

Financial training For non financial staff



The financial training specialists

That was lucky (Cashflow)

I'm in a networking group of other trainers, and every Friday our glorious leader asks what our successes have been this week.

Colin said he'd sent an invoice out last week, that was paid this week - 20 days early! That was lucky!

Except getting paid on time isn't just luck. Colin used to be an accountant before he was seduced over to the dark side by the magic of computers. But he agrees payment terms up front with his clients - he doesn't just agree to their terms.

The time to start chasing overdue invoices is before they become overdue, not afterwards. That means knowing which clients tend to pay late: start chasing them even earlier!

Getting the invoice right helps. If there's an error on the invoice we've given the client a cast-iron excuse to query it rather than pay it.

We can use our contacts. Rather than just chasing "Accounts Payable" we can ask our direct contact to put some pressure on. As my contacts usually include someone high up in the Finance team (often the Finance Director) this can be very powerful.

Take serious action! I had one client who always paid late. So I added a hefty surcharge to the original invoice, that they could take as a discount if they paid on time. Instead of paying on 30 days they paid on 60 days when I threatened legal action, and they paid the surcharge every time.

So getting paid on time isn't luck, it's design!