

DIY Accounts Receivable Improvement Plan



**Are you
completely
satisfied with
your current
accounts
receivable
outcomes?**

**Consider these
five criteria:**

POLICY?

- What pre-credit checking is done?
- Are your terms of trade written?
- Are interest & costs recoverable?
- How did you decide the credit period?
- Do clients agree TOT before work starts?

PROCESSES?

- Are your processes applied consistently?
- Are timelines sometimes vague?
- Is debtor note-taking ever sporadic?
- Are escalations always standardised?
- Are there measures (KPI's) of success?

PEOPLE

- Do you ever get negative AR feedback?
- Are your AR team ever seen as pushy?
- Do any of your AR team not like calling?
- Are your team overqualified for AR work?
- Do any team members lack AR training?

PAYMENT OPTIONS?

- Are multiple methods of payment offered?
- Do you link invoices to online payments?
- Do you offer monthly pay on large bills?
- Are instalment plans always documented?
- Are recurring payments made efficiently?

PRIORITY & RESULTS?

- Are Debtor Days close to credit terms?
- Is nothing owing beyond 30 days due?
- Is lock-up above or below industry peers?
- Can the cost of collections be reduced?
- Is client feedback always positive?



**Your “D.I.Y.”
Accounts
Receivable
Improvement
Pathway**



1

GET SERIOUS

Use this [Cash Flow Calculator](#) to measure your existing AR performance and gauge the scope for improvement. Find out how much cash you can generate from slow payers.

2

GET SMART

If you prefer a DIY approach you will need to research and develop your policy & process improvement options. For example: here is a [template for overdue escalations](#). For quicker results consider contacting a specialist for guidance.

3

GET REALISTIC

Your AR team is key to improved AR outcomes. You may need to invest more time and money into your existing: people, skills and tools. Alternatively, consider a [virtual AR solution](#) to reduce costs and get quicker results.

4

GET STARTED

If your business needs more cash, your accounts receivable is your best option. Improvement takes 5% strategy and 95% implementation. Frankly, perfection is overrated – just start. Call some slow payers. Here is a [proven telephone script](#) for more structured calls.