GROWERTALKS

Growers Talk Business

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Accounts Playable

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Yesterday, my production secretary came into my office with a concerned grimace. There was a touch of panic in her voice. “One of our vendors just called Nic.”

Nic is one of our field supervisors. He’s a very important employee who spends all of about five minutes each week inside an office. The rest of his time he directs a few dozen people who actually touch plants all day. Nic doesn’t place orders with vendors; he really only talks to vendors when he goes to trade shows or when they come to our nursery to see their plants in production.

“And you won’t believe this, but he asked Nic, ‘Are you guys going out of business or something? You haven’t paid me a dime in eight months and you owe me $60,000!’”

Normally, I would be the last person to hear about things like this (when it actually came time to sign the check), but for the past two months I’ve been entering all the payables and paying all the bills myself. Why would I do this?

2020 has been a volatile, chaotic year. My business office is basically two people: one for Accounts Receivable and one for Accounts Payable (including Payroll). For a point of reference, our weekly payroll is about $70,000 and a normal week’s bills total between $80,000 to $120,000. (Of course, like you, our business is very seasonal.)

In March, my AR employee and her husband moved out of state. We filled that position internally and it went pretty smoothly. But I spent a good deal of the spring season re-learning and tweaking how we ask for money. Lesson number one is, “It’s never wrong to expect to be paid.” Lesson number two is, “Be professional in how you ask.”

Then in August, my AP employee left us to work for one of her best friends. Yikes! I posted an ad immediately. Within two weeks, over 120 people had applied to that ad. I was overwhelmed. I didn’t know where to even start filtering through that many people. I’m used to hiring field workers and truck drivers; my previous office team had been with me for decades.

Remember the movie Mary Poppins? When the father, Mr. Banks, ran an ad for a new nanny, the next day the sidewalk was chock-full of job-seekers. But then Mary Poppins came in and literally blew them all away.

Faced with 120 applicants, I decided I would wait for Mary Poppins to show up.

But she didn’t.

I wouldn’t say I was stuck doing the job myself. I wanted to do it. I wanted to understand it from top to bottom. I’ve done it before, for a month or two, a few years back. I was looking forward to doing it again.

Some of it I enjoy. Nothing in business is as much fun as opening the mail, posting check after check and then putting that deposit in the bank. It’s like eating gummy bears every day.

But bills? They’re more like a plate of radishes (or that nasty Dutch licorice, take your pick).

I was genuinely surprised at what a foul mood a few hours of entering payables would put me in. I’m not normally cranky. I guess that’s because I typically pay people to do the things that make me cranky.

I found that if I was intentionally cheerful while I went through the bills, it helped. Whistling was key. It’s hard to get bent out of shape when you’re whistling.

Some companies play hide-and-seek with key information on their invoices. Where’s the invoice number? It should be in the top right corner. Not the bottom left. Not halfway down the page. Why confuse me with five different numbers for your internal use and make me guess which one is the right one? And why do some companies have 24-digit invoice numbers? I can understand Grainger or Verizon having so much complexity, but Bob’s Tire Shop? Then there’s tiny fonts, faded dot matrix printouts circa 1983 or hand-written tickets that don’t exactly inspire confidence. Old technology isn’t the worst thing: how about emailed HTML invoices with strange ASCII character substitutions like: lN♥01É45n■7?

I discovered that, if I tried very hard, I could chuckle at these infuriating nuisances, not curse at them. I guess you could call it Accounts Playable.

So the news that I owed a surprise 60 grand wasn’t fun, no matter how much I whistled.

“Where are the invoices?” I asked. You might imagine I’m editing my actual statement for publication, but that’s truly what I said. (I can’t swear at my production secretary because she’s also my mother-in-law.)

I won’t leave you in suspense. It turns out the invoices were in our SPAM folder, rejected due to suspicious naming of the PDF attachments and some dubious code embedded in the XML of the files themselves. And the amount we owed? It was $39,684.65.

The check was in the mail before lunch.

These kinds of things happen, but they shouldn’t. Invoices are the ABCs of business. You send them. You receive them. Invoices should be clear, concise, timely and accurate. If they’re all of these things, they’ll be paid faster. Depend upon it.

And if they aren’t? A few lessons I learned, or was reminded of, and shared with my own AR employee: don’t wait eight months to ask why we haven’t been paid, don’t call the wrong person to ask about it and don’t assume the customer doesn’t have the money. Every week, somebody is getting paid. Let’s make sure it’s us! **GT**

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