

Top Tips for Credit Control

Advanced
Collection
Systems



Good credit control and effective cash collection rely on risk management coupled with prompt and punctual action.

The earlier you act, and the more consistent you apply consequences, and move your outstanding accounts to the next stage of the process, the more likely you are to recover the debt.



Time management is key

Here are our top tips for effective debt collection.

Follow a set process

Have a credit management process in place. Follow it and do not make exceptions. Customers will become familiar with what is expected and understand that they cannot extend credit.

ACS can offer a strategy review to discuss your current credit control situation and performance, assess your processes and advise how to make improvements that will reduce your debtor days and help you collect more cash.

Invoice promptly

Call prior to the invoice due date to ensure customers have a copy of the invoice and that there are no queries - this is also good PR.

Set time aside

Set aside a time each week to chase your outstanding accounts. Give priority to accounts most overdue in value order. Do not let time slip, the longer you leave it the harder it will be to collect the outstanding invoice. Don't put it off. If you cannot do it yourself, get someone else to help.

ACS's collectors are skilled negotiators, they can assist with any part of the debt collection process, and are always available to support a client's in-house credit control process.

Call your customers regularly

Customers will use excuses for non payment but make sure you have tactics to deal with them. For example if "the cheque is in the post" ask them for a copy of the cheque number. Be polite and persistent but do not get over friendly with them.

Regular calls are a feature of ACS's work for clients. We appreciate that companies work hard to build good client relationships and whilst our primary objective is to recover your money, our collectors adopt an assertive yet courteous approach when contacting the debtor, in order to preserve these relationships.

Give and enforce deadlines

Keeping to time frames is essential. Be robust. Advise the customer that if payment isn't received by a specific date their account will be placed on hold. When that date arrives carry out what you said you would do – don't go back on this.



Do not extend credit limits

Customers will always try to extend credit. If someone has already exceeded your credit terms they must pay the overdue balance before being allowed more credit. If you are on top of your credit control you are more likely to get paid before the others on their list of outstanding bills.

Make copies and keep notes

Do keep a copy of a bounced cheque. You may need this as evidence Always keep notes of the conversations you have had, even if you have simply left a message for the bill payer to ring you. This provides a history on the account and backs your case if you need to take the matter further.

Manage queries robustly

Some customers will raise a query as an excuse not to pay their outstanding invoice. Don't put the whole invoice on hold; insist they pay the "non queried" amount.

Get references

When taking on new customers get references. Always ensure you confirm the correct legal liability. Are you contracting with an individual, partnership or a limited company? Gather as much information on your customer as possible. All contact addresses, phone numbers, email addresses. If you can, do credit checks on your customers before you do business with them and if possible at regular intervals to ensure they are not in financial difficulty.

Review your terms and conditions

Make sure your T&Cs are up to date and clearly set out. Put a clause in your contract which outlines to your customers that they are liable for any costs incurred in the recovery of their outstanding invoices.

Know the law and regulations

You can claim interest on late payments. Get familiar with the law and where you can charge this fee.

ACS is conversant with all applicable regulations and authorised by the FCA, registered with the Data Protection agency, and certified by the CSA.

ACS provides outsourced solutions and ad-hoc collection of single and multiple debts for clients from all sectors. If you would like to find out more about ACS and how its services can be integrated with your in-house processes to support your credit control call or email Lisa Phillips at the address below.

For more information

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