

Checklist for Construction:

How to Combat Late Payments to Help Strengthen Your Business



Slow payments in construction are an industry-wide problem that requires an industry-wide solution. 86% of general contractors agree that payment delays have a direct impact on project deadlines.¹ Use this checklist to help combat late payments and strengthen your business with modern payment practices.

TIP 1



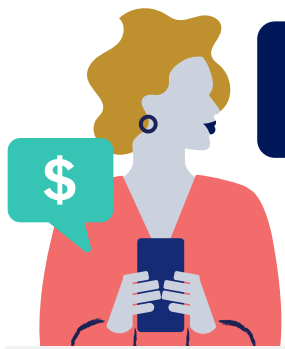
Automate your AR process to help boost efficiency and cash flow

Over half of construction companies handle their collection process manually.² However, by implementing accounts receivable (AR) automation, businesses could help shorten days sales outstanding (DSO) and streamline the payment operations.³

How can your business achieve this goal?

- ✓ **Eliminate manual collection processes** for faster operations. 52% of construction companies surveyed handle their collection process manually, which can ultimately lengthen collection cycles.⁴
- ✓ **Adopt AR technology** to automate billings and collections. 87% of businesses surveyed who previously used technology or automation for payment acceptance saw improved AR payment processing speed.⁵
- ✓ **Manage your payment processes your way.** Learn more about promotions from our automation partners [HighRadius](#) and [Invoiced](#).
- ✓ **Track revenue and expenses effectively.** Learn how you could take 40% off* your first Intuit [QuickBooks](#) subscription plan.

TIP 2



Accept digital payments

In order to stay competitive businesses must keep up with millennial payment preferences. 74% of Millennial B2B buyers surveyed have switched to vendors who offered more consumer-like experiences.⁶

How can your business achieve this goal?

- ✓ **Make it easy for customers to pay online.** Approximately 75% of B2B decision makers prefer using a self-service website or a digital purchasing method.⁷
- ✓ **Create a seamless e-commerce experience** so customers can navigate each step of the buying journey at their own pace.
- ✓ **Improve customer satisfaction** and promote on-time payments by giving customers the option to use their preferred payment method.
- ✓ **Accept virtual cards** to help improve security and avoid late payments.⁸ [Learn more](#) in our e-book.

TIP 3



Tell customers they can pay their way

Another way to improve customer satisfaction and get paid on time is to let customers know they can pay with their preferred payment method.

How can your business achieve this goal?

- ✓ **Offer flexible payment methods.** General contractors utilized multiple funding sources in 2021, including an increased reliance on credit cards and lines of credit, which saw a 76% increase from 2020.⁹
- ✓ **Reduce friction in the payment process** by enabling customers to pay their preferred way.
- ✓ **Make your payment methods visible to customers.** Access [free signage](#) and supplies for your business.

Modernize your business for the future with stronger payment practices.

for more trends and insights.

*Terms apply

SOURCES

^{1,9} [2021 Construction Payments Report](#), Rabbet.

^{2,3,4} [B2B Payments Innovation Readiness Playbook](#), PYMNTS.com, March 2021.

^{5,8} [Only 48% of Construction Firms Use Automated Accounts Receivable Processes](#), PYMNTS.com, January 2022.

^{6,7} [Optimizing SMB Payments Report](#), PYMNTS.com in collaboration with American Express, May 2021.



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