



ACCOUNTING AND FINANCE

Managing & Organizing Accounts Receivable

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Managing & Organizing Accounts Receivable

Introduction:

In the drive for increased revenue and profit, good credit and collections management is an important process to maximize cash flow for operations.

Granting credit carries a higher risk of bad debts, delays, uncertainty and even possibilities of spoiling business relations. Companies are continuously in search for better solutions and better strategies to manage their credit, recognizing that whilst credit is an essential sales tool in today's competitive environment.

Due to the recent credit crisis sweeping the global economy, fluctuating interest rates, increasing competition and growing uncertainty, managing credit and collections effectively is becoming more of a challenge. All industries are exposed to credit issues. As a consequence, granting credit effectively is becoming more of a challenge.

Who should attend?

This seminar provides a user-friendly environment to develop the knowledge and techniques related to accounts receivable and is valuable for:

- Finance Managers
- Accountants
- Credit Control
- Accounts Receivable staff
- and others who are working within accounts receivable process or who wish to develop a practical toolkit to complement their existing professional or technical skills

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Methodology

This interactive Training will be highly interactive, with opportunities to advance your opinions and ideas and will include;

- Lectures
- Workshop & Work Presentation
- Case Studies and Practical Exercise
- Videos and General Discussions

Certificate

BTS attendance certificate will be issued to all attendees completing minimum of 80% of the total course duration.

Course Objectives:

By attending this event, delegates will understand:

- The importance of credit to the company and the economy
- The "cost of credit" and its impact on company profitability
- Practical steps that reduce bad debt losses and "uncollectible" debtors
- How to deal with companies, sole traders, consumers
- How to use different tools and techniques to maximize cash collection effort
- The Legal Framework for collection activities

Course Outline:

DAY 1

An Introduction to Accounts Receivable

- Working Capital and Cash Management
- Managing working capital
- Cash management and the bank facility (line of credit)
- Understanding "the cost of credit"
 - o Why credit management is important to the survival of businesses
 - The 'order to cash' process
 - Understanding "risk" in "credit"
- Accounts Receivable and effective customer service
 - o Identifying underperforming areas to increase customer satisfaction

DAY 2

Customers and trading terms

- Terms of trading
- Customer credit evaluation
- Tools and techniques of financial analysis: ratios; trends; common size analysis
 - The best performance measure cash or profit?
 - o Financial distress and the Altman's Z score-type analyses
 - Trend analysis
 - o Common size (or horizontal) trend analysis of financial statements
 - Vertical trend analysis of financial statements
- Segmental analysis of financial statements
- Value added analysis of financial statement

DAY 3

Developing Effective Strategies to Maximize Cash Collection

- Identifying effective "pre-delinquency" collection campaigns
- Defining "post-delinquency" activities

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- Customer-sensitive collection strategies
- Collection techniques and letter cycles
- Appropriate internal and external escalation steps
- Using workflow management to maximize collector performance

DAY 4

Practical Collection tools and Techniques

- Eliminating barriers to payment
 - o Good practice in billing management
 - Managing customer queries
- Recognizing excuses and delaying tactics
- Providing solutions to non-payment
- Litigation and recoveries
 - Legal steps and enforcement

Telephone Collection Techniques

- Preparing for the call
- Negotiation skills for successful collections
- Communicating and listening skills
- Building relationships with customers

DAY 5

Managing the Receivables Ledger

- Developing effective internal relationships to maximize performance
- Setting targets and tracking performance
- Managing information that dazzles
- Defining meaningful KPI's

Latest Developments in Accounts receivable