

## Are you really helpless to collect off large customers?

For some business owners, collecting off large customers can be an uncomfortable task. The fear of jeopardising future business opportunities is an effective deterrent from making a follow-up phone call, and in some cases large clients take advantage of your fear.

The good news is that most large customers do treat suppliers fairly and respect polite but firm follow-ups that contribute to healthy working relationships.

The very purpose of the Accounts Payable department within a large company is to streamline the payments process. Most Accounts Payable staff will happily tell you if they received your invoice and when it will be paid. When you do encounter resistance, consider the following techniques:

- Ring your contact in the organisation and ask for their assistance. Their authority will normally get your invoice paid immediately, or at the very least, give you a genuine reason why payment has been delayed.
- If you still experience delays, escalate your concerns to the next level of management. Don't be afraid to continue until you reach the Managing Director or CEO. There's not a Finance Manager in existence that wants a call from his boss about a small supplier's invoice enquiry!

A few months ago I employed these techniques with one of my multinational customers to find out why I was being paid at 45 day terms instead of my own 14 day terms. I obtained the CFO's mobile number – who was on the golf course when I phoned. Apologising for the delay, he advised it would be paid immediately and asked me to follow up with the Accounts Payable department the next day. Sure enough, the department manager confirmed the 14 day terms, and assured me I would never need to ring the CFO again! They are still one of my best customers today.

Of course, there are customer accounts that are a constant battle to get paid. You need to seriously consider whether the customer values your services, whether they might be in financial trouble, and importantly, whether they are worth your time. Clients that regularly delay your payment can also be demanding, time consuming and difficult to work with.

Most large customers offer lucrative opportunities and streamlined account management systems that make it easy for you to track and action payment of your invoice. Using the right techniques will not only have an immediate and profound effect on your cash flow, but also help you gain respect from your client.

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