BILLFIRE

How to Make
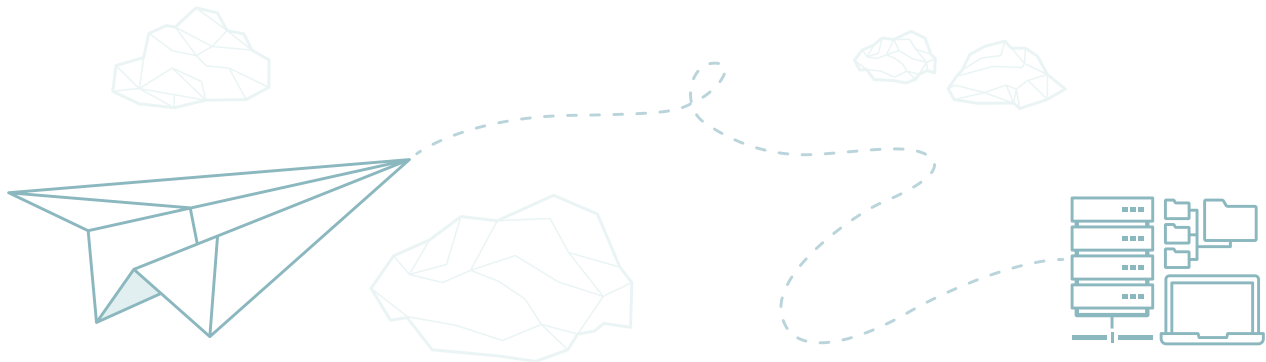# A/R Future Proof

How to Make A/R Future Proof

This year has been an opportunity to call into question many business practices and cultural norms that have been taken for granted since the dawn of the industrial age.

Accounts receivable processes, especially, are being re-evaluated given their importance to companies and reliance on office infrastructure and physical presence in order to be effective. The good news is that, with some practical adjustments, A/R teams can be just as effective working remotely as they are in the office.

One of the most impactful changes has been the overnight scramble for organizations to work from home. In the mad rush to adapt and overcome, many companies and employees are learning that—while they can keep things afloat from home—moving a business forward and sustaining current practices with a fully remote workforce can be a challenge.

While working from home is a practice that is likely here to stay, only about 30% of jobs are fully set up to be accomplished remotely, according to a study by *McKinsey & Company*.

In order for companies to survive in the long term, they will have to deliberately set up processes that maximize remote work while utilizing in-person interactions only when absolutely necessary. Some of the obstacles to overcome with a remote workforce include reliance on manual processes core to business operations, maintaining a healthy work-life balance, finding new ways to foster spontaneous collaboration, and identifying which tasks require in-person attendance.

Digitizing Processes Cuts Reliance on Office Infrastructure

The greatest hindrance to a viable remote work option is the reliance on manual processes to keep businesses running. Luckily, digital and automated options are relatively easy to deploy.

For example, companies that rely on paper-based accounts receivable processes (mailing invoices, depositing paper checks) found themselves especially vulnerable earlier this year. Without end-to-end digital invoicing and electronic payments, A/R teams had to cobble together "solutions" that included emailing invoices, but only solved half the problem because without electronic payments, checks still to be deposited.

The exposure of manual processes as a weakness is one of the greatest strategic lessons learned from covid. In their

assessment of business during covid, *Deloitte* points out that **"a robust technical infrastructure and end-to-end digital processes ("paper-less") are key elements to safeguard productivity during disastrous events.**

First-response actions such as implementing business continuity plans and stabilization of business operations should be accompanied by proactive measures: companies should rethink and accelerate their digitization strategy to increase resilience and optimize business processes at the same time."

Working From Home Without "Bringing Work Home"

Raise your hand if you have been caught regularly working outside normal business hours.

Sure, it is easy to stay plugged in with today's collaboration technology, but in order to maximize job satisfaction and productivity, managers are encouraging team members to prioritize work-life balance.

With in-person employment, it was already difficult in modern society to prevent one's work from interfering with their personal life. Now, however, the lines have all but washed away as the bedroom has literally become the office for many adults. Employees often find it easier to work past their normal hours or to let work collaboration apps like Slack and Microsoft Teams flood their phone with notifications at all hours of the day.

In a world where working from home is the new norm, the best way to preserve a healthy work-life balance is to establish clear boundaries—both for managers and team members. Leaders, managers, and supervisors have to clearly convey reasonable expectations describing when they want members to be available and when they are off the clock. More importantly, leaders have to stick to these guidelines. Just because a member can be reached immediately does not mean they should be reached if it is outside their expected hours. Managers need to ask themselves, "Can this wait until business hours tomorrow?" Muting specific work-related apps and channels after-hours is also a key practice for both managers and team members in keeping morale high.

Maintaining a healthy work-life balance starts with leadership. Avoid overtasking your team members just because you know they are home and stick to communicating during agreed upon hours. This will ensure a sustainable work-life balance when working remotely.

Keep Collaboration Alive

Team collaboration and spontaneity can thrive just as well in remote work settings with small, concerted efforts. Let colleagues know that the "open door" policy is alive and well.

Before the pandemic, open office layouts and collaborative spaces were hitting their all time high in popularity—in fact, seven out of ten offices were implementing open layouts in 2017, _according to Bloomberg_. Now, however, those innovative rooms are left half empty (if populated at all) or filled with barriers to keep members as healthy and distanced as possible.

Luckily, working from home does not mean businesses have to abandon the benefits of spontaneous collaboration. In fact, the pandemic may be creating new opportunities to collaborate even more effectively than they would with open office plans. After all, despite their growing popularity, _recent studies from Harvard_ have shown that open layouts can often hurt, rather than help, teamwork due to the lack of privacy.

Businesses can use remote work practices to facilitate better teamwork than in-person spaces. Virtual common spaces such as group messaging channels and virtual breakout rooms can provide both the open interaction required to create those unexpected sparks as well as the privacy needed for real teamwork to happen.

In fact, McKinsey argues that working remotely can be one of the greatest boons to diversity and can give a voice to the unique perspectives that inspire innovation. This is because working from home enables single parents, caregivers, adults with disabilities, members who lack reliable commuting methods, and others with unique physical needs and schedules to all collaborate on the same virtual level—something that is less feasible with in-person common spaces.

Streamline In-Person Tasks

Of course, there are tasks that are best done in person.

But with an easy re-examination of priorities and outcomes, most will find the list to be shorter than expected. Moreover, with virtual meetings, professionals can interface with more people, faster.

For example, training that requires hands-on skills and tasks needs to be done in person. Classes that consist of sitting in a conference room while the trainer goes through a slideshow, however…maybe not. Similarly, while the personal touch can benefit sales calls, in today's environment, it is no longer expected and sales executives can "visit" many more prospects in a shorter period now that travel time has been eliminated.

Bottom line, a remote workforce does not mean an organization has to eschew all in-person duties—it simply means that leaders must prioritize and be intentional about what tasks are worth accomplishing in person.

TEAMWORK

SERVICE

TRAINING

HELP

IN-PERSON TASKS

CUSTOMER

MOTIVATION

PLANNING

DOCUMENTATION

With Adjustments, Businesses can Thrive in a Remote Work Culture

With adoption of digital technology and proper adjustments to processes, infrastructure, and expectations, remote work can be highly effective, sustainable, and an actual boost to productivity. We believe this can be especially true for finance and accounts receivable teams across all industries.

That said, it is important to point out that the decision on working remotely does not have to be binary - 100% remote vs. 0% remote. We believe that, regardless of the decision, companies will benefit from the exercise of exploring the adoption of digital technology and preparing for future crises.

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