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THE POLICY OF THE BUSINESS MAN

Condensed from a paper read before the Chicago Credit Men's Association,
by Mr. John P. Byrne.

ALTHOUGH the standpoint of the writer of the following remarks is that of a jobbing house giving credit to smaller firms, it contains much valuable practical advice on business matters by an experienced merchant :

"Firstly, the cold and lifeless science of credit making should be relegated pretty well to the rear. In the place of this hard science, I would put some warm flesh and blood that would convince the prospective customer that his advances of friendship and patronage were being met in a cordial manner by a cheerful, satisfied soul, whose digestive organs were in good order ; in short, by a credit man, not repellant but inviting.

"Of course, I admit that no one is in perfectly healthy mental and physical condition every day in the year, but the credit man, to whom his firm has intrusted so much of its policy, should, by practice and drill, himself acquire some 'policy,' and for the time being, assume a virtue, though he have it not.

"We have learned from our tenderest years how lasting are first impressions and how necessary it is for us to be ever alert to such impressions in our contact with others. The man of the world has but to hold, as it were, the mirror up to nature—his own nature—and profit by the reflection. And this habit (I don't exactly mean the looking glass habit) once acquired, one's cordiality of manner becomes second nature, and in turn makes a man loved by his wife and children, courted by his neighbors, admired by his friends, and he may even be elected to office in a club or association without salary.

"However, going hand in hand with this heartiness, publicly and above board, I should prescribe a moiety of common sense, begotten of a sound mind, polished and educated by experience and observation.

"My subject is the credit man as a salesman, and all that he should in my opinion do to increase the sales and multiply the friends of his house. It may be asserted that so much graciousness and bonhomie will encourage a debtor to ask favors with freedom. To this I will say that if a deserving debtor may not occasionally look to his friends when in need, then to whom would you direct him? As to an undeserving one, the experience and discernment of the credit man should dictate the course to be pursued. I freely confess that I am one of those who admit that moderately long and satisfactory dealings, give the debtor a moral right to ask and expect reasonable accommodations from the creditor. Some credit men (and all lawyers) insist that a renewal should always be backed

with personal or collateral security, but I beg to differ. Of course, there are times when this is prudent, but in the case of one who has earned your confidence by uprightness of action and length of business connection, I consider such demand an ending of business relations and friendship. The times when it is imprudent not to demand such security is when an extension is sought by a new customer, by one who has no claim upon you, or by one whom you believe to be in a failing condition. No self-respecting man will ask a renewal of his first bill, and a man without self-respect cannot be insulted by your reasonable demand.

"In this connection, I might say that we all know 'the old and valued customer,' who has been on the books long before the present generation of credit men left school or college ; we know that he feels himself to be superior to all the rules that the wisdom of the house has caused to be promulgated. We know that the sentimentality of the 'governor' for him is the growth of many, many years ; we immensely admire the 'governor' for it, and we would not be so heartless as to blight such a decrepit plant. Some day, we may find ourselves in the nursery business, and what would then be our opinion of the cruelly-pitiless barbarian of a credit man who would destroy this flowery link of friendship with the past? Perish the thought.

"But, nevertheless, the credit man knows that the aforesaid superannuated debtor is going from bad to worse. He asks for, and obtains, renewals on almost everything that matures, and his purchases do not decrease. To reverse the formula of a well-known credit man, he does not 'increase his remittances and decrease his purchases.' Yet, something must be done, but it must be done diplomatically. I have found it well, in such a case, to act as the guide, philosopher and friend, by financing his business for him—at least, as much of it as concerns my own house. Call in all his notes and acceptances, and make out a new set due so much per fortnight. Make each of the new ones small, then get him to sign them. You will find and he will find, in a comparatively short time, that the total indebtedness has been decreased amazingly. You will thus have accomplished your object and, at the same time, you will make the customer feel that you have been his good friend, as indeed you have been. You have, besides, brought some order and system into his business life."

"Write pleasant letters, whether it be to a patience-trying customer or to an agreeable one. A soft answer turneth away wrath, and more flies are caught by the use of honey than vinegar.

"First and foremost, your own self-respect and that of your house will not admit of the vulgarity of quarreling ; secondly, you were not commissioned by the Almighty to teach the moral law and good breeding to all of your customers, and, thirdly, you will be sure to prepare an unpleasantly warm (or maybe cold) reception for your