

# € TRAINING

Managing the Cash Cycle: Accounts  
Receivable & Payable Best Practices



10 - 21 June 2024  
Barcelona (Spain)



# Managing the Cash Cycle: Accounts Receivable & Payable Best Practices

REF: F1320 DATE: 10 - 21 June 2024 Venue: Barcelona (Spain) - Fee: 9460 Euro

## Introduction:

The importance of the cash cycle coming from the fact that moving cash-generating profit, so as much as you improve the cash cycle, as much as you get more profit. Accounts receivable and payables best practices playing the main role in improving the cash cycle.

## Course Objectives:

At the end of this course the participants will be able to:

- Work effectively with the fundamentals of accounts payable, accounts receivable, financial accounting, and the supply chain
- Understand and apply the fundamentals of effective transactional management systems
- Review and comment on payment methods and cash management
- Understand the need to incorporate risk and uncertainty into transactional processing and cash flow management
- Identify best practice across all industries

## Targeted Audience:

- Finance Executives
- Accountants
- Others who are working within Transactional Finance, Accounts Payable or Accounts Receivable process or who wish to develop a practical toolkit to complement their existing professional or technical skills

## Course Outlines:

### Unit 1: An Introduction to Accounts Receivable:

- Working Capital and Cash Management
- Understanding "the cost of credit"
- The "order to cash" process
- Understanding "risk" in "credit"
- Accounts Receivable and effective customer service
- Identifying underperforming areas to increase customer satisfaction

### Unit 2: Customers and Trading Terms:

- Terms of trading
- Tools and techniques of financial analysis: ratios; trends; common size analysis
- The best performance measure - cash or profit?
- Financial distress and the Altman's Z score-type analyses
- Trend analysis
- Value-added analysis of the financial statement

### Unit 3: Developing Effective Strategies to Maximize Cash Collection:

- Identifying effective "pre-delinquency" collection campaigns
- Defining "post-delinquency" activities
- Customer sensitive collection strategies
- Collection techniques and letter cycles
- Appropriate internal and external escalation steps
- Using workflow management to maximize collector performance

#### Unit 4: Practical Collection Tools and Techniques:

- Eliminating barriers to payment
- Recognizing excuses and delaying tactics
- Providing solutions to non-payment
- Telephone collection techniques
- Negotiation skills for successful collections
- Building relationships with customers

#### Unit 5: Managing the Receivables Ledger:

- Developing effective internal relationships to maximize performance
- Setting targets and tracking performance
- Managing information that dazzles
- Defining meaningful KPIs
- Latest Developments in Accounts Receivable

#### Unit 6: Accounts Payable, Financial Accounting, and the Supply Chain:

- Accounting and financial information: Accounts Payable in context
- Sources of finance
- The supply chain
- Financial position and financial performance
- Cash flow and Working Capital
- Why is cash flow so important?

#### Unit 7: Achieving World Class in Accounts Payable Processes:

- Defining Best Practice in AP
- Moving beyond P2P
- Managing Risk
- Principles of Best Practice
- End to End AP Process
- Defining the issues in Accounts Payable

#### Unit 8: Improving Invoice Processing and Operational Management:

- Invoice Handling and Approval Processes
- Verifying invoice data
- Paying "low value" items
- How to avoid duplicate payments
- Making the best use of staff time: limiting telephone calls to AP
- Does Petty cash management belong in Accounts Payable?

## Unit 9: Harnessing Technology in Accounts Payable Processes:

- Master Vendor File Management - getting it right from the start
- Travel & Entertainment
- Policy management
- Cash advances and employee reimbursement
- Process improvement through imaging and workflow
- Using the internet for AP effectiveness

## Unit 10: Making the Payments and Maintaining the Relationships:

- Communications & Customer Relations
- Payments status information for vendors and internal customers
- Improving Procure to PayP2PCycle
- Payments and Payment Solutions: Accounts Payable or Treasury