

Top 10 Ways to Control Your Debtors

1. Advise customers of your terms of trade up front and make an agreement
2. Overdue customers to be contacted as per your policy
3. Place overdue customers on stop credit per your policy and only supply by COD
4. Re-assess account customer's credit limits yearly
5. Get a signed application from all customers who ask for credit
6. Check references and update customer contact details ASAP
7. Prepare invoices immediately after sale
8. Review your accounts receivable weekly
9. Stay motivated, be consistent and follow up
10. Stay focused and don't allow customer excuses to disrupt your strategy

To Reduce Your Risk of Customers Not Paying

1. Follow the strategies in this course
2. Actively process your customers for creditworthiness
3. Don't give credit by default
4. Don't give one-off purchase customers credit
5. Follow up overdue invoices 3 days after due date
6. Quickly identify cash flow problems and stop credit
7. Prepare your policies and procedures
8. Appoint one person to manage the ledger
9. Train all employees in your policies and procedures
10. Closely monitor late paying customers
11. Schedule weekly meetings & monitor collection activities

Targets to Improve Your Business Practices

1. Prepare a Credit Policy and Credit Management Plan
2. Prepare policies and procedures to manage your debtor's ledger
3. Prepare a strategy to reduce your current ledger
4. Commit to an ongoing management strategy
5. Decide who will manage your debtor's ledger
6. Train your staff in debt collection
7. Advise all customers of your Terms of Trade
8. Make sure all account customers have paid by due date
9. Don't give credit by default and deal with complaints ASAP
10. Don't Let Your Customers Control Your Business