Collect
Actively manage receivables by invoicing promptly, tracking receipts and taking action on past due accounts.

Why does actively managing receivables matter?

Effective receivables management can substantially improve a company’s cash flow. Quick receivables turn-around times accelerate payments, reduce bad debts, increase working capital and minimize capital needs. Closely monitor accounts receivable and be consistent with how you handle past due invoices.

Key actions to take:

- **Invoice promptly**: Invoicing promptly at time of or immediately after providing a service or delivering a product converts a sale to a receivable. The longer you take to invoice, the higher the chance that you will miss sending invoices or delay payment and affect your cash flow. Adding an email invoicing system is a good option and will provide electronic tracking, save you time and reduce paper costs and postal fees.

- **Provide convenient payment methods**: The more convenient the payment method, the easier it is for your customers to pay you. Allow multiple options, like credit cards and checks to make it convenient for your customers. Having more than one payment receipt option, such as online or by mail, offers your customers options and can reduce the time it takes to get payments in the door.

- **Track receipts**: Determine a process for managing accounts receivable and adhere to it. Make sure a payment is processed and posted to a customer’s account on the same day it is received. Establish how frequently to create, print/email and send invoices including when to follow up with customers that are beyond their payment window. Keep good documentation on all customer conversations, notes on orders and agreed-upon terms. Document and keep track of unmatched payments and have a process to match them to proper invoices.

- **Know your customer’s payment history**: Understanding your customer’s payment history can save you from a lot of headaches. Not every customer will pay the moment they receive an invoice. Most will have established cycles for when they send out payments, and those cycles may not align with when you send your invoices. There may come a time when a customer is behind on payments. It

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**How do customers pay?**

- Check: 10%
- Credit Card: 33%
- ACH/Wire: 22%
- Cash/Money Order: 20%
- Other: 15%

**Top two actions to manage finances**:

1. Use online banking for my business
2. Manage receivables and payables

**Frequency for businesses to review receivables**:

- Monthly: 60%
- Occasionally: 29%
is best to communicate and establish a resolution before the next sale.

- **Consider rewarding early payments**: Payment incentives are a good way to build a stronger bond with your customers and can be used to encourage continued early payments. If incentives for early payments make sense for your business, state the incentive clearly on your invoices so your customers can take advantage.

- **Act on past due accounts**: Communicate your late payment actions to your customers prior to the sale.

**How SunTrust can help**

Collecting cash keeps the cash cycle flowing. SunTrust products and services can help get receivables in the bank.

**SunTrust Merchant Services** is a suite of solutions that allows you to accept and access funds for various types of payment — in-store, online, or through a mobile device. Your business will find value in faster authorizations, more options for convenience with a variety of cards accepted and stronger protection against fraud. With SunTrust Merchant Services, you can expand your payment options with a fully integrated payment processing system that accepts debit and credit cards, paper checks and contactless payments (Apple Pay™). You can use tablet and mobile devices for more portable sales opportunities while also accepting payments through your own customized website. SunTrust offers tailored versions for retail, restaurant, healthcare, personal and professional services.

**Online Check Deposit** allows you to deposit checks from any U.S. location as soon as they arrive without having to take a trip to the bank. Checks can be scanned and processed up to 10:30 PM with next day availability. Additionally, coupon data can be scanned in or keyed to capture remittance data and minimize processing time and costs. Online Check Deposit is easy to use and only requires minimal hardware investment.

**Click below for additional resources:**

- **Four Steps to Better Manage Customer and Supplier Payment**
  Learn more about negotiating payment terms and conditions.

- **Living with Checks**
  See how to deal with paper payments efficiently.

- **Get Your Customers to Pay Faster**
  Incorporate strategies to help your business get paid on time.

Are you ready to find ways to collect cash faster?

- Drop by your SunTrust branch
- Call us at 800.752.2515
- Visit suntrust.com/bizbestpractices

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1 SunTrust conducted research with 397 small business owners ranging from $100,000 to $2,000,000 in annual revenue in the first quarter of 2017.
2 The high-growth segment was derived from the fastest growing twenty percent of those companies.
3 Additional charges may apply. See the Business Accounts Fee Schedule for details.
4 Does not include U.S. territories.

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