

DEALING WITH SLOW PAYING CLIENTS

Financial teamwork with a client is an effective and efficient manner to collect on debt. It also encourages clients to maintain their account and continue to do business with you.



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The Financial Teamwork Approach



Salvaging a Slow Paying Account

From time to time we all run into a situation where we have a client who is not paying their bill on time. Everyone has their own way of dealing with the situation. It is a fine line between aggravating the customer and the chance of losing them by being too aggressive, or being too lenient and creating a policy of being soft on credit. However the situation is handled it will effect your future relations with that client.

We have found over the years there is no easy answer as to what is the most effective way to deal with the slow payer. We have found however there are several methods which will help collect your money before having to resort to legal action.

First the customer knows they owe the money, unless there is a dispute. That being said you as a creditor have the upper hand somewhat. Consequently it makes sense to be a sort of mentor to your client. By talking to them about the situation and offering suggestions as to how they can relieve themselves of the stress of being a dead beat client. We have found this is a very efficient way of dealing with a reasonable client.

Offer to help the work out a payment schedule and even agree to continue to do business with them on a limited basis. This instills faith in you as a creditor and encourages them to make the effort to maintain their account and continue to do business with you.

Stay in touch with them without being pushy or aggressive to let them know you are trying to help them get out of a sticky situation. Offer to help them collect money they may be owed, which is why you aren't getting paid.

All in all, let the client know you are on their side and willing to help them work out of the situation. You will instill loyalty and get paid.

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There are many other ways of dealing with slow paying customers. The one describe above has been very useful in the past. When this or other methods don't produce the desired results it's time to begin legal action. The legal action should be part of your policy in collecting but should not be the first action or the only action. Going to court is stressful, time consuming and costly. It must however remain part of you policy.

We have the program to follow when it becomes necessary to use the courts to collect. The **Winning In Court** manual, which is available from the GRP website, will guide you through the steps needed to be successful. You should read the manual prior to having collection problems so you can be prepared when the time comes.

We also offer seminars: **Winning in Court** and **Representing Yourself in Small Claims Court**. Attending the seminar you will also receive the **Winning In Court** manual. If you are a licensed contractor in Florida you will receive 3 CEU credits for attending. Remember procrastination is the poor man's reason for failure.

About Grass River Publishing:

Grass River Publishing is dedicated to teaching individuals and companies what is needed to protect receivables. Being in the business for thirty years and seeing first hand hard working individuals and companies get into trouble collecting money due them, we felt it would be a benefit to share our own experiences. Collecting receivables and contract payments for services rendered can be as much work as doing the job itself.

Our experience has shown us there a infinite ways customers avoid paying their bills, some intensional some not. We have spent many hours in court collecting from slow and non payers. That experience has taught us what things are needed to win in court. This isn't a foolproof system, but it will greatly enhance your chances when you have to do battle.

We invite you to contact us for the latest schedule of seminars near you. We also will be glad to consult with you on an individual basis, or present an in-house seminar.



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