

DO YOU TRUST

*Your Payables Clerks
with Your*

RETIREMENT FUND?



THE BIG PICTURE

*Running a transportation company will always be a game of inches.
If your team isn't paying attention to detail, it could be costing you in the end.*

Business owners should ask themselves whether their Accounts Payable departments are as **transparent, efficient** and **professional** as they need to be, in order to keep their companies from losing carriers. This is an important question, because in today's economy, outdated payment policies can cause a company to lose carriers, which can negatively affect earnings and reduce the company's enterprise value.

Since most business owners have the majority of their savings invested in their companies, does it make sense to rely on payable clerks to implement decades old practices to protect an asset which, for many business owners, will become their retirement fund when they sell the business? The answer to that question should be "NO", but for many business owners, that's not the case.

If you're one of those owners, you may need to **rethink your A/P policies**, especially if they've caused fluctuations in your credit score, or restricted access to carriers and limited your ability to cover profitable loads. If either has occurred, you may be one of those companies who believes that the only purpose of your A/P department is to open mail, audit invoices and issue checks.

It wasn't that long ago when the goal of every third party was to be recognized as a "Gold Book" member.

But, times have changed.



How much are outdated A/P practices costing your company?

In the aftermath of the housing crisis and the limited recovery that followed, a company's credit score is not enough to retain and attract carriers. That's because credit scores are an average measurement of a company's performance. And, the truth is, with fewer carriers available to third parties than ever before, carriers are not settling for average treatment.

***Carriers are not settling
for average treatment***

The recession robbed carriers of their cash reserves, and it caused banks to withdraw or reduce lines of credit. As a result, if a carrier is not paid on time, doesn't get a call or an email reply, or simply has a bad experience with a company's payables department, it can be reason enough for that **carrier to go "dark"**. They stop answering your phone calls and bidding on your company's loads.



YOUR A/P DEPARTMENT MUST BE:

RESPONSIVE

Answer all carrier inquiries in a timely manner

TRANSPARENT

Give carriers the ability to confirm their invoices have been received, confirm their charges, and know when their invoices will be paid

FLEXIBLE

Be able to meet and adapt to a carrier's special requests or unique circumstances

FRIENDLY

Be courteous and helpful to carriers during every interaction

AUTOMATED

Provide automated processes to facilitate the receipt, handling, and processing of carrier invoices

Business owners must offer exemplary A/P services to their carriers



LEAD THE WAY

The most successful companies in the industry are the ones that **recognize their carrier's needs** and take steps to meet them. To become one of those companies it may be time to re-evaluate your A/P processes and make the necessary changes to improve your carrier relations and settlement practices.

Although change is never welcome, the time and cost to build an A/P department that caters to the needs of your carriers may be the best investment your company will ever make. Once the changes are made, you'll discover how easy it is to attract and retain carriers by delivering a new message of flexibility and cooperation. You'll also have newfound competitive strength. After all, what customer doesn't want a broker who has access to satisfied and qualified carriers?

In the end, what matters most to business owners is the satisfaction that comes from experiencing **new and growing profitability**, which is the key component of a company's growing enterprise value.

If business owners are willing to risk a lifetime of savings to create and run a business, they should be willing to do everything that's necessary to grow its value. If improving access to carriers is a way to do that, then modernizing a company's A/P department is a job that should not be delayed.

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