

**PROFESSIONAL SERVICES:
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FEESYNERGY CASE STUDY:

Alexander Spencer

Slashing debtor days was just one
FeeSynergy game-changer for this
Melbourne accounting firm.

How to crunch down debtor days

Like the firm itself, early benefits from introducing a smart debtor management system just keep growing for successful Melbourne accounting firm Alexander Spencer.

Melbourne-based accounting firm Alexander Spencer has been helping clients succeed in business for 70 years, but getting them to pay their bills on time was an ongoing struggle.

When Managing Director Sevan Tuna became a director of the firm in 2009, debtor days were hovering at around 70 days and limiting its opportunity for growth.

Fast forward more than a decade and Alexander Spencer has slashed its debtor days by about a third through the deployment of debtor management solution FeeSynergy. Its operations have expanded with the acquisition of bookkeeping, finance and insurance broking businesses, and it now employs more than 40 business advisors and consultants.

“We needed to slash our debtor days to achieve better cashflow so we could invest in other areas,” says Tuna, who joined Alexander Spencer as a graduate accountant in 1999.

“Our debtor days are now between 20 to 27 days. To put that into perspective, our payment terms are 14 days, so to bring those debtor days down is just incredible and the incremental cashflow benefits have been huge.”

Slashing debtor days

Alexander Spencer began using FeeSynergy’s fee-funding facility about five years ago. Tuna describes it as a “powerful first step” in reducing its debtor days.

“It gave our clients an opportunity to pay off their invoice in instalments to FeeSynergy, but FeeSynergy had already

paid us for those invoices in full,” says Tuna. “After our success with this, we became one of the accounting firms to beta test the FeeSynergy Collect product.”

A cloud-based debtor management solution for the accounting and legal sectors, FeeSynergy Collect takes the work out of chasing clients for payment. Powered by Westpac’s PayWay solution, it can be integrated with practice management software.

“We now have so much interaction with clients around payments that they’ve started paying us first, before paying anyone else.”

SEVAN TUNA, MANAGING DIRECTOR, ALEXANDER SPENCER.

Its features include automatic debt reminder emails to clients, an online payment gateway, a direct debit option and an engagement letter module, which enables firms to see which clients have received, signed and returned their engagement letters.

“FeeSynergy Collect reduced our debtor days to below 30 days, because it gave us a proper system for managing our debts,” says Tuna. “We now have so much interaction with clients around payments that they’ve started paying us first, before paying anyone else.” ▶



TUNA OFFERS 3 TIPS TO OTHERS LOOKING TO CHANGE THE GAME WITH TECH:

1

CHOOSE THE QUICK WINS

“Make a list of the problems in your business from the biggest to smallest and the technology that can help you to solve it. Then choose the easiest one to tackle first. When your team sees how easily you’ve been able to solve a problem using technology, you’ll soon get buy-in when it comes to solving the bigger problems.”

2

COMMUNICATION IS KEY

“Communicate with your team about what you’re hoping to achieve in the long term by implementing new technologies. Make sure you have a project plan and keep people accountable to ensure it runs as smoothly as possible.”

3

LEVERAGE YOUR NETWORK

“I think business owners are more prepared to help each other out these days, so ask others in your network about the tech solutions that they are using. Don’t just rely on the software sales team. Find ways to get the real reviews.”

Cashflow gamer-changer

Tuna describes Alexander Spencer as an early adopter of technology that is “always searching for the next best thing” to improve both operational efficiencies and the client experience.

He says the firm’s deployment of FeeSynergy was seamless. “It integrates with most of the accounting platforms that accounting firms use,” he says.

“With the press of a button, we were pretty much up and running. The only thing we needed to decide was how often we wanted to send automatic payment reminders to clients and when we wanted to instigate partner involvement through things like follow-up phone calls.”

“[Westpac] take(s) the time to understand our goals and business and try to find ways where they can a help us.”

SEVAN TUNA, MANAGING DIRECTOR,
ALEXANDER SPENCER.

Tuna says Alexander Spencer has benefited from a banking partner that understands its goals.

“Westpac has been a great partner by supporting our business with all of our lending needs,” he says. “They take the time to understand our goals and business and try to find ways where they can a help us.”

Alexander Spencer will soon offer the FeeSynergy direct debit authority to clients and Tuna expects 80 per cent to take up the offer.

“This means that when we send them an invoice, we’ll be able to automatically process the funds on the due date,” he says.

“I expect we’ll be able to bring our debtor days down to about 16 to 17 days as a result. That’s game-changing stuff, but that’s how powerful the system is.”



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COULD TRANSFORM
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Find out how Westpac can help your business with FeeSynergy’s automated debtor management solution at <https://www.westpac.com.au/business-banking/industries/professional-business-services/products-services/> OR contact a specialist at <https://www.westpac.com.au/business-banking/industries/professional-business-services/contact/>

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