

CUSTOMER SUCCESS STORY

**How ESA reduced
past-due invoices by
73% in 3 months**





Turning inefficient processes into

award-winning operations



ERP: NetSuite

Industry: Distribution

Invoices per Month: 700

Engineering Sales Associates is a total solutions provider for compressed air and liquid filtration solutions.

Between issuing invoices, managing collections, and reconciling payments, accounts receivable (AR) professionals have their hands full. Throw in managing accounts payable on top of being the only resource for the business' accounting needs, and you'd likely have a hard time keeping your head above water.

That's exactly the position Kathie Lampkin, Senior Accountant at Engineering Sales Associates (ESA), finds herself in. But despite her many responsibilities and sizeable workload, Kathie has managed to increase her organization's efficiencies significantly, taking the company's past-due invoices from **33% to 9%** in just three months.

It's a feat that's earned Kathie and ESA the award for Largest Efficiency Gains in Versapay's inaugural [AR All-Star Awards](#). In this case study, we'll show you how Kathie made it happen and share the tips and tools you can use to improve collections efforts and reduce past-due invoices within your own organization.

Plenty of money, but no sustainable way to collect it

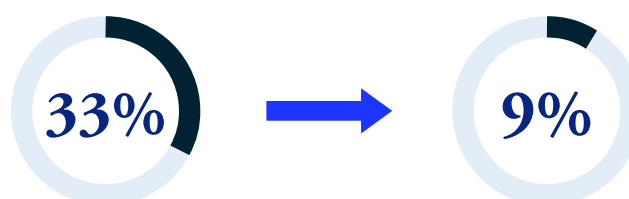
Engineering Sales Associates is a total solutions provider for manufacturing companies using compressed air and liquid filtration in their operations, providing emergency and preventative maintenance services for air compressors, as well as rentals, equipment, and parts.

The company's accounting department was consolidated shortly after Kathie joined ESA in 2019, leaving her to inherit the company's accounting processes in their entirety. At that time, staffing constraints made it difficult for ESA to stay on top of collections. Until December of 2020, some accounts were as late as 121 days past due on invoices.

Money was coming in, but collections weren't being pursued as hard as they could have been. It's *especially important for our larger customers* who are constantly making orders.

Kathie Lampkin, Senior Accountant,
Engineering Sales Associates

Percentage of
past-due invoices





When something is shipped, it's showing in NetSuite, and *we can automatically invoice customers*. It's great to be able to pull a report and say 'Hey, your payment was due yesterday.'

Kathie Lampkin, Senior Accountant,
Engineering Sales Associates

An integrated workflow for sustainable, predictable cash flow

With all accounting processes now in her hands, Kathie was tasked with handling the company's significant backlog of past-due invoices. The organization had set a goal of reducing past-due invoices by 50%, but Kathie's ambition and drive empowered her to improve ESA's collections efforts by a whopping 73% in just three months.

These are the strategies that ensured ESA and Kathie's success.

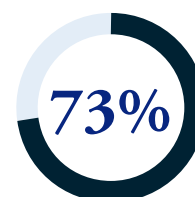
1. Integrating all your AR efforts into one system

Staying on top of collections is much easier when you can clearly view the status of all outstanding receivables. ESA's accounts receivable efforts—invoicing, communication management, and [payment processing](#)—are all tied to their Enterprise Resource Planning (ERP) system, Oracle NetSuite, where core functions like inventory management are also housed. Integrating their accounting processes within their ERP helps ESA avoid data reliability issues by establishing a single source of truth.

By leveraging Versapay's seamless payments integration with NetSuite, ESA substantially reduced manual effort when collecting and reconciling incoming payments with their respective account.



Target reduction
in past-due invoices



Actual reduction
in past-due invoices

I would start with the intent to build a positive relationship and say ‘Hey, I’ve just taken over this position and I’d really like to work with you to find out what we need to do to get these invoices paid.’ *‘You want to make sure customers know they’re valued.’*

Kathie Lampkin, Senior Accountant,
Engineering Sales Associates

2. Invoicing online for faster collections and improved tracking

One thing ESA was already doing that helped speed up collections times was issuing all their invoices online through NetSuite. Doing all your [invoicing online](#) (especially through a dedicated software) makes it much easier to track and audit invoices. And if you haven’t yet been convinced to make the switch to digital, paper invoices [cost you more than you might think](#)—the cost of processing a single invoice is around \$15 on average.

Knowing the specific date a customer received an invoice and referencing any terms that were agreed upon also gives you an upper hand. This allows Kathie to collect with more confidence, as the data she needs to perform her job is readily available.

3. Collaborating with customers in a structured and personable way

When Kathie first took over collections at ESA, she took a more structured approach, emailing customers to follow up on payments two to three times a week. She also set the foundation for a positive relationship with customers by tailoring her outreach based on whether initial contact had already been made.

Kathie was able to further streamline collections and achieve such a significant reduction in past-due invoices by managing and tracking her communications with customers. The best way to simplify collections efforts and improve your chances of getting paid faster is to digitize your customer outreach. Tools that allow you to [automate and track your communications over the cloud](#) make it easier for both you and your customers to stay on top of unpaid invoices.

When I log in, it's so easy to *get my reports and do exactly what I need to do* without having to reach out to someone to say 'Hey, can you fix this for me.'

Kathie Lampkin, Senior Accountant,
Engineering Sales Associates

ESA is a great company to work for, so I aim [for past-due invoices] to be below their goal to show them I'm *progressing and doing the job* I've been given.

Kathie Lampkin, Senior Accountant,
Engineering Sales Associates

Native NetSuite integrations make payment reconciliation and authorization easy

For accounts receivable professionals, collecting on unpaid invoices is just one piece of the puzzle. Once payments are received, there's the business of reconciling what's in the bank with what's in the books.

By integrating their payment processing within NetSuite with Versapay, Engineering Sales Associates minimizes manual efforts, as payments are reflected in the ERP automatically. Using Versapay's native reporting functionality, Kathie can also confirm whether payments were successfully posted to the bank.

Because credit card information is tokenized and securely saved within NetSuite when customers transact with ESA through Versapay's NetSuite payment solution, Kathie also saves time when manually rerunning a transaction (for instance, when a customer has two available credit cards and the wrong one was processed). She can reverse the original transaction and run the new one without the need to collect card information from the customer a second time.

Transform and scale your processes, not your labor

To streamline your accounting processes, you don't need a large team. In fact, as ESA exemplifies, you can significantly improve efficiencies, accelerate cash flow, and slash past-due invoices with just one resourceful individual and the right ecosystem of software and processes.

Setting specific targets when addressing challenges like collecting on unpaid invoices is also critical to your success, as it was for ESA. Like Kathie, [our customers](#) routinely [find themselves surpassing their goals](#) when they use our payments and cloud-based accounts receivable solutions.

Learn more about our integrated payments solutions and how they can help you simplify payment acceptance and reduce processing costs [here](#).

About Versapay

Versapay is focused on transforming accounts receivable efficiencies and accelerating companies' cash flow by connecting AR teams with their customers over the cloud. We make billing and payments easy for buyers and sellers, reducing costs and eliminating manual processes. Versapay is owned by Great Hill Partners, with offices in Toronto and the US.