



Stress Free Cash Flow Workbook

A practical guide to getting paid
faster, with less stress

(creditor)watch

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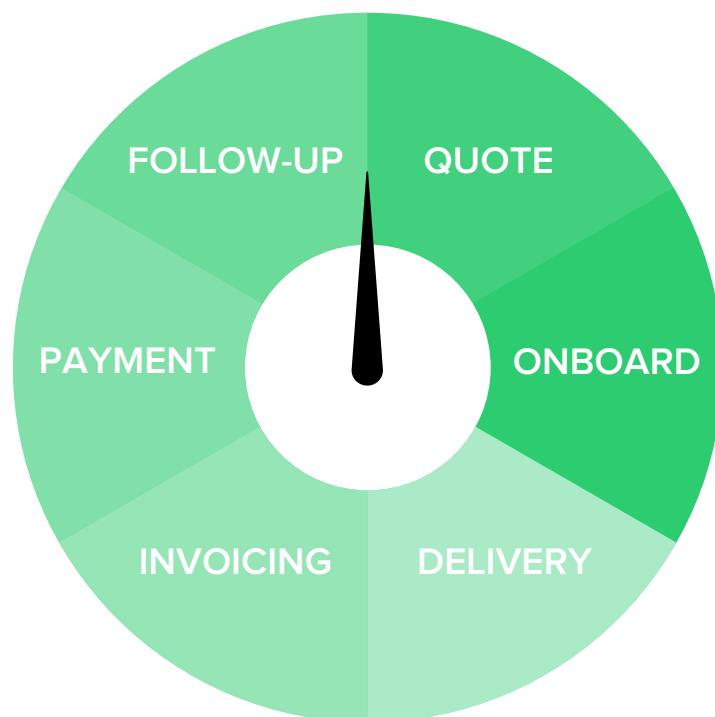
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Introduction

Having a good sales and customer onboarding process is critical to laying a solid foundation for getting paid on time. Many businesses are burning time, money and energy chasing overdue invoices. This takes away valuable time and energy which could be dedicated to high value work.

This workbook covers the six key areas of the cash flow cycle. It will help you identify opportunities for improvement, reducing your stress and freeing up valuable time, money, and energy.

Complete this workbook to assess your current sales process and learn how you can improve your cash flow and get paid faster, with less stress.



“ When you’re not distracted by cash flow and not worried about chasing debtors or having difficult conversations, you’re free to focus on growth. ”

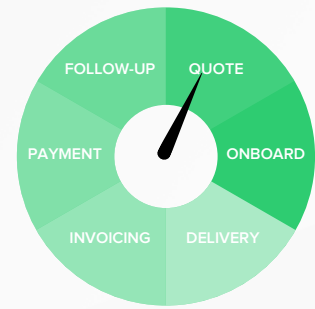
Matt McFedries

Head of CreditorWatch Collect

STEP ONE

Quoting

Your quote is the perfect opportunity to set expectations and stack the odds in your favour when it comes to getting paid on time.



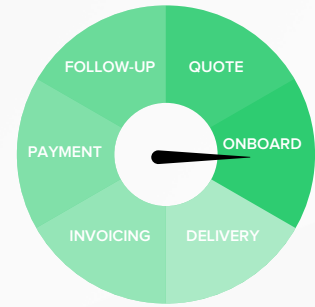
Rate yourself in each of the following areas: (4 = always, 3 = frequently, 2 = occasionally, 1 = never)	My score
Are your quotes created using software? Creating and sending quotes is faster and easier using the contact, inventory and pricing information you've set up in quoting software.	
Do your quotes use a standard library of products or services? Using a standard library of products or services saves you time, reduces errors and helps new team members get up to speed more quickly.	
Are your quotes followed up in a timely manner? Following up your quotes quickly and efficiently is key to winning – and keeping – new business.	
Can you prove quote acceptance (signature or email) It's often necessary or helpful to prove that a customer accepted your quote.	
Are your terms of business signed? Having clear, agreed terms helps demonstrate your professionalism. Having signed documentation can also be useful in the event of a dispute.	
Do quote details flow through to other business systems? Re-keying quote information into other systems wastes time and can result in errors. Many modern software packages can import your quotes automatically.	
TOTAL SCORE	/24

To improve your quoting process, ensure you can prove quote acceptance and that your terms have been agreed to, by signature or email. If you do have any issues chasing payment, having proof the customer agreed to your quote and terms will put you in a strong position.

STEP TWO

Onboarding

Start every customer relationship on a solid footing. Onboarding is a crucial step in the cash flow cycle. Do you know their correct contact details? Are you sure they have the means to pay you? Credit checks can raise red flags and prevent difficulties down the track. Keeping up with a customer’s credit risk profile by turning on credit monitoring services will help you mitigate your risk as things change.



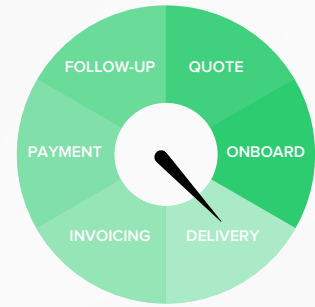
Rate yourself in each of the following areas: (4 = always, 3 = frequently, 2 = occasionally, 1 = never)	My score
<p>Do you ask your customers to complete a credit application form? Asking customers to complete a credit application form shows that you take credit seriously and ensures you have the right information to conduct a comprehensive assessment of their credit-worthiness and ability to pay. This is your opportunity to avoid doing business with those who may be bad payers.</p>	
<p>Do you run a credit check on your new customers? A credit check can include purchasing a credit risk report, or simply phoning two or three of your new customers’ existing suppliers to check if they settle their bills on time. A credit check, particularly a credit report, can provide invaluable insight into the level of risk that your current or perspective customer may pose to your business.</p>	
<p>Do you collect the key contact details for every new customer? Obtaining the contact information (name, phone, email, job title) of key customer contacts, especially the people who approve purchases and pay the bills, can save you time and trouble down the line.</p>	
<p>Is key contact information entered into all business systems? Ensure the key contact information is entered into your CRM, job and accounting systems. All too often this information only exists in someone’s mobile phone; or worse, their head.</p>	
TOTAL SCORE	/16

Take the time, effort, and guess work out of onboarding new customers with [CreditorWatch’s ApplyEasy](#). With ApplyEasy, you can simplify applications for customers, eliminate manual paperwork and speed up your internal credit assessment process.

STEP THREE

Delivery

Set yourself up to get paid promptly by doing a great job, on time and within budget. Communicate any issues, delays, or budget overruns early.



Rate yourself in each of the following areas: (4 = always, 3 = frequently, 2 = occasionally, 1 = never)	My score
<p>Do job or order details accurately match the quote? The individual or team delivering the job should be clear on what has been promised up-front, so they can accurately match the expectations of the customer.</p>	
<p>Are customers informed when a job is over budget? Clear lines of communication, internally and externally, around budgets and timelines ensure everyone is on the same page and helps to avoid unpleasant surprises.</p>	
<p>Does your team know when a job is complete? Having a robust and agreed communication process around job completion helps lay a solid foundation for the invoicing stage.</p>	
<p>Can your customers rate their satisfaction with each job/order? Do you encourage your customers to provide feedback about the work you've done? The easier you make it for your customers, the more valued they will feel.</p>	
<p>Are disputes resolved promptly? When a dispute arises due to pricing or job quality, it should be resolved swiftly, amicably and within an acceptable timeframe.</p>	
TOTAL SCORE	/20

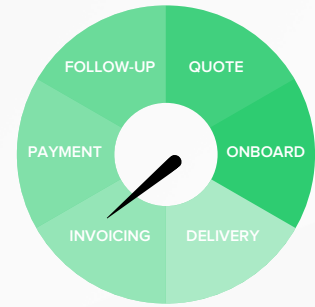


Front foot disputes and payment issues by sending a 'pre-reminder' email a couple of days before payment is due. This prompts customers to raise any issues that might prevent them from paying. The bonus - if there aren't any issues, this might get you payment before the due date.

STEP FOUR

Invoicing

Invoice accuracy is key to good cash flow. Send your invoices often and promptly to avoid any unpleasant surprises.



Rate yourself in each of the following areas: (4 = always, 3 = frequently, 2 = occasionally, 1 = never)	My score
<p>Are your invoices created using software? If you're still sending paper invoices, then you're setting yourself up to fail when it comes to getting paid.</p>	
<p>Do you have good invoicing habits? Whether it's daily, weekly or monthly, setting habits around invoicing helps keep your customers on a regular "invoicing cadence", leading to more timely payments.</p>	
<p>Are your invoices sent promptly following job completion? The longer you wait to send an invoice, the higher the risk of overdue payment. Your invoice should be sent immediately after completing a job.</p>	
<p>Are your invoices sent to the right person? A staggering one in four unpaid invoices are not paid on time because they were sent to the wrong individual or an incorrect email address.</p>	
<p>Do your customers receive unexpected invoices? Your customers shouldn't be surprised when they receive an invoice. The completed work should be in line with the original quote and payment terms, and the customer should be expecting the invoice.</p>	
<p>Are invoice dates set automatically by your invoicing software? When you agree your payment terms with each customer, make sure to enter the relevant date(s) into your invoicing software. It's one less thing to remember down the track.</p>	
TOTAL SCORE	/24

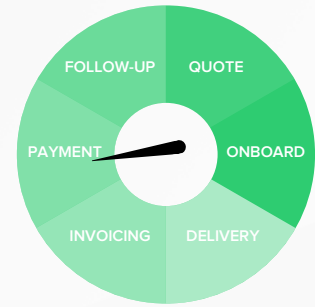


You can set yourself and your customers up for a better invoice experience by ensuring all the basics are correct. Your invoice needs to be clear, include payment options, match the agreed payment terms and, importantly, be sent to the person who's responsible for paying.

STEP FIVE

Payment

Receiving and paying an invoice is an important part of the customer experience. Make it easy for your customers to pay you. Make it easy for them to raise a dispute if required. Don't let invoices be a surprise event.



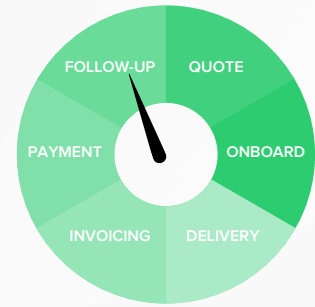
Rate yourself in each of the following areas: (4 = always, 3 = frequently, 2 = occasionally, 1 = never)	My score
<p>Do invoices include clear payment instructions? Over 30 percent of overdue invoices are paid late due to lack of payment instructions. Modern invoicing software makes it easy to include these details. 'Pay now' buttons in invoices are even better, customers can pay at the click of a button as soon as they receive the invoice.</p>	
<p>Do you offer appropriate payment options? Give your customers as many options as possible. Do you allow them to pay by direct debit, credit card (in person or online) or electronic bank transfer?</p>	
<p>Are payment instructions included in follow-up reminders? Avoid further questions and related delays by including your payment instructions on invoices and overdue invoice reminders.</p>	
<p>Are preferred payment methods discussed with customers? During onboarding it's a good idea to record a customer's preferred payment method so you're well set up to get paid on time.</p>	
<p>Are payments reconciled against invoices in a timely manner? The more regularly you reconcile payments to invoices the easier it is to maintain a professional follow-up process.</p>	
TOTAL SCORE	/20



Keep it simple and make it clear. The more complicated the payment process is for your customers the more likely it is that you'll be paid late. To make it as easy as possible to pay, include a 'pay now' button on invoices sent by email.

STEP SIX

Follow Up



Unpaid invoices shouldn't be left gathering dust. Follow-up communications with customers should be timely and consistent. Encourage two-way conversation with customers to establish what is preventing payment and find a resolution quickly.

Rate yourself in each of the following areas: (4 = always, 3 = frequently, 2 = occasionally, 1 = never)	My score
<p>Is invoice follow-up managed by specialised software? Software to help you achieve a professional follow-up process is inexpensive and easy to set-up. It should be an easy decision as your first step to getting paid on time, with less stress.</p>	
<p>Are invoices followed up using a clearly defined process? Your follow-up process should be effective, deliver a good experience for customers, and align with your brand and values.</p>	
<p>Do staff who chase invoices have sufficient time and training? Chasing overdue payment is a hated task for most people. This is because it requires a unique mix of tact, persuasion, and skill to do it exceptionally well.</p>	
<p>Are follow-up activities tailored for different customer types? Follow-up activities (both actions and timings) should be tailored according to customer variables such as value to your business, relationship quality and agreed payment terms.</p>	
<p>Do follow-up calls agree expected payment amount and date? The objective of any follow-up call should be to obtain an expected payment date. The customer should be followed up again if payment is not made by the expected date.</p>	
<p>Are team members tasked with follow-up held accountable? Often, it's a good idea to divide and conquer to get through your list of overdue invoices; however, it's equally important to ensure each team member does their part.</p>	
TOTAL SCORE	/24

Your follow-up process should prompt customers at well-timed intervals and be tailored for different customer segments. Timing or tone of reminders to high value customers might differ from those for your standard customers. If you'd like to speed up your collections process [talk to us at CreditorWatch](#).

STEP SEVEN

Review & Improve

So, you've finished rating your process and discovered your foundation for getting paid is not as solid as you'd expected. Some simple steps can significantly improve your process, ensuring you get paid faster, with less stress.

QUOTING

Make sure you can prove quote acceptance and that as part of the quoting process customers sign your terms of trade.

ONBOARDING

When onboarding a new customer, obtain the contact information for the person responsible for paying invoices, not just the person leading or approving the purchase. Ensure this information is recorded in your accounts receivable software.

DELIVERY

Prioritise investigating and resolving disputes. Have a clear process for how disputes will be dealt with before you encounter them. The faster you can resolve disputes, the faster you'll be paid. Plus, prompt resolution goes a long way in maintaining good customer relationships.

INVOICING

Send your invoices in a timely manner. As soon as the job is complete or service is provided, the invoice should be sent.

PAYMENT

Make it as easy as possible for your customers to pay you. Payment instructions should be clear. They should be easy to see on invoices and where possible 'pay now' buttons should be offered.

FOLLOW UP

Have a structured process for chasing unpaid invoices. Staff should be clear about what the message is, the communication channel to use (email, SMS, phone call) and the timing throughout the entire follow-up process.

Ready to improve your collections process?

CreditorWatch Collect takes care of manual collections tasks to free up your Accounts Receivables team and get your business paid faster.

Book a demo with our friendly team to see how you can transform your Accounts Receivables function and collections process.

[BOOK A DEMO HERE](#)

About Us

CreditorWatch is Australia's top commercial credit reporting bureau with more than 55,000 customers, from sole traders through to ASX-listed companies.

Our innovative credit management solutions help you strengthen due diligence, mitigate risks and secure your cash flow. We provide exclusive credit risk insights, helping you make smarter decisions to protect your business in this complex economy.

CreditorWatch Collect takes the hard work out of AR so you can get paid faster and focus on work that truly adds value to your business. We go above and beyond with our data, products and service. Dedicated to our customers and our people, we empower you to grow and succeed.

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