VERSAPAY

FROM CHASING TO PRIORITIZING:

The modern collector's playbook

How finance teams are rebuilding collections around signals, sequences, and customer experience, and getting paid sooner as a result.



EXECUTIVE SUMMARY

Collecting outstanding receivables has become a dominant constraint on cash flow

According to our 2026 Cash Flow Clarity Report:

69% of finance leaders have seen an increase in late B2B payments over the past year

81% say collecting open invoices is more challenging toaday than it was twelve months ago

74% of teams spend a moderate or significant amount of time weekly chasing late payments

In manual environments, overdue invoices get worked in whatever sequence the spreadsheet surfaces — largest balance first, longest overdue next, then whichever account feels urgent — and the customers most likely to slip rarely turn out to be the ones at the top of the list. The collections teams accelerating cash flow work the same volume on a different principle. They follow signals, not instinct, and let evidence — historical payment behavior, real-time invoice status, customer responsiveness — decide which conversations to prioritize.

This guide shows you how to shift away from chasing every account equally, toward prioritizing the ones that move cash, and toward a collections function proactive enough that invoices never become past due in the first place. Collections gets faster, calmer, and more reliable when collectors stop deciding what to work next every morning and start working a queue that's already built for them — by risk, by signal, by the way each customer actually behaves.

The cost of **the chase** is well-documented: less working capital, eroding forecast accuracy, less hiring, and more borrowing. What's less well-documented is how much of that cost traces back to the order in which collectors work their queue.

For finance leaders, the cost of chasing collections manually compounds across the invoice-to-cash lifecycle, showing up in the numbers that matter most

When customer payments stretch beyond expected timelines, forecasts start to wobble. Our research found that **80% of finance leaders lose confidence in cash flow forecasts** when receivables exceed 30 to 60 days, and **78% report that unexpected accounts receivable issues now force adjustments to capital investments, hiring, and borrowing**.

The chase doesn't just slow collections – it narrows the strategic options available to the business. Underneath that, the operational drag adds up:

- **55% of finance leaders** cite tracking invoice status and customer communications as a major source of friction.
- **51% report** friction in applying payments and reconciling customer accounts.
- **47% name** dispute resolution as a significant challenge.
- **55% are seeing** more requests for longer payment terms; **53% are seeing** more requests for payment plans.

Each of those frictions is small on its own. Together they form the conditions that make every account feel equally urgent, and lead to outreach distributed by gut feel rather than evidence.

The result is the pattern most collections leaders recognize. Working capital sits parked in late receivables; days sales outstanding (DSO) creeps up; forecasts get softer the further out they look; customers who pay reliably get the same outreach as customers about to slip; and the team's energy goes to the accounts that happen to be loudest, not the accounts that need attention most.

> "For collectors, there's the daily challenge of figuring out how to build a picture from all of these disparate sources to know which accounts to prioritize, and then determining what's changed since the last time they looked. **That's time-intensive**."
>
> **Jodi Bergman**, Senior Director of Product Management, Versapay

If the chase has become the default at your organization, the signals are usually visible long before DSO confirms it

The five patterns below describe what a flying-blind collections function tends to look like from the inside.

1 No real-time visibility into customer payment behavior

Teams rely on spreadsheets, email threads, or outdated reports, making it impossible to prioritize outreach effectively. They spend more time chasing information than payments, pulling context from ERPs, inboxes, sticky notes, and CRMs before a single cal is placed.

2 Customer communication is inconsistent and untracked

No centralized record of outreach means duplicated effort, missed follow-ups, and poor customer experience.

3 Disputes and short-payments fall through the cracks

Without structured workflows, issues linger unresolved and delay cash.

4 The team runs on tribal knowledge rather than standardized workflows

Collections processes vary by collector, making performance inconsistent and hard to scale. Customers complain about poor communication and transparency, as these processes create friction that damages relationships and slows payment.

5 Cash collections can’t be forecasted with confidence

Without predictive insight into expected inflows or at-risk accounts, every forecast carries a footnote.



Self-assessment to bring to your next team meeting:

- [ ] Do we know which customers pay early, on time, or late before we extend credit?
- [ ] Can our collectors see what was done on an account last week without asking anyone?
- [ ] Do disputes have a clear owner from the moment they're raised?
- [ ] Can we forecast next month's collections within a tolerance we'd defend out loud?
- [ ] If our most experienced collector left tomorrow, would the institutional knowledge stay?

From chasing to prioritizing: The fix comes from changing what the work is, not how hard you work

A modern collections function rests on a simple operating idea: the highest-value place for a collector's attention each day is the small set of accounts where intervention will actually change the outcome.

That sounds obvious, and in practice it's the hardest thing to operationalize, because identifying those accounts requires evidence — historical payment behavior, real-time invoice status, dispute state, customer responsiveness — drawn together in one place and translated into a workable queue.

Most teams don't lack the data. They lack the connective tissue that turns the data into decisions. When that connective tissue is in place, three things change at once.

The work queue gets built before the day begins

Instead of starting from a stale aging report and sorting by feel, collectors walk in to a prioritized to-do list organized by status — new, in progress, overdue, escalated — with the highest-risk accounts already at the top.

Collections outreach gets matched to the customer

The reliable payer who's two days late gets a light-touch reminder; the customer drifting toward bad debt gets a call; and the 30 to 60-day window — where collections activity has the most bite, before accounts approach write-off — gets worked first.

The cognitive load shrinks

Routine touches happen automatically. Notes, call recordings, and email threads attach themselves to the account record, so context travels with the work; and promise-to-pay dates are tracked without anyone setting a calendar reminder. At this point, the collector's job stops being triage and starts being judgment.

From there, the team moves up the maturity ladder. Chasing gives way to prioritizing, and prioritizing gives way to collections outreach proactive enough that many invoices never become past due in the first place.

Among organizations with mostly or completely automated accounts receivable processes, 57% identify collections as the area where automation delivers the greatest return, and 67% have already seen reductions in delinquency.

A framework for collecting faster and with less friction: Know, Set, Send, Resolve (KSSR)

Operationalizing the move from chasing to prioritizing benefits from a shared model. The Know, Set, Send, Resolve framework underpins our suggested customer-first approach to collections and gives you a way to think through the shift in sequence, not all at once.

Know

What it does: Builds risk intelligence and customer segmentation on top of historical payment behavior.

What it changes: Outreach decisions move from instinct to evidence.

Set

What it does: Tailors payment terms and credit policies to customer risk and strategic value.

What it changes: Reliable customers get rewarded; risky ones get the structure that protects cash.

Send

What it does: Replaces manual follow-ups with consistent, multi-channel invoice delivery and dunning.

What it changes: Reminders, dunning notifications, and status updates happen without daily lift.

Resolve

What it does: Moves dispute resolution onto a connected workflow with full context and visibility.

What it changes: Dispute resolution times shorten; customer relationships strengthen and flourish.

The four phases compound. A team that segments customers well in the Know phase makes better calls in Set; a team that delivers invoices clearly in Send sees fewer disputes to manage in Resolve; etc.

None of the phases require a wholesale overhaul to start, either. The 2026 Cash Flow Clarity Report shows that even targeted automation in high-impact areas like collections and reconciliation produces material gains.

When asked which part of the accounts receivable process provides the greatest return on investment from automation, 48% of finance leaders said collections and follow-up, and 46% said reporting and forecasting.

KNOW, SET, SEND, RESOLVE

The foundation of prioritization is knowing when and how each customer actually pays.

Some customers pay early, some pay on time, some always pay a little late, and some send the same dispute every quarter. Those patterns are visible in your data — they just have to be surfaced and acted on.

In a manual environment, the patterns live in collectors' heads. That makes those insights fragile (they leave when collectors leave) and unevenly applied (every customer is interpreted through one person's read). It also makes them backward-looking, because anything that's in-memory can't be used to predict what's about to happen.

Risk intelligence done well does three things at once:

1. Analyzes payment history and behavior signals across your ERP, payment acceptance platform, and financial systems to score each customer's risk and likelihood to pay.
2. Translates that score into a segment — high-touch, mid-touch, light-touch — so the team isn't deciding outreach cadence one account at a time.
3. Updates continuously, moving customers between segments as their behavior changes. A reliable payer who slips can easily and immediately be assigned to a new segment by the morning, not during the next review.

That last point matters most, as static segments age fast, whereas dynamic ones keep the queue accurate.

> "At Versapay, we've got this mass network. Having that type of data anonymously allows us to look at industry change versus individual payers, and **how macroeconomics forces change when somebody will pay or not pay.**"
>
> **Carey O'Connor Kolaja**, Chief Executive Officer, Versapay

The foundation of prioritization is knowing when and how each customer actually pays



Customer spotlight: Highspring

At Highspring, a global professional services business, the collections team used to chase down payments without a connected customer database to lean on. Reneged commitments, disputes, and inaccurate contact information had to be dealt with daily. After implementing Versapay, the Highspring team gained access to a database of payment history they could draw on in the moment.

“By looking at how the client paid in the past and how they’re going to pay in the future, we can mitigate the risk of working with that client,” says Reny Vogel, Supervisor of Collections.

The team can now predict customer payment behavior before issues escalate, build a more informed cadence of follow-ups, and keep interactions conflict-free.

KNOW, **SET**, SEND, RESOLVE

Once you have visibility into who pays how, the next move is to apply personalized payment terms to every customer

The Set phase replaces one-size-fits-all policies with risk-adjusted terms that reflect each customer's segment and risk profile. The mechanics will look different for every business, but the underlying logic is consistent:

- **For reliable, long-standing customers:** more generous terms (Net 45 or Net 60), recognizing both their payment history and their strategic value.
- **For larger clients with sizeable invoices:** structured terms that protect cash flow — for example, Net 30/60/90 split across project milestones.
- **For newer or higher-risk customers:** shorter payment windows, higher deposits, or pre-payment requirements until trust is earned.

When this layer is in place, the rest of the system gets easier. Collectors aren't fighting the terms; the terms are working for them. The diagnostic questions worth asking at this stage include:

- Are your payment terms tailored to customer risk and strategic value, or are they set by default industry standards?
- Can you adjust payment terms quickly when a customer's circumstances change?
- Are your most reliable customers getting terms that reward the relationship?

Personalizing terms is a credit conversation as much as a collections one. The most resilient teams treat them as two sides of the same decision — using the same risk model that drives outreach cadence to inform credit policy at the front end of the customer relationship.

KNOW, SET, **SEND,** RESOLVE

Get it right, on time: Invoice delivery and outreach that inspires action

A large share of manual collections effort goes to predictable touches like writing the same dunning emails for the third time, resending invoices the customer says they never received, and logging notes after the call is over. None of that requires judgment, and all of it crowds out the work that does.

Send is the phase where most teams feel the daily relief first. Done well, it changes three things:

Invoice delivery becomes multi-channel and tracked

Customers receive invoices through the channels they actually use, and the system sees whether each invoice landed, opened, and was acted on. Customers can pull statements, view payment history, and self-serve through a portal — which substantially reduces inbound "did you get this" inquiries.

Outreach gets automatically staged

Collections managers define the cadence once — when to send reminders, when to escalate to a call, when to pause communications because a dispute is open or a promise-to-pay is active. Collectors keep their attention on the customers who need real conversations. The rest get consistent, professional outreach without anyone writing it that morning.

The activity record builds itself

Calls, notes, and email threads attach to accounts in real time, so handoffs — coverage, escalations, staff transitions — happen without context loss.

> "We had no idea if our invoices were arriving, because JD Edwards was autonomously sending out the PDFs with no bounce-back report. So, it could have been 10% success or 100% success. Who knows? **My team did their job incredibly well. Just not in a technically efficient way.**"
>
> **Andrew Ceccorulli**, Credit & Collections Manager, Laticrete

KNOW, SET, **SEND,** RESOLVE

Get it right, on time: Invoice delivery and outreach that inspires action

Customer spotlight: Johnny's Selected Seeds

Johnny's Selected Seeds (JSS) works with farmers who work in the field, and who often forget invoices or misplace them. As a result, JSS' two-person collections team once formatted and rebuilt a tracking spreadsheet monthly, calling and emailing to follow up.

After implementing Versapay, JSS' customers can comment directly through the payment portal when they anticipate delays, and the team can shortlist outreach by predicted payment behavior rather than working through the whole list. "We used to have 30-plus emails on the first of the month. Now we might have 11," says Samantha De La Croix, Accounts Supervisor.

The team's posture shifted from reactive to proactive in a quarter.

KNOW, SET, SEND, **RESOLVE**

Continue the customer-first experience through the dispute resolution process

Disputes are where collections most often stalls and where the customer relationship is most at risk. Misapplied payments, duplicate billings, and questions about service issues are small things, individually, but small things that snowball when they sit in an inbox without an owner. Two failures recur in manual collections environments.

The first is visibility: with disputes captured in scattered emails and notes, no one can see the full set of open issues at any moment, let alone how long each has been sitting.

The second is context: when a dispute is escalated to a manager, the handoff is whatever the collector can recall in an email, and the manager has to retrace ground the collector already covered before they can act.

A workflow-based approach changes both: disputes get logged against the invoice in question, with the full payment history, prior outreach, and call notes attached; and resolution stays on the rails as the right people are notified and automated communications paused so customers aren't getting reminders during active disputes.

And with escalation thresholds pre-defined (a dispute above a certain dollar amount, an account approaching bad debt, an issue that's stalled too long), handoffs happen without anyone arbitrarily deciding when to make it.

The customer-facing benefit is subtle but real. When a collections team can reference a complete history in the moment — "the invoice was delivered on the 12th, here's the payment that closed the prior balance" — the conversation moves out of a back-and-forth over basic facts and into actually resolving the issue.

> "When a customer says, 'Oh, I paid that check,' we can say, 'No, you didn't. **The data is right there, and we know what you paid.**'"
>
> **Andrew Ceccorulli**, Credit & Collections Manager, Laticrete

KNOW, SET, SEND, **RESOLVE**

Continue the customer-first experience through the dispute resolution process

The four levers that make this work in practice:

1

Direct communication channels — typically a payment portal or in-app message thread — that don't depend on email finding the right inbox.

2

A database of historical transactions that everyone, including the customer, can reference.

3

Templated workflows for the most common dispute types, with clear escalation paths.

4

Payment alternatives and installment options that give collectors something to offer beyond "pay the full amount now."

The collector's day, rebuilt across six activities

Six activities make up a collector's day, and each changes when prioritization replaces chasing. Here's what the framework looks like in practice.

Prioritization and work queues

The day used to start with sorting an aging report by hand — largest balance, longest overdue, plus whatever the collector remembered about which accounts were difficult. With workflow automation, the queue is built before the laptop opens, organized by status (new, in progress, overdue, escalated) and updated continuously as accounts shift.

Logging calls and notes

Notes used to live in spreadsheets, shared docs, sticky notes, or whatever the collector grabbed first. Now they attach to the account record alongside invoice data, prior outreach, and open disputes — so the next person who touches the account starts with the full picture.

Sending follow-ups and dunning notices

Follow-ups used to be written by hand and tracked inconsistently. With automated dunning workflows, the cadence is defined once and runs reliably, with the system pausing communications when a dispute is open or a promise-to-pay is active so customers don't get crossed signals.

> "We know that the payments most r**ipe for collections are those in the 30 to 60 day bucket**, where they're not approaching bad debt. So the goal of collectors is to take that fundamental knowledge and create a better view of what needs to be prioritized."
>
> **Jodi Bergman**, Senior Director of Product Management, Versapay

Bonus reading: learn how automation helps collectors prioritize the right accounts, and get paid sooner

The collector's day, rebuilt across six activities

Promise-to-pay tracking

Promises used to live in calendar reminders and notes — easily missed, never visible across the team. Now they're captured against the invoice, automatically tracked, and surfaced on a dashboard so collectors and collections managers can see the full pipeline of commitments at a glance.

Managing and resolving disputes

Disputes used to land in inboxes and sit unresolved until someone owned them. Now they're captured in a platform and tied to an invoice, and since all automated emails, delivery statuses, customer replies, and phone calls are tracked and logged, collectors have visibility of everything up until this point.

Escalating issues and accounts

Escalation used to be informal — flagged in meetings or appended as notes in spreadsheets. Now thresholds are defined in advance, escalation happens with one click, and the manager picks up the full audit trail without re-interviewing the collector.

The pattern across all six activities is the same. In manual collections environments, collectors carry the cognitive load, deciding what to prioritize, remembering what to follow up on, tracking what was promised, noticing when disputes have gone quiet, and judging when to escalate.

That work is mostly overhead that automated systems can shoulder instead, leaving collectors to spend their day where their judgment actually moves money and builds relationships.

> "When there are escalations required, there's back and forth and context sharing that's needed, such as what's happened on this customer, on this dispute. With automation, there's an audit trail of everything that happens. You escalate to your manager, you can immediately see all the interactions that led to that dispute, and it can all be referenced."
>
> **Jodi Bergman**, Senior Director of Product Management, Versapay

The collections manager's day, rebuilt across four activities

For collections managers, the shift to prioritization changes the job in a different way. Their work has always been the work above the work: balancing portfolios, focusing the team on the right accounts, handling escalations, and measuring performance and reporting upward.

In a manual environment, all four of those happen with limited visibility.

Workload distribution gets done by best guess, because there's no easy way to see that one collector has 30 customers and another has 5 high-touch accounts that take more effort than the 30 combined; focus gets directed by anecdote, because there's no measurement to point at what's actually working; escalations land as emails with whatever context the collector can recall; and performance gets measured by activity counts — calls placed, emails sent — because the metrics that actually matter (DSO, average days delinquent, collections effectiveness) are too hard to track in real time.

The job changes from piecing together a picture to leading with one already in view. The manager moves from reactive to predictive — which is the same shift the team is making one level down.

> "**One thing that's quite challenging is being able to know the distribution of work.** One collector might have 30 customers and another five, but maybe those five customers are super high touch and they take so much effort out of the collector. Being able to properly balance portfolios is currently an exercise in best judgment and reactive feedback–it's not proactive."
>
> **Jodi Bergman**, Senior Director of Product Management, Versapay

The collections manager's day, rebuilt across four activities

With a connected platform, each of those activities changes:

Managing the collections team

Workloads can be balanced by effort, not headcount, with high- and low-touch accounts visible at a glance.

Managing escalations

Escalations arrive with the full history attached, so the manager picks up at the point the collector left off, not three steps behind.

Focusing collections efforts

The team can be focused with evidence, because the system can show which cadences are working for which customer segments and where the next adjustment should go.

Measuring performance

Performance can be reported on the metrics that matter — DSO, average days delinquent, collections effectiveness, promise-to-pay adherence — in real time, by individual collector or across the team.

> "One collections manager I know takes screenshots every single day of their DSO, then looks at all of those screenshots for a 30-day workback, and reports on that at month-end. **That's illustrative of how performance measurement works in a manual collections environment**."
>
> **Jodi Bergman**, Senior Director of Product Management, Versapay

Bonus reading: learn how automation helps collections managers lead stronger teams and recover cash faster

The hidden costs of inertia, patchwork solutions, and specialized tools

A reasonable concern, and one we hear most often from finance leaders, is that their teams are ‘already managing’.

DSO is respectable; cash is flowing; collectors are experienced; and the appetite for implementing another tool or dealing with another change-management cycle is low, especially when prior attempts haven’t moved the needle the way they promised.

That deserves a direct answer, and addressing this concern usually comes down to reconciling one of the three paths a team is already on; each with a clear logic and a hidden tax.

Path 1: Staying manual

A team of five collectors managing 1,500 or more past-due accounts is normal, with most of their effort going to rebuilding aging reports from ERP exports, copying email templates, and updating trackers, before any actual collections work begins. Urgent accounts are treated the same as low-risk ones; small invoices receive little attention; promised payments go untracked; and when a collector is out, their portfolio stalls as account history lives in a personal inbox rather than a shared system. The bottleneck is the collections system the team is already working within.

Path 2: Patchwork solutions

Teams stitch together what they already have: shared inboxes, spreadsheets, and CRM notes. None of these tools talk to each other, and rarely do makeshift integrations fix workflows. ERP-native dunning sends rigid, one-size-fits-all reminders regardless of customer relationship, payment history, or open dispute status; when email automation tools get bolted on, collectors still check payment statuses in the ERP, update their spreadsheets, and reconcile replies by hand; and when dunning templates need changes, requests sit in IT backlogs for weeks.

The hidden costs of inertia, patchwork solutions, and specialized tools

Path 3: Generic or standalone collections tools

Most standalone automation platforms optimize for configuration depth — complex rules engines, enterprise-scale customization — but require months-long implementations, dedicated IT lift, and ongoing professional services engagements to maintain. They treat collections as a standalone workflow, separate from the platform where invoices, disputes, payments, and customer data already live. As a result, finance teams maintain multiple sources of truth and reconcile between them manually. The cost of ownership stays high well after go-live.

The question worth asking is whether the path your team is on today — manual, patchwork, or standalone tool — is generating enough lift to justify another year of it.

All three paths share a hidden tax that shows up in the same places:

- DSO running 3 to 5 days higher than it needs to. For mid-market companies, even a few days of DSO improvement can free millions in working capital.
- A collections function that can't scale. Five collectors managing 1,500 past-due accounts manually means small invoices receive no attention, follow-ups are frequently missed, and the team caps out on the accounts volume it can credibly cover.
- Tribal knowledge that walks out the door. When a collector leaves or takes a vacation, their account context — what was said, what was promised, what to watch for — leaves with them.
- Finance leadership making cash flow (and subsequent downstream) decisions on month-old data rather than the real-time signals the rest of the business already runs on.

For teams ready to make the shift, the work doesn’t have to happen all at once

The playbook below sequences the changes in the order most teams find easiest to absorb:

Get a single, real-time view of accounts and activity

Before changing cadences or rewriting policies, get the data into one place. Aging, invoice statuses, communications, promise-to-pays, and disputes all need to live together. Without this, every later step rests on a stale picture.

Segment customers by risk and behavior, not size

Use payment history to identify high-risk customers. Start with the top 20% of accounts by value and the bottom 20% by reliability. Move customers between segments as their behavior changes.

Build the queue, then defend it

Replace the morning aging-report ritual with a prioritized task list generated by the system, organized by status. Resist the urge to override it from instinct in the first weeks — instinct is exactly what the system is trying to supplement.

For teams ready to make the shift, the work doesn’t have to happen all at once

The playbook below sequences the changes in the order most teams find easiest to absorb:

Automate the predictable touches

Stand up automated reminders, dunning sequences, and status updates for the segments where light-touch outreach is right. Reserve critical thinking for the accounts that need it.

Measure what matters

Replace activity counts with the metrics that actually reflect collections performance: DSO consistency, average days delinquent, collections effectiveness index, promise-to-pay adherence, time-to-resolution, and post-resolution CSAT. Report on performance in real time.

Move disputes onto a workflow

Get every dispute logged against an invoice, with notes and history attached. Define escalation thresholds in advance so handoffs don’t depend on anyone deciding to make them.

Tune in cycles

Review which cadences are working and for which segments. Tighten the high-risk paths, loosen the low-risk ones, and let the data, not anecdote, decide where to make the next change.

From chasing to prioritizing to preventing (and to a collections function you can rely on)

The chase is what collections looks like when your team doesn't have signals. **Prioritization** is what collections looks like when it does. **Prevention** (proactive outreach calibrated to behavior, before invoices age past the window where activity has impact) is what collections looks like when the system has been running long enough to learn.

Finance teams making the shift are seeing it in the numbers:

- Laticrete decreased DSO by 11%, outperformed cash flow forecasts by 16%, increased cash receipts by 23%, and reduced monthly external financing by $7 million in the process.
- TireHub saved 200 hours weekly by overhauling its invoicing and payment experience.

Finance leaders much consider the strategic implication, with cash flow being the input to every other decision the business makes: capital investment, hiring, borrowing, growth.

After all, when more than three-quarters of finance leaders are adjusting strategic decisions because of unexpected accounts receivable issues, it's clear that the finance function has officially moved from a back-office utility to a strategic lever. Modernizing this function becomes the foundation under everything that follows.

The collectors and collections managers who run this work every day already know what they want it to look like. More time on the conversations that actually move money; less time hunting for context; a to-do list that reflects today, not last night; disputes that resolve without straining the customer; and forecasts they'd defend out loud.

> "Versapay helped us work harder and smarter, automated what took 2 full days, cut DSO by 10 days, and **kept cash flowing to give us the flexibility to reinvest in growth**."
>
> **Chad Robles-Feeney**, Credit & AP Manager, Mars Electric

Stop chasing accounts equally. Prioritize the right accounts and collect payment faster.

Versapay Collections is built around the way collections teams actually work. Prioritized task lists, AI that predicts when invoices are likely to be paid, segmentation that routes the right cadence to the right customer, a unified activity view, and one-click escalations with audit trails attached.

Talk with an expert

