

## PHONE SCRIPT

This phone script has been written to contact business customers. Many of the questions are suitable for non-commercial customer especially regarding a complaint and whether they have received the invoice.

### The Purpose of the phone script

The point of the phone script and this information is to get you to think about questions you can ask the customer to get them to pay your invoice. This is an area where some people lack confidence. If a customer replies that they are not ready to pay and they have already had their 30 days, you need to have some questions or statements ready to counteract what they say. If you put the phone down without getting an answer of when you will receive a payment, then you are probably going to have to make another phone call, and another and another. Just like you have been doing before you came to this course. The invoice will older and your risk of not getting paid at all increases.

You don't want to upset your customers but you want to be taken seriously and not just seen as a polite reminder service.

- Be prepared.
  - Have all facts and figures available and correct.
  - Have your debtor's ledger up to date. This means all invoices; credit notes and particularly receipts are entered. It is embarrassing to phone for a payment which you have already received.
1. Keep control of the conversation and anticipate likely diversionary tactics and excuses by those able but unwilling to settle debts promptly.
  2. Keep a progress report of your calls. Advise your management when a customer is avoiding payment or being difficult. Discuss the options
  3. Ask the customer a series of logical questions to establish the status of your invoice.
  4. If there is new accounts payable person, contact or any new information about the company, amend your records immediately.
  5. Rate your customer as:
    - Good payers,
    - Bad payers,
    - Payment avoiders,
    - Ones to watch,
    - Bad procedures,
    - Erratic,
    - High accounts staff turnover, etc.
- Any other ratings you think are appropriate for your business.

## THE PHONE CALL TO THE BUSINESS CUSTOMER

1. Phone the customer. Talk politely and confidently.
2. Ask for Accounts Payable (or an accounts person by name, or the manager, or the accountant).
3. Say: My name is (name) from (company name). I am phoning about an outstanding amount of (\$ \_\_\_\_\_) which is due for payment.
4. Keep your initial sentence simple and don't give details of the invoice at this point. Wait for the accounts person to advise that they are either going to pay you or ask for your invoice number.

### Q1. Have you received the invoice?

**Yes**, check if you need to ask other questions or go to Q6 and ask for payment.

**No**.

Check when the invoice was sent from your office? Has there been a reasonable time for delivery of the invoice if it was posted. Ask the customer their address. They may have moved premises. If the invoice was emailed, then check the email address is correct. The accounts person could have left the customer's business.

Was the invoice sent to the accounts office or an employee of the company? If an invoice is addressed c/- a supervisor etc they may not pass it on to the accounts department

Be careful of sending your invoice to a supervisor instead of the accounts department unless they specifically say that is what they want. Alternately you could send the original to the accounts office and a copy - 'stamped copy' - to the supervisor. There is nothing more annoying to an accounts department than several original copies of an invoice floating around. You are not doing yourself favours by doing this. I am mentioning this because there are many small businesses that send multiple copies of invoices thinking at least one will get through to the accounts department.

Send a copy immediately regardless of investigations. Amend incorrect addresses immediately in your master-file. If you email your invoices set up the receipt option so you know when the email was received.

Some businesses use non-receipt of invoice as a reason to avoid payment. Tag this customer to be watched if it happens several times as they may be trying to delay payment.

### Q2. "Have you received the goods?"

**Yes**, check if you need to ask other questions or go to Q6 and ask for payment

**No**.

Ask questions to find out why the goods have not been received. Is the problem in your company? Have the goods left the premises? Is the freight company at fault? Who despatched the goods? Where do the customers receive goods? Investigate further.

This is where it is helpful to have a copy of the invoice in front of you where you can see the address where the goods were sent and hopefully a copy of any associated documentation like the purchase order and delivery instructions etc.

**Q2a “Has the service/job been completed?”**

**Yes**, check if you need to ask other questions or go to Q6 and ask for payment.

**No.**

Ask for details. You may have sent your invoice too early.

They may have a problem with your workmanship. Refer to your complaints policy procedures.

This also may be a communication problem within your business between your on-site staff and your accounts department.

**Q3. “Do you have a problem with the goods?”**

**Q3a “Do you have a problem with the service/job?”**

**No**, check if you need to ask other questions or go to Q6 and ask for payment.

**Yes.**

If this is a 30-day account and you are phoning after due date, you can ask why no one has notified your business of the complaint earlier. Ask why they have a problem; speak someone else perhaps in the operations department besides accounts to sort it out?

Most customers will not pay if they are not happy with the service or job. The sooner this is rectified, the sooner you can collect the debt.

Refer to your customer complaints procedures. Find out if the problem is related to warranty or are they just not happy with the product. What you do about it will depend on the policy and the complaint issue.

Regarding service: what aspect of the job or service is the customer not happy with? You will need to resolve the problem before you can ask for the payment.

According to the ACCC guidelines (22c) a customer does not have to submit a complaint in writing for the complaint to be considered and acted upon. Check your local laws. Also, some businesses make a policy that if a complaint is not received in writing within 7 days then it will not be considered. Consumer laws will override a business's policies.

**Q4 “Has the invoice been authorised for payment?”**

(Particularly the case with large companies).

**Yes**, check if you need to ask the next question or go to Q6 and ask for payment.

**No.**

Why not? Who is the person responsible for the authorisation? How can you get in contact with them? Ask that person what is the hold-up. Do they require more information? When will they authorise the invoice for payment? Try to get a contact number to speak to authoriser to find out if there is a problem with the service or job.

If the customer is a large company and the authoriser is on leave then you may have to speak to the project manager or head of department

If you want the supervisor to get a copy of the invoice it is better to send the original to the accounts department and send a copy to the supervisor with the word 'copy' on it, unless they advise you differently.

**Q5 “Has the invoice been processed in the computer?”**  
Yes, go to Q6

**No.**

You may think that because the customer has received the invoice that surely they have processed it ready for payment.

Why not? You may have sent the invoice too late. If the customer has advised they have a cut-off date and your invoice is late then you will have difficulty getting payment and you will probably have to wait and review your invoicing procedures. It can be helpful to collect the customers’ accounts contacts and their procedures to make sure there is no hold up in the processing of your invoice. The cut off dates are to try to cut down on processing time.

They may be waiting on authorisation. Try to contact the person who ordered the goods or services and see what the hold-up is.

Their staff problems may be the reason – maybe high turnover. Someone may be on holidays. A supervisor may be holding the invoice to sign off because there is an issue with the job.

If you have a contract with a business or company remind them they have signed an agreement for your terms of trade.

**Q6 “Is the invoice ready for payment?”**  
**“When will you be paying the invoice?”**  
**“When will the cheque be released?”**  
**“When is the next cheque run, and is our cheque included in it?”**

Choose your question or ask a couple of them. If they say yes, see if you can secure a date.

**If the answer is: The payment is not ready to be released**

At this point, if the invoice has been authorised, processed and in the computer and the customer is avoiding payment and the answer to the question “When do we get paid” is “I don’t know”, it’s time to change tactics.

There is no point in wasting time on the accounts payable person if you have exhausted their authority and responsibility. Go to the supervisor, accountant or manager. Refer to your customer information regarding who is responsible for authorising the release of cheques. Be polite and assertive, but not rude. Avoid telling the customer about your money problems, they don’t care.

If you are persistent and they have funds available you could possibly get paid. If you do nothing your invoice will get put to the bottom of the pile and other noisy persistent people will get paid instead of you. But do not phone more than 3 times per week as it could contravene the ACCC debt collection guidelines.

If you have an agreement, remind the customer of this. Try to enforce the agreement. Try to avoid suggesting that you will stop supply if you think they could still be an ongoing customer, but advise they may have to go on COD until the account is up to date. Be resourceful and look for solutions.

Avoid phoning the customer before the invoice due date as this could contravene the ACCC debt collection guidelines. You need a good reason to phone a customer regarding an outstanding debt and phoning the customer beforehand to find out when they are going to send the payment may not be a good reason and may be considered harassment. Check the guidelines to make sure you stay within the rules.