![debtor daddy logo]

	3	**Reminder #3** {my.org_name}: Your account is ...
	7	**Reminder #4** IMPORTANT: Notice of stop cre...
	1	**Reminder #5** {my.org_name}: Your account ha...
	2	**Reminder #6** Phone call reminder
	7	**Reminder #7** Your account is on hold
	2	**Reminder #8** Phone call reminder

+ Add reminder

dd step

Create your perfect AR process

How to use workflows to achieve a consistent monthly AR process.

debtordaddy.com

Introduction

In this document you'll get an insight into some of the most powerful ways you can automate more low-value AR tasks, using real-life examples and processes you carry out in your business daily. Specifically:

- Understand workflows in Debtor Daddy and how to use them.

- Create your own workflows so you can achieve a consistent AR process that meets your cashflow, customer-service and productivity objectives.

- Prepare for a Workflow Design Session with your Debtor Daddy AR Specialist.

Key benefits

Workflows are the key to an efficient and consistent AR process. With great workflows in place, your AR team can:

- **Achieve a consistent monthly process** – once you decide what should happen when, the workflow automatically completes those actions for you.

- **Automate repetitive tasks** – no need to manually send reminders or statements, or schedule activities in your calendar.

- **Stay compliant** – workflows help you meet your legal and other obligations to your customers.

- **Feel on top of their customers** – easily notify other team members when accounts reach certain stages in your process.

- **Provide a higher quality service to clients** – by personalizing the follow-up experience for different customer groups.

What are workflows?

How often do you wonder; "Why don't we have a standard process for this?"

A workflow is exactly that. In AR, a workflow is a pre-defined sequence of actions that you want to take for an overdue account. Actions can include email, SMS and phone call reminders.

Workflows are the key to efficiency, consistency, transparency, and accountability in a business.
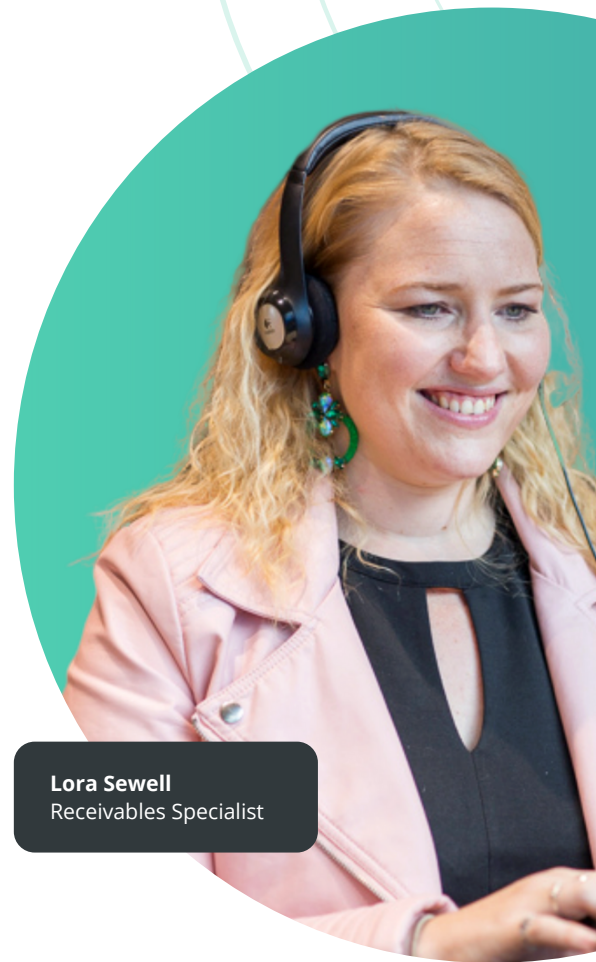
Lora Sewell
Receivables Specialist

Your options

Three things to consider when designing your AR workflow:

Per-invoice vs per-account?

Per-invoice reminders send an entire sequence of email reminders for each individual invoice. While these are designed to automate time-consuming emails, these can cause:

- Mixed messages due to some invoices receiving an urgent reminder, while others could receive an "oops did you forget" on the same day.
- Clutter in your customer's inbox, which may cause them to be ignored.

Per-account reminders send email reminder sequences to entire accounts. There are a couple more advantages to choosing this pathway:

- Less emails are sent. Resulting in less inbox clutter, less confusion and less likelihood they'll be ignored.
- They don't 'penalise' your best customers whom you invoice several times a month.
- They encourage your customers to settle their entire account, instead of a single invoice, which improves cashflow.

Automatic vs manual?

For each step in a workflow you can decide whether it happens automatically or requires you to manually action it.

- **EXAMPLE 1:** You might want to manually approve a reminder that notifies a customer that their account has been placed on hold/stop work due to non-payment.

- **EXAMPLE 2:** You might want to start your reminders on a specific day each month, in which case, you set the first step to be manual, then the remaining steps to automatic.

- **EXAMPLE 3:** You might want to assign specific accounts to your Receivables Specialist to call. The rest you might want to call yourself or continue with email reminders only.

System vs personal?

Email reminders in your workflow can be customized to appear as automated (system) or as if a human wrote it (personal). You can use both options to your advantage, as follows:

Advantages of using 'system' emails
- They look like they were sent automatically by your AR System.
- Depending on your wording, they usually feel less confrontational for your customers.
- They 'add more weight' to the personal looking emails you send later on (which can be automated too!).

Advantages of 'personal' emails
- They are more likely to get a response,
- They can be tailored for each individual customer based on your relationship with them.
- They give the appearance that an account has been 'escalated' and things are becoming more serious.

How many workflows?

Depending on your Debtor Daddy plan, you can create as many workflows as you like. You can assign customers to each workflow, giving them a perfect past-due account follow-up experience.

Real-life examples

Here's some common workflow examples that are used by Debtor Daddy users:

Jade Wilson
Receivables Specialist

Workflows according to payment terms

- Your workflow for customers on 7-day terms might escalate more quickly than for customers on 20-day terms.
- Customers who normally pay 'on receipt' or by credit card might need quicker follow-up and their account suspended sooner.

Workflows according to customer size

- Larger customers with Accounts Payable departments might require a statement 3 days before the due date in order to pay your account.
- Smaller customers might need more time, plus more calls and SMS reminders. This is because small businesses are generally less organised, their bills are often paid by the owner when they have time/cash.

Workflows according to payment method

- Reminders might need different wording and timing for customers who pay by direct debit/credit card versus invoice.

Workflows according to your customer relationship

- Long-time, strategically valuable customers who are accustomed to paying in 60+ days may need some time to change their payment behaviour.
- New customers might need faster follow up and with more phone calls. This not only provides better customer service, it also signals early on that you take your payment terms seriously.

Workflows according to risk-level

- Ceasing supply of some products/services can have a significant detrimental impact on a customer. You may need to tailor your follow-up workflow to account for this.
- Your largest, most strategically valuable accounts might need to be handled more carefully, for example, include more phone calls and no threats of debt collection or stop work.

How many is too many workflows?

When creating workflows, consider which customer groups/segments are likely to respond *more favourably* due to having a personalized approach.

Keep in mind that creating too many workflows can make your configuration unduly complicated, making it harder to maintain or train other team members.

Many of our users achieve great results from a single workflow!

Need help deciding? Talk to a Debtor Daddy Receivables Specialist

They will assess your situation and recommend a configuration to suit your needs.

WORKFLOWS

days		Email	Call	SMS	Auto	Message subject / goal	From	CC	Comments
					ACTION				
0 days	Invoice sent								
18 days		●			●	Statement reminder	System		
20 days	**Due date**								
24 days		●			●	Oops did you forget?	System		
28 days		●			●	2nd notice. Overdue account	System		
30 days	**10 days past due**								
32 days		●			●	Just checking in…	Jade		*Plain text email*
34 days			●		●	Can't seem to find your payment	Jade		*Call every day for 1 week until connected.*
40 days	**20 days past due**								
41 days		●		●	●	URGENT NOTICE: Re your account	System	Account Manager	
43 days			●		●	We need to talk!	Jade		*Call every day for 1 week until connected.*
50 days	**30 days past due**	●		●		IMPORTANT: Account on hold	System	Account Manager	*Place account on hold. Cease all work.*
60 days	**40 days past due**	●				7 day demand letter			
67 days		●				Confirm legal action			*Send to debt collection*
90 days	**70 days past due**								

Payment terms: _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _

		ACTION				Message subject / goal	From	CC	Comments
		Email	Call	SMS	Auto				
0 days	Invoice sent								
___ days									
___ days	Due date								
___ days	__ days past due								
___ days	__ days past due								
___ days	__ days past due								
___ days	__ days past due								
___ days	__ days past due								