



## Tips to Better Manage Accounts Receivable

Article provided by Infitech

As a business owner, you want to save time and money wherever possible. However, inefficiencies in your accounts receivable department can lead to wasted time, unpaid invoices and interrupted cash flow. Not using best practices when it comes to your accounting can not only stunt growth but put your business in danger of failing.

When you incorporate the proper systems, managing accounts receivable successfully is achievable. Here are a few ways that you can improve your accounts receivable process to better benefit your business:

### Automation

Automation lends itself to making payments easily. When a business has an easy electronic payment system in

place, then customers can pay invoices online at their convenience. The easiest solution for setting up ePayments is to work with a payment provider, like Infitech, who can provide an online customer payment portal that allows consumers to purchase by credit, debit, eCheck and mobile methods. Automation allows recurring payment options making it harder for customers to miss payments and reduces human error in the accounting department.

### Settle late payments

A recent study revealed that late payments cost small and mid-sized businesses as much as \$3 trillion globally. Almost 40 percent of these businesses experience direct negative impacts from late payments and it influences the ability to pay suppliers, staff and invest back into the business. To reduce the amount of late payments you receive, set clear due dates, send reminders and implement late fees. When a customer fails to pay on time, consider offering them a payment plan. Performing these actions will help your business reduce the amount of debt that needs to be written off.

### Send reminders

A payment reminder is a simple way to inform customers that their payment is expected soon. Develop a standardized email template to send to customers one week to a few days before an upcoming payment is due. For larger invoices, consider giving customers a reminder call. It helps establish a rapport and increases the chances that the bill will be paid on time in the future.

### Develop clear procedures

Establishing written guidelines on how to handle billing, late payments, credit approvals and customer data maintenance will provide a consistent approach to managing your accounts receivable. Clear accounts receivable procedures create organization, efficiency and consistency.

A refined accounts receivable management system is vital to any growing business. Implementing these simple tips can make your business more robust in the long run.

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Ranked as one of Inc. Magazine's Fastest Growing Companies, Infintech has been working with veterinary professionals for more than a decade. It was founded on the principles of offering the latest in payment technology and industry expertise, and securely processes more than \$3 billion in credit card volume annually for clients across 50 states. Get in touch with Infintech online at [www.infintechllc.com/contact/](http://www.infintechllc.com/contact/) or call 800.621.8931.

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