



**CREDIT RESEARCH
FOUNDATION**
BUILDING LEADERS IN CREDIT RISK
& REVENUE CYCLE MANAGEMENT

2025 Benchmarking Data Executive Summary of Key Findings March 2026

Credit Organization Profile

Executive Summary

Understanding how credit, accounts receivable, and risk management organizations are structured is critical to aligning operational performance with broader corporate objectives.

Modern credit organizations must balance:

- Risk management
- Customer experience
- Cash flow optimization
- Operational efficiency

Technological advancements such as **AI, automation, and digital workforces** are reshaping how organizations design and manage these functions.

Top Executive Takeaways

- 1. Credit & AR are now strategic enterprise functions**
 - The discipline now directly influences **profitability, liquidity, and risk management.**
- 2. Technology is reshaping organizational design**
 - AI, automation, and fintech solutions are redefining how credit organizations operate.
- 3. No single structure is universally best**
 - Successful organizations align structure with **corporate strategy and customer expectations.**
- 4. Customer proximity still matters**
 - Closer customer relationships improve dispute resolution and payment performance.
- 5. Centralization improves control and cost efficiency**
 - Centralized structures strengthen policy enforcement and portfolio visibility.
- 6. Benchmarking and data are critical**
 - Performance improvement requires understanding the **drivers behind metrics**, not just the metrics themselves.

The Strategic Role of Credit & AR

Credit and Accounts Receivable management has evolved significantly and now plays a central role in enterprise performance.

Today's credit leaders often oversee:

- International operations
- Procurement risk
- Accounts payable integration
- Data management and analytics
- Revenue Cycle Management (RCM)

Since COVID, many organizations now include the **Chief Credit Officer at the executive table**, linking risk strategy directly to corporate profitability and liquidity.

Organizational Structure Models

Most companies operate under one of four primary structures:

Centralized Model

Credit decisions and operations managed from a central organization.

Decentralized Model

Credit authority distributed across business units or geographic regions.

Shared Service Centers

Centralized service operations supporting multiple business units.

Hybrid Structures

Combination of centralized controls with decentralized customer engagement.

There is **no single best structure**. The optimal model depends on a company's:

- size
- complexity
- geographic footprint
- technology capabilities
- customer strategy

Impact of Technology

Technology is transforming credit and receivable operations.

Key drivers include:

- Artificial Intelligence
- Robotic Process Automation (RPA)
- Digital workforces
- Self-service customer portals
- Advanced fintech risk tools

These technologies allow organizations to:

- automate routine tasks
- improve decision visibility
- scale globally
- reduce operational cost

Technology is also enabling the rise of **Shared Service Centers**.

Centralization vs Decentralization

Each structure provides different advantages.

Centralized / Shared Services Strengths

- Strong policy enforcement
- Better risk exposure control
- Lower operational cost
- Standardized processes
- Easier training and management development

Decentralized Strengths

- Closer customer relationships
- Faster dispute resolution
- Stronger sales collaboration
- Improved responsiveness to market conditions

Many organizations now pursue **hybrid models** to capture both advantages.

Customer Relationship Considerations

Customer proximity remains a major driver of organizational design.

CRF research indicates:

- Decentralized operations often deliver **higher customer satisfaction**
- Local credit teams resolve disputes faster
- Customer familiarity improves payment outcomes

However, emerging technologies (portals, AI, digital workforces) are narrowing the gap between centralized and decentralized service models.

Managing Risk Exposure

Centralized and shared service structures offer advantages in:

- policy enforcement
- exposure monitoring
- credit line management
- consolidated customer risk oversight

These structures provide leadership with **greater visibility across the entire portfolio**, particularly when multiple business units sell to the same customer.

Modern fintech tools are enhancing this control through real-time access and analytics.

Training & Talent Development

Centralized structures simplify professional development.

Benefits include:

- standardized training programs
- stronger mentorship opportunities
- consistent policy education
- easier skill development

Decentralized environments require more independent expertise but may struggle with consistent training delivery.

Today, many organizations combine **in-person training with digital learning platforms** to maintain consistency.

Cost vs Best Practice

CRF benchmarking shows:

- Centralized and shared service structures generally operate at **lower cost**
- Decentralized models often deliver **stronger customer service**

Executives must balance:

Operational efficiency vs Customer relationship management

The optimal structure is the one that best supports the company's **strategic objectives.**

The Four Elements of Function

CRF research identifies **four fundamental elements** that determine credit organization performance.

Performance

Outcome of operational activities.

Efficiency

Cost required to perform those activities.

Volume

Transaction workload impacting performance.

Characteristics

Unique attributes of each organization (industry, customer base, complexity).

Performance metrics cannot be interpreted correctly without understanding these underlying drivers.

Benchmarking & Data Insights

CRF benchmarking studies analyze more than **100 operational metrics** across:

- Credit risk analysis
- Accounts receivable collections
- Cash application
- Deduction management

Benchmarking provides organizations with:

- performance comparisons
- operational efficiency insights
- data-driven improvement opportunities

However, benchmarking should be viewed as a **continuous improvement process**, not a one-time exercise.

Emerging Performance Trends

Historically:

Shared Service organizations produced the strongest performance metrics.

However, recent data shows **decentralized organizations achieving stronger results in certain performance measures**, suggesting evolving operational models.

Organizations are increasingly adopting **hybrid structures** supported by advanced technology.

Strategic Implications for Leadership

The credit function is transitioning from an administrative role to a strategic business capability

Modern credit organizations influence:

- revenue growth
- working capital management
- customer relationships
- enterprise risk management

Forward-thinking companies integrate credit leadership into strategic planning processes.

Final Conclusion

The most effective credit and risk management organization is not defined by structure alone.

Success depends on aligning:

- organizational design
- technology capabilities
- workforce skills
- customer engagement
- corporate strategy

As CRF emphasizes:

The best practice is the one that enables your organization to achieve its goals most effectively.