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**Tips to Improve
Collection Efforts**

1. Be persistent in contacting your customer early.

When cash flow gets tighter for customers you want to be in the RELATIONSHIP to get paid sooner.

4




**Tips to Improve
Collection Efforts**

2. Maintain a firm but friendly relationship.

Honey, vinegar... We know which one works better.

Be assertive, direct, ask for the \$\$\$. Be specific.

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**Tips to Improve
Collection Efforts**

3. Information/Knowledge is Strength.

Know what is going on with your customer, their jobs, their accounts receivable, cash flow, etc. Knowing this information will help you understand their business and when you can get paid.

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Tips to Improve Collection Efforts

4. In the construction related debt, file of the Notices with the Liens NC website has opened up communications that would not have occurred otherwise.

Also, knowing the payment schedule on the construction job is helpful. When is the general contractor paying the subcontractors?

From a seasoned credit manager! Thank you!

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Tips to Improve Collection Efforts

5. Make sure that your invoices are correct and pursuant to the customer's requirements.

Paying attention to the details of the Purchase Order number, accurate pricing, how the invoices is to be sent, requiring the use of portals.

Also, request an ACH payment from the customer to avoid the delay of the postal system.

From a seasoned credit manager! Thank you!

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Tips to Improve Collection Efforts

6. Allowing customers to pay with credit cards and when necessary, negotiate the credit card fee in order to make the payment process more attractive.

From a seasoned credit manager! Thank you!

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Tips to Improve Collection Efforts

- 7. Develop and build on the relationship with the customer. Listening can often time be beneficial in the business context but a personal context too.

Use texting as a way to connect with the customer and to follow up on promised payments and payments made.

From a seasoned credit manager! Thank you!

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Tips to Improve Collection Efforts

- 8. Pray for wisdom daily! Include your problem accounts in your daily prayers and for God to provide guidance to your customer and the ability to pay their bills.

From a seasoned credit manager! Thank you!

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**ADDITIONAL
TIPS**

A photograph of a yellow sticky note pinned to a corkboard. The sticky note has a simple line drawing of a lit lightbulb on it.

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Additional Tips

1. Avoid Deceptive Texts, Emails or Communications
 - Be truthful
 - Be careful what you say or write
2. Identify Yourself Truthfully
 - Hi, I am (Your Name), (Your Title) with (Your Company Name). I am calling about...
 - If leaving a message, avoid leaving great detail about the debt
3. Do Not Reveal Debt Information to Third Parties
4. Do Not Threaten Criminal Prosecution with Civil Gain... What does this mean?

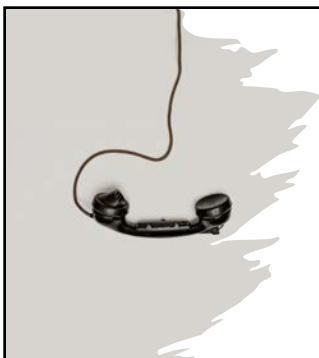
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Additional Tips

5. Contact Your Customer As Soon As The Account Is Past Due.
 - The longer you wait the longer it may take to collect.
6. Stick to the Facts/Details.
 - Avoid emotional conversations with the customer.
 - This is business, not personal.
7. Make sure It is Easy For Your Customer To Make Payments
8. Follow Up With The Customer When Promised Payments Are Not Made.

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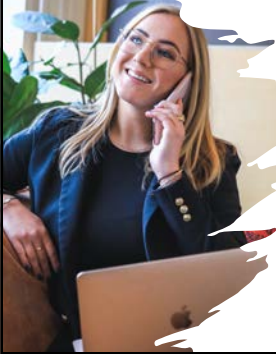


Sample Call

Hello (Customer's Name), this is (Your Name) with (Your Company Name). I am calling you regarding your account. Our records show that invoices #,# and # are past due. The total past due is \$...

When can we expect payment of the past due amounts?

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Sample Call

Other phrases that might help

As you know, our terms are next 30 and we want to make sure your account is current so you can have full purchasing power through your credit account.


We look forward to your promised payment in the amount of \$... On or before... (date).

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How to Contact Your Commercial Customer


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Tips for Collection Calls

1. Be prepared for the specific and general excuses.
 1. The check is in the mail. (ask for check number, amount, date written and mailed).
 2. I have a cash flow problem right now. (I understand. Can we set up a payment plan arrangement today?)
 3. I have not received the invoice yet. (I understand. No problem. I will email one to you right now while we are on the phone together.)
2. Know the facts of the account.
3. Think positively.

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Tips for Collection Calls

3. Speak with authority and professionally but also know your audience...
4. Call the customer by name.
5. Listen carefully and take notes from the conversation.
6. Get agreement on specifics of payment as much as possible.

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Questions?


If you have any questions or comments, please let us know.

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