



BEST PRACTICES IN ACCOUNTS RECEIVABLE AND CREDIT POLICIES

PIK38-1225 LON-1



Place: London (UK)

Venue:

Start Date: 22-12-2025

End Date: 29-12-2025

PPP: £4950



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**If you can't train them,
you can't blame them!**

Short Description:

This program provides organisations with a strong sense of where they stand against industry leaders and shows them how to take their services and organisational processes to state of the art levels. Documented strategies and tactics employed by highly admired companies are presented to illustrate the real world functionality of each process and approach. By attending this program, delegates will be to understand the importance of the accounts payable function with regards to its link with planning and organising.

Course Overview:

Who should attend:

This program provides a user-friendly environment to develop the knowledge and techniques related to accounts payable that are valuable to:

- Accounts Receivable (AR) department managers.
- Credit Managers.
- AR Staff.
- AR and Revenue Accountants.
- Credit Officers.
- Billing and Collection Clerks.
- AR Specialists and Professionals in Accounting, Finance, Operations and Sales who interact with Accounts Receivable and Credit Department.

Course Objectives:

- Develop effective credit policies that meet company's objectives.
- Use financial and non-financial analysis to assist in making the credit decision.
- Define the function of Accounts Receivable (AR) and its role in organizations.
- Maintain effective collection policy.

- Evaluate the Accounts Receivable process and implement best practices.
- Apply tools and techniques to effectively monitor AR performance.

Training Methodology:

The program will provide the theoretical background and techniques that underpin the organisation and management of accounts payable and its planning and organising. It will provide a real world practical context by incorporating worked examples and case studies that delegates will see how theory applies in practice and can discuss the various issues raised.

Program Outline:

Day 1: Credit Policies Management

- Credit Department Responsibility.
- Factors Affecting Credit Policies.
- The Five Cs of Credit.
- Non-Financial Factors Affecting Credit Decision.
- Outline of a Credit Policy (*Credit Department Mission, Credit Department Objectives, Roles and Responsibilities, Procedures, Measuring Results*).
- Review New Accounts.
- Re-Evaluate Existing Accounts.
- Financial Statements: What to Look for.
- Analyzing Selected Financial Ratios.
- Setting the Credit Limit.
- Establishing a Profitable Relationship with the Customer.
- Meeting the Needs of the Customer.

Day 2: The Billing Process

- Efficient Billing Process Means Faster Collection.
- Preventing the Fatal Mistake: Sending the Bill with Errors.
- The Use of Technology.
- Impact of Up Front Operations on Billing.
- Best Practices in Billing.

Day 3: You Made the Sale, It's Time to Collect Your Money

- Cash: It's Worth your Efforts.
- Tips, Techniques and Guidelines for Faster Collection.

- Importance of Setting a Collection Policy.
- Using Different Approaches in Collection.
- Strategies in Dispute Management.
- Best Practices in Collection.
- Breaking the Ice.
- Maintaining Credit-Sales Relationship.
- Role of Sales in Issuing Credit and in Collection.

Day 4: Accounts Receivable Process Analysis

- Improving the Quality of Accounts Receivable.
- Aging of Accounts Receivable and Bad Debts Reserves.
- Alternatives in Computing Bad Debt.
- Reducing Bad Debt Write-Offs.
- Calculating Accounts Receivable Turnover.
- Calculating Days Sales Outstanding (DSO).
- Calculating Best Possible Days Sales Outstanding (BPDSO).
- Collection Effectiveness Index (CEI).
- Analyzing the Operating and Cash Cycles.
- Managing AR through Portfolio Strategy.
- Analyzing the Size, Composition and Complexity of AR Portfolio.
- Segment the Portfolio.
- Formulating an Approach for Specific Segments.

Day 5: Keeping in Control

- Internal Controls in AR Processes.
- AR and the Monthly Closing of Accounts.
- Outsourcing of Accounts Receivable Functions.
- Case Study.