailored communication methods and service delivery.
5.1	• Consequences of non-payment. • How to review customer accounts in an ethical manner. • How computerised systems help review payment settlements and instances of non-payment. • Action agreed with any relevant third parties.
5.2	• Affordability checks that identify priority debts. • Using the Common Financial Statement.
5.3	• Notification of relevant third parties. • Customer knows how to pay. • Consequences of non-payment.
6.1	Legal proceedings documentation: e.g. • Letter before action. • Default notice. • Pre-action Protocol documents.
6.2	Legal proceedings process rules: Civil Procedure Rules, Limitation Act.
6.3	• Legal firms that specialise in debt recovery. • Alternative Dispute Resolution specialists. • Money and Debt Advise organisations.
6.5	• Age of overdue balance. • Long term vulnerability. • Contested/disputed debt. • Customer identified as deceased where no estate to claim against.
7.1	• Compliance monitoring. • Service level agreement. • Record maintenance. • How to identify, record and investigate suspicions of fraudulent activity/money laundering.

7.3	• How quality of debt collection work is checked. • Speech analytics software help audit all calls.
7.4	• Induction and refresher training. • Team training and qualifications. • Regular one-to-one meetings, individual support and feedback on call handling • Best practice call guidance and sufficient time allowed for calls. • Flexibility given to allow conversation to develop naturally if sense that customer is experiencing difficulties. • Use of techniques e.g. flags and speech analytics to identify vulnerable customers. • Emotional health and professional well-being support. • Use of peer and team support.
7.5	• Effects of operational targets on collection activity. • Alignment of targets and incentives to correct identification and referral of potentially vulnerable people and building long-term sustainable relationships. • Frontline team empowered and incentivised to use their judgement.
7.6	• Importance of accuracy management information systems. • Arrangements to improve customer outcomes. • Customer feedback. • Dashboards with key statistics.
7.7	• Best practice partnership with third party organisations. • Clarification of level of partnership.

Assessment

One hour online examination involving 60 multiple choice questions.

Assignment based units

There are a range of assignment based units:

- Level 2 Credit Control & Collections
- Level 2 Commercial Telephone Collections
- Level 2 Business Communications & Personal Skills
- Level 2 Consumer Telephone Collections

Learning for these units tends to be 'on the job'. Candidates complete a short assignment to demonstrate their level of competency.

Elective Awards

CICM assignment-based assessments are units which help improve effectiveness, for example, in credit risk management. They are based on one day or half day seminars and do not involve examinations. Instead you complete an assignment which helps build knowledge of how your company expects work to be carried out, and develop your skills through reflective practice.

Each unit is individually certificated. Additionally, it gives credits towards a CICM Certificate or Diploma in Credit & Collections. You will need to find a coach to help you with the assignment and act as your mentor. This could be your line manager, a tutor or another person with experience in training or credit management. Your coach will provide advice, check that you have completed fully each section and verify that the assignment is your own work.

Credit Control/Collections

40 Guided Learning Hours 91 Total Qualification Time

Aim

This entry level aims to assess essential knowledge and skills of Credit Controllers and Collectors.

Syllabus topics

1. **Principles of credit/collections in organisation (30%)**
   - Importance of credit control/collections in organisation
   - Structure of credit/collection function
   - Organisational policies and procedures
   - Product/services support explanation
   - Personal work objectives

2. **Risks related to credit control/collections (15%)**
   - Risks related to credit control/collections work
   - Minimising risks

3. **Working in a compliant way (20%)**
   - Compliance with legal, regulatory, or organizational requirements
   - Consequences of not following organizational policies and procedures
   - Raising concerns if errors made

4. **Excellent service delivery (15%)**
   - Organisational standards and values
   - Personal knowledge, skills and behaviours needed to ensure excellent service delivery

5. **Reflective practice (20%)**
   - Evidence of effective credit control/collections
   - Reflection on work and learning activities to make improvements to performance
   - Progress identification and evaluation of performance

Assessment

One written assignment

Level 2 Credit Control/Collections

40 Guided Learning Hours 91 Total Qualification Time

Learning outcomes The learner will:		**Assessment criteria LEVEL 2, The learner can:** D/615/2297	
1.	Know how the principles of credit/collections applies to their role.	1.1	Explain the importance of credit control/collections in their organisation.
		1.2	Describe the structure of their credit/collections function and where their role fits in.
		1.3	Explain the products/services they support and who they work with to deliver these.
		1.4	Describe their personal work objectives.
2.	Know the risks related to credit control/collections work.	2.1	Identify the risks related to credit control/collections work.
		2.2	Describe how their organisation minimizes risks related to credit control/collections work.
3.	Know how to work in a compliant way.	3.1	Explain how to work in a way to ensure compliance with any legal, regulatory or organisational requirements.
		3.2	Explain the consequences of not following organisational policies or procedures.
		3.2	Explain how to raise concerns if errors are made.
4.	Know how to ensure excellent service delivery.	4.1	Explain how their organisational standards and values influences the way that they carry out their work.
		4.2	Explain the personal knowledge, skills and behaviours needed to ensure excellent service delivery.
5.	Be able to demonstrate effective credit control/collections based on reflective practice.	5.1	Evidence effective credit control/collections over a period of at least one month.
		5.2	Use reflection on work and learning activities to make improvements to performance.
		5.3	Work with another person to identify progress and evaluate performance.

Assessment

Assignment (Level 2 only)

Indicative content

1	• Principles of credit management and collections. • Nature and priorities of their organisation and organisational standards and values. • Structure of their credit/collections function and where their role fits in. • How their role fits in and different areas of the organisation that they work with. • Organisational products/services and how their role supports the delivery.

2	• Credit control/collections policies and techniques, e.g. credit policies, customer service standards, policies for working with vulnerable customers. • How to use external sources of information. • Relevant legal, regulatory, risk and compliance frameworks and requirements.
3	• Systems, tools and processes used in role and standards to be met in using these, including how to: – Organise own accounts, completing tasks to required organisational deadlines. – Track individual customer accounts, where necessary, taking appropriate action. – Take ownership through to completion, escalating when required. • Consequences of not following processes and when to raise concerns if errors are made.
4	• Professional standards of working practices; importance of integrity and ethical behaviour. • Organisational customer service standards and how to work positively with customers.
5	• Individual and team objectives and how to work consistently to support colleagues and collaborate to achieve results. • How to deal objectively with setbacks when they occur, learning for the future. • How to support others when setbacks occur, sharing learning with others. • How to keep up to date with relevant changes and work with a manager to build capability and identify opportunities to improve work practices and performance.

Assessment

One written assignment.

Commercial Telephone Collections

33 Guided Learning Hours 105 Total Qualification Time

Aim

This unit aims to develop the knowledge, skills and behaviours required for commercial telephone collections.

Syllabus topics

1. Commercial telephone collection (10%)

- Qualities required for commercial telephone collections work
- Organisational measurement of quality of telephone collections

2. Main customer types and collection processes (15%)

- Identification of main types of customers in arrears
- Organisational collection process for each customer type
- Objective of collection calls for each customer type

3. Rules relating to commercial telephone collections (10%)

- Key laws and regulations
- Key organizational rules required to ensure compliance with legal and regulatory requirements

4. Conducting commercial telephone collection calls (30%)

- Organisation of commercial collections calls
- Structure of commercial telephone collections calls
- Techniques to build customer relations
- Excuses for late payment
- Vocal techniques used in commercial collections calls
- Post call action

5. **Effective negotiations (25%)**

- Assertiveness during commercial collections calls
- Influencing techniques used during commercial collection calls
- Overcoming resistance during commercial collections calls
- Negotiation in a commercial collections call
- Handling disputes and dealing with angry callers

6. **Reflective practice (10%)**

- Explanation of key personal strengths in collections call handling
- Reflection on work and learning activities to make improvements to performance

Assessment

Assignment based assessment.

Commercial Telephone Collections

33 Guided Learning Hours 105 Total Qualification Time

Aim

The unit aims to develop the knowledge, skills and behaviours required for commercial telephone collections.

Learning outcomes The learner will:		**LEVEL 2 Assessment criteria The learner can:**	
1	Understand what makes a good commercial telephone collector.	1.1	Describe the qualities required for commercial telephone collections work (knowledge, skills and behaviours).
		1.2	Describe how their organisation measures the quality of telephone collections work.
2	Be able to identify main customer types and collection processes.	2.1	Describe main types of customers in arrears that they work with.
		2.2	Summarise their organisation's collection process for each customer type.
		2.3	State the main objective of collections calls for each of their customer types.
3	Know the rules which relate to commercial telephone collections work.	3.1	Identify key laws and regulations which relate to their commercial telephone collections work.
		3.2	Summarise key organisational rules which they must follow to ensure compliance with these legal and regulatory requirements.
4	Know how to conduct commercial telephone collections call.	4.1	Describe how they organise commercial collections calls in order to maximise cash collection.
		4.2	Describe how they prepare for a commercial collection call.
		4.3	Explain how they structure conversations in a commercial collections call.
		4.4	Exemplify techniques they use to build customer relations while carrying out a commercial collections call.
		4.5	Describe their response to a variety of excuses for late payment.
		4.6	Describe the vocal techniques they use in commercial collections calls.
		4.7	Describe post call action.
5	Be able to negotiate effectively during a collections call.	5.1	Exemplify how they are assertive and remain assertive during a commercial collections call.
		5.2	Exemplify influencing techniques that they have used in a commercial collections call.
		5.3	Describe how they overcome resistance during a commercial collection call.
		5.4	Exemplify how they have negotiated win:win situation in a commercial collections call.

		5.5	Describe how they handle disputes raised in a commercial collections call.
		5.6	Explain how they deal professionally with an angry caller.
6	Be able to reflect on the commercial collections calls they have carried out over a period of time.	6.1	Explain their key personal strengths in collections call handling.
		6.2	Identify areas for development.

Indicative content

1.1	• Role of commercial telephone collectors. • Qualities required for commercial telephone collections work (knowledge, skills and behaviours).
1.2	• Quality checks and call monitoring. • Targets or key performance indicators (KPIs).
2.1	How to distinguish main types of customers in arrears: will pay (e.g. lack of organisation; payment run misalignment), won't pay (e.g. company policy, query), can't pay (e.g. cash flow, financial difficulties) – key elements and impact on collection process.
2.2	Collection process for each main customer type: will pay, won't pay, can't pay.
2.3	Objectives of call; outcomes; organisational policies, e.g. credit policy.
3.1	Relevant law depending on type of debt (Candidate's focus on relevant area). Areas for consideration: • General Data Protection Regulations (GDPR) • Late payment legislation • Anti-harassment • Anti-Money Laundering / fraud • Sector regulations e.g. Ofwat, Ofgem, Ofcom.
3.2	Key organisational rules to ensure compliance, e.g. • Information which is confidential to the organisation and the customer. • Communication with customer – what is unfair practice? • Call preparation. • Corporate governance. • Sarbanes Oxley segregation of duties.
4.1	• Factors which influence success of a call. • How to organise a call in order to maximise cash collection.
4.2	How to plan a commercial collection call. • Identifying customer types and strategies for dealing with them. • Establishing clear objectives.
4.3	• How to structure conversations in a commercial collections call. • The five stages in a good telephone call: preparation, building rapport, asking for the money, closing the call, follow up. • Importance of a clear opening, control, flexibility and a strong close.
4.4	How to build customer relations while carrying out a commercial collections call: • Building customer understanding, payment cycle, support with query handling. • Empathy and wider understanding of commercial outcomes.

	• Follow up to confirm arrangements.
4.5	• Responses to excuses for late payment, e.g. – Bureaucracy. – Invoice queries and disputes. – Cash flow problems. – Evasive, don't want to pay.
4.6	Vocal techniques for commercial collections calls: • Attitude as a controllable choice. • Customer dynamics. • Voice tone techniques. • Persuasive language patterns. • Building rapport. • Aggressive, submissive, assertive behaviours. • Keeping calm under pressure.
4.7	Post call action including recording, diarising, action planning and follow up.
5.1	Evidencing assertive skills in commercial collections calls: • Dealing with reasons for non-payment in an assertive way. • Drilling down - using questioning skills. • How to stop use of the same excuse again.
5.2	Evidencing influencing skills in commercial collections calls: • Staying focused, listening and clarifying. • Reaching workable solutions. • Behaviour - Adult, Parent, Child.
5.3	How to overcome resistance in commercial collections calls: • Selling the need to pay. • Reaching the decision-maker.
5.4	Evidencing negotiation skills in commercial collections calls: • Principles of successful negotiation, establishing a win:win position. • Closing the deal and follow up action.
5.5	• Handling queries, disputes and conflict. • Management of complaints. • Organisational policies.
5.6	Dealing with angry customers; handling verbal abuse; organisational policy; referral.
6.1	Reflective practice.
6.2	How to identify opportunities to improve work practices and successfully implement changes that are required.

Assessment

Assignment (Level 2 only).

Consumer Telephone Collections

33 Guided Learning Hours 105 Total Qualification Time

Aim

This unit aims to develop the knowledge, skills and behaviours required for consumer telephone collections.

Syllabus topics

1. **Consumer telephone collection (15%)**
   - Role of consumer telephone collectors in organisation
   - Qualities required for consumer telephone collections work
   - Organisational measurement of quality of telephone collections

2. **Consumer collections with main customer types (15%)**
   - Handling of consumer collection calls with main customer types
   - Identification of customers in vulnerable circumstances
   - Handling calls with vulnerable customers

3. **Rules relating to consumer telephone collections (10%)**
   - Key laws and regulations
   - Key organisational rules required to ensure compliance with legal and regulatory requirements

4. **Conducting consumer telephone collection calls (30%)**
   - Essential checks at start of consumer collections
   - Developing dialogues with customers
   - Vocal techniques used in commercial collections calls
   - Questions used to build an accurate picture of a customer's situation
   - Establishing an affordable repayment plan
   - Reaching a commitment and closing a call
   - Post call action
   - Importance of accurate call records

5. **Effective negotiation** (20%)
   - Assertiveness during consumer collections calls
   - Influencing techniques used during consumer collection calls
   - Overcoming resistance during consumer collections calls
   - Negotiation in a consumer collections call
   - Handling disputes and verbal abuse

6. **Reflective practice** (10%)
    - Explanation of key personal strengths in collections call handling
    - Reflection on work and learning activities to make improvements to performance

Assessment

Assignment based assessment.

Consumer Telephone Collections 90 qualification time

33 Guided Learning Hours 105 Total Qualification Time

Aim

The unit aims to develop the knowledge, skills and behaviours required for consumer telephone collections.

Learning outcomes The learner will:		**LEVEL 2 Assessment criteria The learner can:**	
1	Understand what makes a good consumer telephone collector.	1.1	Describe the role of consumer telephone collectors in their organisation.
		1.2	Describe the qualities required for consumer telephone collections work (knowledge, skills and behaviours).
		1.3	Describe how their organisation measures the quality of telephone collections work.
2	Know how to handle consumer collections calls with main customer types.	2.1	Describe how to handle consumer collections calls with main customer types.
		2.2	Describe how they identify customers in vulnerable circumstances.
		2.3	Describe how they would handle a call with a vulnerable customer.
3	Know the rules which relate to consumer telephone collections work.	3.1	Identify key laws and regulations which relate to their consumer telephone collections work.
		3.2	Summarise key organisational rules to ensure their compliance with these regulatory and legal requirements.
4	Know how to conduct consumer telephone collections call in accordance with legal and organisational requirements.	4.1	Describe essential checks made at the start of a consumer collections call.
		4.2	Exemplify how they develop the dialogue with a customer.
		4.3	Describe vocal techniques for conveying clear and coherent information.
		4.4	Describe questions they use to build an accurate picture of a customer's situation.
		4.5	Exemplify how they establish an affordable repayment plan.
		4.6	Describe how they reach a commitment and close a call.
		4.7	Describe post call action, where applicable, including call logging.
		4.8	Explain the importance of accurate call records.

5	Be able to negotiate effectively during a collections call in accordance with legal and organisational requirements.	5.1	Exemplify how they are assertive and remain assertive during a collections call in accordance with legal and organisational requirements.
		5.2	Exemplify influencing techniques that they have used in a collections call.
		5.3	Describe how they overcome resistance during a collection call.
		5.4	Exemplify how they have negotiated win:win situation in a collections call.
		5.5	Describe they handle disputes.
		5.6	Explain how they would handle any verbal abuse during a collections call.
6	Be able to reflect on the consumer collections calls they have carried out over a period of time.	6.1	Explain their key personal strengths in collections call handling.
		6.2	Identify areas for development.

Indicative content

1.1	• Role of consumer telephone collectors. • Company collection culture. • Collection policy and philosophy. • How are collectors perceived inside and outside the business.
1.2	Qualities required for consumer telephone collections work (knowledge, skills and behaviours).
1.3	• Quality checks and call monitoring. • Targets or key performance indicators (KPIs).
2.1	• How to distinguish main types of customers in arrears: will pay, won't pay, can't pay, financial difficulties, vulnerable customer, deceased – key elements and impact on collection process.
2.2	Methods for identifying, signposting and handling calls with customers in vulnerable circumstances, including: TEXAS, BLAKE, IDEA, SPIDER, BRUCE.
2.3	Organisational policy and procedure; vulnerability frameworks; signposting and warm transfers to departments/external agencies which can provide debt advice.
3.1	• Relevant law, regulations and industry code of practices/guidelines depending on type of debt (Candidate's focus on relevant area). Areas for consideration: • Financial Conduct Authority (FCA) principles and regulation. • Know your Customer (KYC). • Treating Customers Fairly (TCF). • General Data Protection Regulations (GDPR). • Credit Services Association Code of Practice. • Anti-harassment. • Anti-money laundering / fraud. • Sector regulations e.g. Ofwat, Ofgem, Ofcom.

3.2	Key organisational rules to ensure compliance, e.g. • Timing. • Advice to customer about quality checks and recordings made during a call. • Verification of identity of a caller. • Information which is confidential to the organisation and the customer. • Communication with customer – what is unfair practice? • Call preparation.
4.1	How to make appropriate contact with customers, evidence to authenticate collector's relations and explain their debt obligation.
4.2	Developing dialogue with the customer. Questioning techniques, listening skills, counselling skills.
4.3	Vocal techniques for consumer collections calls: • Attitude as a controllable choice. • Customer dynamics. • Voice tone techniques. • Persuasive language patterns. • Building rapport. • Aggressive, submissive, assertive behaviours. • Keeping calm under pressure.
4.4	• Questioning techniques to build an accurate picture of a customer's situation. • Appropriate methods to establish customer's ability and willingness to pay.
4.5	How to establish an affordable repayment plan – income and expenditure statements.
4.6	How to reach a commitment and close a call.
4.7	Post-call action, including call logging where relevant.
4.8	Importance of accurate call records.
5.1	Evidencing assertive skills in consumer collections calls: • Dealing with reasons for non-payment in an assertive way. • Drilling down - using questioning skills. • How to stop use of the same excuse again.
5.2	Evidencing influencing skills in consumer collections calls: • Staying focused, listening and clarifying. • Reaching workable solutions. • Behaviour - Adult, Parent, Child.
5.3	How to overcome resistance in consumer collections calls: • Selling the need to pay. • Reaching the decision-maker.
5.4	Evidencing negotiation skills in consumer collections calls: • Principles of successful negotiation, establishing a win:win position. • Closing the deal and follow up action.
5.5	• Handling queries, disputes and conflict. • Management of complaints. • Organisational policies.
5.6	Dealing with abusive calls.
6.1	Reflective practice.

6.2	How to identify opportunities to improve work practices and successfully implement changes that are required.

Assessment

Assignment (Level 2 only).

Business Communications and Personal Skills

32 Guided Learning Hours 75 Total Qualification Time

Aim

To develop the business communications and personal skills required for credit controller and debt collection specialist and enforcement work.

Syllabus topics

1. **Personal skills and behaviours required at work (45%)**
   - Importance of a range of personal skills
   - Identification of personal strengths and challenges
   - Organisational measurement of quality of telephone collections

2. **Communication in the business environment (10%)**
   - Effective communication using a variety of media

3. **Building good relationships with colleagues and customers (45%)**
   - Resolving issues using communication and personal skills
   - Effective team working
   - Progressive business communications and personal skills

Assessment

Assignment based assessment.

Business Communications and Personal Skills

32 Guided Learning Hours 75 Total Qualification Time

	Learning outcomes The learning will:	**Assessment criteria L/615/3218 The learner can:**	
1	Understand the personal skills and behaviours required at work.	1.1	Explain the importance of a range of personal skills for their area of work.
		1.2	Identify own strengths and challenges in relation to required personal skills and behaviours at work.
		1.3	Explain the importance of teamwork.
		1.4	Explain behaviours which help teams work effectively to achieve objectives.
2	Know how to communicate in the business environment.	2.1	Explain how they communicate effectively using a range of media.
3	Be able to use effective communication and personal skills to build good relationships with colleagues and customers.	3.1	Exemplify their ability to build good customer relationships.
		3.2	Evidence personal involvement in an issue which results in resolution and demonstrates effective business communication and personal skills.
		3.3	Evidence effective teamwork over a period of at least a month.
		3.4	Explain progress with their business communications and personal skills.

Indicative content

1	• Importance of specific personal skills and behaviours for area own area of work taking into consideration: – Nature and priorities of their organisation. – Principles and priorities related to their areas of work. – Policies and techniques used in their role. – Legal, regulatory, risk and compliance requirements. • Professional standards they need to work within. • Organisational values, standards, policies, procedures. • Requirements for excellent service delivery, work planning, teamwork, communication and relationship building, negotiation and decision making, and continuous improvement. • Time management. • Negotiation and decision-making. • Initiative – taking ownership through to completion and escalating when required. • Commitment – displaying energy and enthusiasm. • Resilience – staying positive when under pressure, dealing objectively with setbacks when they occur, learning for the future and sharing

	learning with others. • Flexibility – adapting to changing priorities effectively, re-prioritising, supporting others with change. • Communication skills and relationship building – using sound communication skills, listening actively and adapting style, handling difficult situations professionally and providing support. • Honesty and integrity – treating sensitive information in a confidential way. • Ability to embrace change and respond positively to new priorities. • Importance of teamwork for own area of work and behaviours which help teams work effectively to achieve objectives.
2	• How to communicate effectively with customers/colleagues using a range of media and appropriate language.
3	• Awareness of internal and external customers, their importance to the organisation and of building good relations. • How to build good relationships with customers while dealing with a potentially difficult topic. • How to adapt style to that of the customer and actively listen to understand their needs. • How to handle difficult and sensitive situations professionally, working to support and retain a positive relationship with the customer. • How to work with customers to identify mutually acceptable solutions. • The importance of taking ownership through to resolution, escalating where necessary. • How to identify opportunities to improve work practices and successfully implement changes that are required.

Assessment

One written assignment.

Useful contacts

Learner study advice service 9:00 – 17:00 (UK time) Monday - Friday	T: +44 (0)1780 722909
Advice on studying for CICM qualifications	E: info@cicm.com
Advice on any aspect of the assessment process	E: awardingbody@cicm.com
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Chartered Institute of Credit Management

The Chartered Institute of Credit Management (CICM) is the largest recognised professional body in the world for the credit management community. Formed over 75 years ago, the Institute was granted its Royal Charter in 2014. Representing all areas of the credit and collections lifecycle, it is the trusted leader and expert in its field providing its members with support, resources, advice, and career development as well as a networking and interactive community. In addition to its comprehensive suite of qualifications and learning opportunities, events and magazine 'Credit Management', the CICM administers the Prompt Payment Code for BEIS. Independently, and through collaboration with business organisations, it provides vital advice to businesses of all sizes on how best to manage cashflow and credit.