

EXCUSES

“The job isn’t finished”

State to your customer that without payment from the earlier invoices, you cannot sustain work on their job. Customers who value your work will pay up without further complaints.

“I haven’t received the invoice” OR “I have lost the invoice”

This can be resolved easily – send a fresh copy of the invoice and request a confirmation. Or better yet, telephone the customer the following day to confirm receipt. Also confirm future delivery means (ask for the account manager’s direct email) so that this excuse cannot be used again by that customer.

“The money isn’t due yet”

Means one of two things: either your customer does not understand your payment terms, or your customer is stalling. If your customer does not understand the terms, it is a good idea to assess your terms for clarity and ease-of-use. Maybe your invoice terms need to be updated or simplified. If your customer is trying to delay payment, re-state your terms firmly and stress that you may impose penalties for late payment.

“The bill payer is away”

This is a frustrating excuse, similar to “our computers are down”. Be persistent and try to speak to other senior people there. Find out what arrangements have been made in the bill payers absence for payment of other important expenses, like staff wages, and try to use this as a means of securing payment of your account. And finally, when WILL that person be back?

“We will pay in a lump sum”

Tell your customer that you require each invoice to be paid within its terms. You might be able to reach a compromise to keep both of you happy by adjusting the frequency of your invoices to that customer. You could also suggest to the customer that they pay a lump sum upfront, and you then credit each invoice in accordance with its terms!

“We’re a loyal customer so you should give us some extra time”

Confirm in writing and emphasize that the extended terms are ONLY a reward for their loyalty. If you are not willing to extend your terms, let the customer know their payments are getting later, and offer to work with them to ensure that they can make payment on time. Maybe send an email reminder when the invoice terms are about to expire.

“We don’t have the money to pay you at the moment”

Their failure to pay is not acceptable – they decided to contract for your goods or services, and they know that an invoice would follow. Sometimes it may be appropriate to put a payment plan in place where the customer pays affordable, regular instalments towards the amount outstanding.

“The check is in the mail”

Ask for check and postage details (check number, date, address). If the check has not been written, the customer will not be able to answer your questions. If that is the case, you should consider terminating the relationship immediately – the only thing worse than a non-paying customer is a dishonest customer.

“On the next check run”

Ask when was the last check run? And then ask what happened to us on that run? And finally, when will the next run be?