



Cash Flow is Tight or Inadequate



Symptoms (Pain)

Causes (Diagnosis)

Best Practices and Recommendations

AWS Capabilities

- Insufficient cash to pay staff and vendors
- Lot of time figuring out what to pay & when
- Working long hours and still worry about cash flow
- Use of credit cards, bank or personal loans

- Billable hours less than expected %
- Poor utilization of staff
- Clients are slow to pay
- Services to new clients that are credit risks
- Billing not done weekly
- No time to manage cash, A/R & payables

- Institutionalize a credit policy
- Consistent collection efforts
- Be aware of your backlog; be selective in adding clients
- Weekly, bill all completed work
- Record all collection calls in a system

- Tasks not removed from WIP until completed and billed; payment status can be tracked.
- Clients can be flagged as “credit hold”; prevents adding new work
- Reports all tasks completed and not Paid or Billed.
- Collections calls can be logged as communication