

Collection Agency Provides Tips to Improve Cash Flow for Landscape or Lawn Care Businesses

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Most landscape and lawn care companies are in full swing since warm weather arrived a few weeks ago. Long, busy days cleaning up yards, mowing, planting and keeping customers happy leave little time and energy to chase down overdue accounts. Because owners and operators spend the greatest majority of their time focusing on customer relationships and maintaining good reputations in communities, a few tips to effectively managing and maintaining accounts receivables during busy times can help business flourish.

Establish a Policy for Payments

A strong way to begin the new season is to inform new and existing clients of your company's billing process and follow up procedures. This method manages client expectations and lets them know how and when they will be billed and the time frame in which they are expected to pay. By communicating your company's payment policies, you eliminate uncertainty and surprise when a bill is received and reduce the number of unpaid accounts. A reputable collection agency can help but establish solid billing procedures first.

Collect debt and retain customers.

When faced with the challenge of having to collect overdue funds, many landscape and lawn care businesses will simply stop serving the customer and write off the debt to avoid alienating customers or damaging their reputations. A more effective way to deal with overdue debt is to act early on overdue accounts. A reminder sent to customers is a gentle way to prompt them you are serious about collecting on their overdue account and is typically perceived as non-threatening, yielding successful results.

Hire Quality Employees

Employees are the key to your success whether they are on the front lines cutting lawns or behind the scenes making appointments and following up on billing. Employees represent you and help maintain your reputation. Staff members also play a critical role in recovering monies owed by conveying business policies while still treating customers diplomatically and respectfully. Take time to hire quality people to be part of your team and train everyone properly to be sure they are familiar with billing policies as well as good customer service methods. A little time spent shaping up your front line can drastically improve your bottom line.

Old-Fashioned Customer Service

Even with great employees and strong policies, sometimes bills may remain unpaid. In these instances, there are a few customer service-based approaches that may help you recover monies owed to your landscape or lawn care business. When bills remain unpaid for 30-days, a customer service letter or call is an effective way to reach out to a client and to get feedback on your business in the process. A call is an open opportunity to

discuss the services you provided them and then bridge into why a client is delaying payment. This soft approach is sincere and can expedite recovering monies owed to your business.

Plan for Accounts That Remain Unpaid

A few tips like those mentioned above can get your landscape or lawn care business off to a booming start out of the gate this summer and help your business grow as the season progresses. However, there will be times when regardless of the approach, a customer will not respond to requests for payment. After 90-days, it is wise to seek outside help from a collection agency on accounts that are long overdue. Look for a reputable team that is a good match for your business and who has your values and mission in mind. A few factors to consider in a successful collection agency are: freeing up staff time, affordability through a flat-fee system (you can pay as little as \$10-15 per account), access to your accounts on-line and experience that will lend them to achieving higher recovery rates.

A few tweaks to your internal collection methods will produce strong results to your bottom line and make your summer a profitable one. Keep customer service at the forefront of your policies and procedures and your lawn care or landscape business will bloom in any economy.

About Jeff DiMatteo:

Jeff DiMatteo is one of four partners who founded American Profit Recovery in 2004. Since that time he has helped the company grow from a one office organization to an accounts receivables management firm with offices in Massachusetts, Michigan and North Carolina. APR specializes in the collection of third-party debt in industries such as medical/dental, banking, trades, heating oil delivery, lawn care and other professional services. The firm serves approximately 2800 clients. 1-800-711-0023 The firm's web address is <http://www.americanprofit.net/>