



Financial Management: Accounts Receivable

There is a fee associated with participation in APQC's Open Standards Research. If you have any questions about the fee, please contact the APQC helpdesk for more information.

This document should be used as a guide in the offline collection of data. APQC cannot accept submissions using this file. Please contact the APQC helpdesk on helpdesk@apqc.org for more information about offline submission.

OSBC DATABASE PRIVACY AND PROTECTION OF PERSONAL INFORMATION

Please refer to APQC's [privacy statement](#) for disclosures relating to the collection and use of your personal information.

Instructions

Research project structure

APQC OSBC research projects are designed to collect a wide variety of information about your entire organization, with a specific emphasis on the particular business entity for which the research is being collected.

Each survey is divided into a number of sections, separated by a block of introductory text. Each section of the research project presents questions about specific processes and activities in your business entity. Each of these process-specific sections corresponds to APQC's [Process Classification Framework](#).

The last two sections contain questions about your organization as a whole and your particular business entity, respectively. Before each section containing process-specific questions, you are presented with a list of components of the PCF. This list identifies which components of the PCF are addressed by this particular section of the research project. The numbers in the list correspond to the PCF's unique numbering scheme. Questions within the section will address specific activities for the stated component of the PCF.

Navigation, Saving Results, and Submitting a Survey

The survey is presented in pages. Each page may have one to many questions on it. Each question on each page must be answered. Use the buttons at the bottom of each page to navigate throughout the survey. To avoid data loss, do not use the browser "back" and "forward" buttons to navigate through the survey. As you navigate through the survey using the "Previous" and "Next" buttons, your data are saved to APQC's secure servers.

The progress indicator at the bottom of each page displays a bar graph and a percentage which indicate your progress in navigating through the survey. The progress indicator does not account for completed questions, only for your relative position in the survey.

To exit the survey while you have not yet completed all questions, click the "Save" button at the bottom of the survey page, then close your browser. The system will present you a link to your particular instance of the survey. Use that link to return to the survey at any time.

Once you have completed the survey, click the "Submit" button on the last survey page. By submitting your survey results, you will notify APQC that your data are ready for validation. You will not be able to create, review, update or delete your answers after you have submitted the survey, so ensure that you have accurately documented your answers before you submit it.

Cookies, One Browser

The APQC OSBC survey tool uses a "cookie" to associate you to a particular survey instance. Your "cookie" is unique to the computer you used to start the survey, and is the only key that you have to access your data. Should you lose your "cookie", you will be unable to complete the survey and will need special assistance from APQC. Do not delete your APQC cookies until after you have submitted your survey data.

Because this "cookie" is unique to the computer you used to start the survey, other users will be unable to contribute results and data to the survey unless they have physical access to the browser which you used to start the survey.

Visit the [Browser Setup](#) page for more information about configuring your browser to use cookies.

JavaScript

The APQC survey application uses JavaScript for enhanced validation and usability features. In order to complete these surveys, you must use a browser that supports JavaScript, and you must have JavaScript enabled. Visit the [Browser Setup](#) page for more information.

Printing

To print a copy of the entire survey, you should use the "Preview" version of the survey. This view consolidates all of the questions associated with the particular survey onto a single printable browser page. No answers or personal data are contained on the "Preview" version of the survey.

As you navigate through the survey, you may print each page to record your answers. There is no facility to review all of your answers on one page.

Definitions

Each survey has a set of definitions associated with it that are unique to the process grouping covered by the survey. Throughout the survey, questions may have links to survey definitions.

Accurate results depend on a common understanding of the terminology used across survey respondents, so take special care to review the definitions in the glossary thoroughly. Common terms may be defined differently than you expect. When in doubt, contact APQC for guidance.

Reasonable Numbers

The survey asks for a number of detailed pieces of information. If you do not have the exact information that a question asks for, please provide a reasonable approximation. If you cannot provide a reasonable approximation, please leave the answer blank. If you are not sure, contact APQC for guidance.

Reporting period

All questions in the survey, unless expressed otherwise, request data from the last complete fiscal year of your organization's or business entity's operations. Please be sure to provide the end-date of the fiscal year for which you are providing data. If you have any questions about the reporting period, please contact the OSBC help desk (contact information is provided below.)

Question numbers may skip

Occasional changes to the survey may result in the addition or removal of questions. Due to this activity, the question numbers in the survey may occasionally skip one or more numbers. Furthermore, some surveys will hide questions depending upon answers to previous questions. If you have any questions about the order of questions in the survey, please contact the OSBC help desk.

Contacting APQC with Questions

For any questions regarding the survey mechanics, the survey content, or general survey inquiries, please contact the OSBC helpdesk via telephone on +1.800.776.9676 (toll free, US only) or +1.713.681.4020, or via Email on osbc@apqc.org.

This survey is designed to be modular in nature. Process modules in this survey include:

Process accounts receivable

- Establish accounts receivable (AR) policies
- Receive/deposit customer payments
- Apply cash remittances
- Prepare accounts receivable (AR) reports
- Post accounts receivable activity to the general ledger

Manage and process collections

- Establish policies for delinquent accounts
- Analyze delinquent account balances
- Correspond/negotiate delinquent account balances
- Discuss account resolution with internal parties
- Process adjustments/write-off balances

Manage and process adjustments/deductions

- Establish policies/procedures for adjustments
- Analyze adjustments
- Correspond/negotiate with customer
- Discuss resolution with internal parties
- Prepare chargeback invoices
- Process-related entries

General Background Questions

Regarding this entire data collection effort

Questions on this page deal with specific details about **this data collection effort**.

*87.0010 Please indicate the currency (e.g. U.S. Dollar, Euro, Japanese Yen, etc.) used for monetary responses in this survey.
This question must be answered in order to proceed to the next page.

Currency

US Dollar (USD)

87.0020 Provide the end date of the twelve-month period for which your [business entity](#) will be providing data. *(All questions in the survey, unless expressed otherwise, request data from the last complete fiscal year of your organization's or business entity's operations. Pro-rata data are not acceptable, only actual data should be submitted. Please be sure to provide the end-date of the fiscal year for which you are providing data. If you have any questions about the reporting period, please contact the OSBC help desk on osbc@apqc.org. Use the date format MM/DD/YY)*

Period end date

General Background Questions

Regarding your entire organization

The question on this page should be answered for the company's entire organization, including **all business entities** as well as the corporate headquarters.

Please provide your value responses with no currency marks, thousands separator, or other formatting. Also, a period should be used for a decimal mark, not a comma (e.g. **1325.23**, not \$1,325.23).

87.0030 What is your entire organization's [total annual revenue](#)? (Note that this question refers to the entire organization rather than the business entity defined for purposes of this survey effort. For example, the surveyed business entity could be a business unit of a publicly traded company, in which case this question should be answered as the corporate parent's total annual revenue.)

Total annual revenue

87.0040 What is the highest level of process ownership within your organization for the order-to-cash process? (Select only one.)

- Global
- Regional
- Business unit or some similar division such as product lines

General Background Questions

Regarding the specific business entity completing the survey

Questions in the remainder of this survey should be answered for the **business entity completing this survey**.

Please provide your value responses with no currency marks, thousands separator, or other formatting. Also, a period should be used for a decimal mark, not a comma (e.g. **1325.23** not \$1,325.23).

87.0050 What is your business entity's [total annual revenue](#)?

Total annual revenue

87.0060 What is your business entity's total annual selling, general, and administrative (SG&A) cost? Include all compensation and benefits (excluding incentive compensation), direct operating costs, supplies, maintenance time and expenses, subscriptions, publications, and related costs.

Total annual SG&A cost

87.0070 What is your business entity's total annual cost of continuing operations? (If your business entity is a support unit such as a shared services center, then include the costs for the units/business entities you support.)

Total annual cost of continuing operations

87.0080 What is the total number of employees ([temporary](#), [part-time](#), and [full-time](#)) at your business entity?

Number of employees (headcount)

87.0090 What is the total number of [full-time equivalents \(FTEs\)](#) at your business entity?

Number of FTEs

87.0100 Approximately in how many countries, including your own, does your business entity operate?

Number of countries

87.0110 Which of the following best describes the customer strategy for your business entity? (Select only one.)

- [Cost leadership](#)
- [Product/service differentiation](#)
- [Focus on the customer](#)

87.0120 Which of the following terms best describes the market conditions in which your business entity mainly operates? (Select only one.)

- Relatively new, emerging market

Growth market
Mature market
Generally in decline

87.0130 Which of the following functions best describes the role your business entity performs in the corporate organization? *(Select only one.)*

Headquarters
Shared services center/centralized processing center
Manufacturing, operating, or business unit

87.0140 Does your organization use an [enterprise resource planning \(ERP\) system](#) to coordinate key business information, resources, and activities across the value chain?

Yes
No

87.0150 What is your assessment of your business entity's overall performance relative to industry peers?

Top quartile
Middle half
Bottom quartile

89.0160 Which of the following best describes your organization's maturity with regards to information availability and analysis capabilities? *(Options are listed in increasing order of maturity; select the option that best describes your organization's maturity.)*

We don't have regular access to data beyond basic transactions. Data is stored in spreadsheets or system extracts. Analysis is not performed on a regular basis and decisions are based on instinct or anecdote.

Data is in department or line-of-business silos. Insight generation is only performed on an ad hoc or periodic basis. Decisions may be supported by data, but are primarily based on past experience.

Structured operational data is available and may include some basic external data. Insights are generated at department or line-of-business level. Decision making is focused on analyzing past actions and consequences.

Traditional and unstructured data is integrated and available from enterprise sources as well as some external data. While data is available to many people based on their roles and needs, using it might require some technical assistance. Decision making involves historic analysis and predictive algorithms.

Real-time, internal and external data is readily accessible across the enterprise based on need. Information is shared extensively across the enterprise. The data is integrated real-time and users can access, manipulate and visualize data on demand. Data-driven decision making is part of the organization's culture.

89.0170 Which of the following best describes your organization's maturity with regards to information availability and analysis capabilities, that you think your organization **SHOULD** have in order to be competitive / on par with peers? *(Options are listed in increasing order of maturity. This question is intended as a subjective measure of the level of analytics maturity required to compete within the industry.)*

We don't have regular access to data beyond basic transactions. Data is stored in spreadsheets or system extracts. Analysis is not performed on a regular basis and decisions are based on instinct or anecdote.

Data is in department or line-of-business silos. Insight generation is only performed on an ad hoc or periodic basis. Decisions may be supported by data, but are primarily based on past experience.

Structured operational data is available and may include some basic external data. Insights are generated at department or line-of-business level. Decision making is focused on analyzing past actions and consequences.

Traditional and unstructured data is integrated and available from enterprise sources as well as some external data. While data is available to many people based on their roles and needs, using it might require some technical assistance. Decision making involves historic analysis and predictive algorithms.

Real-time, internal and external data is readily accessible across the enterprise based on need. Information is shared extensively across the enterprise. The data is integrated real-time and users can access, manipulate and visualize data on demand. Data-driven decision making is part of the organization's culture.

87.0180 Which of the following best describes your business entity's compliance with currently accepted accounting standards? (Please contact your company's financial reporting department for guidance in answering this question if needed.) (Please select only one option.)

My business entity is currently compliant with the [International Financial Reporting Standards \(IFRS\)](#).

My business entity is currently compliant with [United States Generally Accepted Accounting Principles \(US GAAP\)](#).

My business entity is currently converting from United States or local Generally Accepted Accounting Principles (GAAP) to the International Financial Reporting Standards (IFRS).

My business entity is currently compliant with local Generally Accepted Accounting Principles (GAAP) other than US GAAP and IFRS.

If you selected other please specify with which standard your business entity is compliant:

This concludes the general background module.

Following is the **process accounts receivable** component of the survey. Activities included in this component of the survey include:

Process accounts receivable

- Establish accounts receivable (AR) policies
- Receive/deposit customer payments
- Apply cash remittances
- Prepare accounts receivable (AR) reports
- Post accounts receivable activity to the general ledger

Please direct all survey related questions to the OSBC Helpdesk at (800) 776-9676 or Email [OSBC Helpdesk](#).

87.0190 For the process "process accounts receivable," which of the following best describes your business entity's role? *(Select only one.)*

- Self-supporting; performs most aspects of this process
- Relies on other business units for the process
- Relies on shared services center for the process
- Serves as a shared services center for the process
- Outsourced to third party

87.0200 Which of the following best describes the system used in the process "process accounts receivable"? *(Select only one.)*

- Manual/Spreadsheet
- Internally developed technology
- SAP
- Oracle (incl. Peoplesoft, J.D. Edwards and other Oracle products)
- Infor (incl. GEAC and Baan)
- Other system to process accounts receivable
- Not applicable / no system used for this process
- Don't know

If you selected "Other," please specify.

Complete the FTE and cost tables below for each business process at your business entity.

FTE table	Process accounts receivable
87.0210 What is the number of full-time equivalents (FTEs) employed by your business entity during the year to perform the process "process account receivable"?	

87.0220 What is the total cost of the process "Process accounts receivable" for your business entity for each cost category?

Cost table <i>(If your business entity does not have costs in a category, use a zero; if you do not know the cost, leave blank.)</i>	Process accounts receivable
a. Annual personnel costs (including compensation and benefits) for those classified as FTEs in question 87.0210.	
b. Annual systems costs (direct and/or allocated to the business entity)	
c. Annual overhead costs (direct and/or allocated to the business entity)	
d. Annual other costs	
e. Annual outsourced costs	
f. Total cost of the process <i>Process accounts receivable</i> (sum of a through e)	

87.0230 Using the total number of FTEs from question 87.0210 for the "process accounts receivable" process, please allocate those FTEs among the following activities: *(Use decimal if needed and use a zero if no FTEs perform this activity.)*

Activities for process accounts receivable	FTE allocation

a. Perform management activities	
b. Establish accounts receivable policies	
c. Receive/Deposit customer payments	
d. Apply cash remittances	
e. Prepare accounts receivable reports	
f. Post accounts receivable activity to the general ledger	
g. Total number of FTEs <i>(Must equal the answer to question 87.0210)</i>	

The level of accuracy you are able to provide for these questions will most likely depend on the systems you have today and their ability to track this data. If your site's system does not track line items, then please approximate the annual number based on an average month.

87.0240 What is the average cycle time in calendar days (including weekends) between invoicing a customer and when payment of the invoiced line items is received?

Number of days

87.0250 What is the average number of days sales outstanding in accounts receivable for your business entity?

Number of days sales outstanding

87.0260 After an invoice/bill is transmitted to the customer, what is the average elapsed time in calendar days (including weekends) before goods/services are shipped/performed? *(For purposes of this cycle time, "time zero" is when the billing happens. If you bill first and then ship, use a positive number. If you ship first and then bill, use a negative number.)*

Number of days

87.0270 What is the total number of invoices billed to customers annually by your business entity?

Number of invoices

87.0280 What is the total number of line items billed/invoiced annually by your business entity? (Please include only those line items for purchased goods and/or services and exclude line items for freight or tax)

Number of invoice line items

87.0285 What is the total value of the line items billed/invoiced annually (question 87.0280) by your business entity?

Total value of line items

87.0290 Using the total number of line items billed/invoiced by your business entity (question 87.0280), what percentage is entered into the system through an automated method (such as EDI, direct upload or interface, or scanning)?

87.0300 Of the total number of line items billed/invoiced by your business entity (question 87.0280), how many are adjusted by the customer prior to paying?

87.0310 Of the total number of line items billed/invoiced by your business entity (question 87.0280), how many are paid in full the first time?

87.0320 What is the total annual value of line items billed/invoiced by your business entity that are paid in full the first time (question 87.0310)?

Value of line items paid in full first time

87.0330 Of the total annual number of line items billed/invoiced by your business entity (question 87.0280), how many offer a [discount](#)?

Number of line items offering discount

87.0340 What percentage of billed/invoiced line items offering a discount is taken?

Percentage of line items

%

87.0350 What is the total number of [receipts](#) processed annually at your business entity?

Number of receipts

87.0360 What is the total number of receipts processed annually at your business entity that are [error-free the first time](#)?

Number of receipts

87.0370 What is the total number of receipts processed annually by your business entity that are automatically matched to open items in the accounts receivable sub ledger?

Number of receipts

87.0380 Using the total number of receipts processed annually by your business entity from question 87.0350, what percentage is received electronically or automatically (such as via the internet, credit/procurement card or other direct electronic transfer)?

Percent received electronically

87.0390 What is the total number of customers in the [customer master file](#) for your business entity?

Number of customers

87.0400 Of your total customer accounts (question 87.0390), how many are set up for [automatic cash application](#)?

Number of accounts

87.0410 What are your business entity's [average standard payment terms](#) in calendar days (including weekends) for accounts receivable?

Number of days

87.0420 Thinking about your entire "process accounts receivable" operation, what do you see as the key operational practices or

management techniques that contribute to your organization's success, if any? Please list the top three.

Following is the **manage and process collections** component of the survey. Activities included in this component of the survey include:

Manage and process collections

- o Establish policies for delinquent accounts
- o Analyze delinquent account balances
- o Correspond/negotiate delinquent account balances
- o Discuss account resolution with internal parties
- o Process adjustments/write-off balances

Please direct all survey related questions to the OSBC Helpdesk at (800) 776-9676 or Email [OSBC Helpdesk](#).

87.0430 For the process "manage and process collections," which of the following best describes your business entity's role? *(Select only one.)*

- Self-supporting; performs most aspects of this process
- Relies on other business units for this process
- Relies on shared services center for the process
- Serves as a shared services center for the process
- Outsourced to third party

87.0440 Which of the following best describes the system used in the process "manage and process collections"? *(Select only one.)*

- Manual/Spreadsheet
- Internally developed technology
- SAP
- Oracle (incl. Peoplesoft, J.D. Edwards and other Oracle products)
- Infor (incl. GEAC and Baan)
- Other system to manage and process collections
- Not applicable / no system used for this process
- Don't know

If you selected "Other," please specify.

FTE table	Manage and process collections
87.0450 What is the number of full-time equivalents (FTEs) employed during the year to perform the process "manage and process collections"? <i>(Use up to two decimal places if needed.)</i>	

87.0460 What is the total cost of the process "Manage and process collections" for your business entity for each cost category?

Cost table <i>(If your business entity does not have costs in a category, use a zero; if you do not know the cost, leave blank.)</i>	Manage and process collections
a. Annual personnel costs <i>(including compensation and benefits)</i> for those classified as FTEs in question 87.0450.	
b. Annual systems costs <i>(direct and/or allocated to the business entity)</i>	
c. Annual overhead costs <i>(direct and/or allocated to the business entity)</i> .	
d. Annual other costs	
e. Annual outsourced costs	

f. Total cost of the process <i>Manage and process collections</i> (sum of a through e)	
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87.0470. Using your business entity's total number of FTEs from question 87.0450 for the "manage and process collections" process, please allocate those FTEs among the following activities: *(Use decimal if needed and use a zero if no FTEs perform this activity.)*

Activities for manage and process collections	FTE allocation
a. Perform management activities	
b. Establish policies/procedures for delinquent accounts	
c. Analyze delinquent account balances	
d. Correspond/Negotiate with delinquent accounts	
e. Discuss account resolution with internal parties	
f. Process adjustments/write off uncollectible balances	
g. Total number of FTEs <i>(Must equal the answer to question 87.0450)</i>	

87.0480 Of the total number of customers in your business entity's customer master file from 87.0390, how many are active customers?

Number of Active Customers

87.0490 Of the total number of active customers in your business entity's customer master file from 87.0480, what percentage are delinquent at any time during the year?

Percentage Delinquent

87.0500 What is the highest value of uncollectable balance that can be written off without approval?

Highest value

87.0510 What is the total annual value of your business entity's uncollectable balances?

Total annual value

87.0520 Which of the following collections techniques are used by your business entity? *(Select all that apply)*

Collector scorecards that drive intended collection patterns (e.g. number of calls placed, number of promises to pay received/ resolved, etc.)

Diary management to prioritize and track collection activities

Stratification of accounts by materiality and stage of arrears to properly focus collection efforts on materiality

Stratification of accounts by methods other than individual account materiality and stage of arrears but that are still related to individual accounts such as customer history

Stratification of accounts by methods other than individual account materiality and stage of arrears that are not related to individual accounts such as overall industry or region health/performance.

Tolerance limits are set for immaterial amounts

Third party collection agencies used for late stage collection activity

87.0530 When accounts become slow-paying or written off as uncollectible, is this information routinely shared with the credit function?

- Yes
- No

87.0540 Does your business entity have customer self service mechanisms (e.g. website) available for issue research/ resolution (e.g. past-due amounts, invoice reprints)?

- Yes
- No

87.0550 Thinking about your **manage and process collections** operation, what do you see as the key operational practices or management techniques that contribute to your organization's success, if any? Please list the top three.

Following is the **manage and process adjustments/deductions** component of the survey. Activities included in this component of the survey include:

Manage and process adjustments/deductions

- o Establish policies/procedures for adjustments
- o Analyze adjustments
- o Correspond/negotiate with customer
- o Discuss resolution with internal parties
- o Prepare chargeback invoices
- o Process-related entries

Please direct all survey related questions to the OSBC Helpdesk at (800) 776-9676 or Email [OSBC Helpdesk](#).

87.0560 For the process "manage and process adjustments/deductions," which of the following best describes your business entity's role? *(Select only one.)*

- Self-supporting; performs most aspects of this process
- Relies on other [business units](#) for this process
- Relies on [shared services center](#) for the process
- Serves as a shared services center for the process
- [Outsourced](#) to third party

87.0570 Which of the following best describes the system used in the process "manage and process adjustments/deductions"? *(Select only one.)*

- Manual/Spreadsheet
- Internally developed technology
- SAP
- Oracle (incl. Peoplesoft, J.D. Edwards and other Oracle products)
- Infor (incl. GEAC and Baan)
- Other system to manage and process adjustments/deductions
- Not applicable / no system used for this process
- Don't know

If you selected "Other," please specify.

Complete the FTE and cost tables below for each business process at your business entity.

FTE table	Manage and process adjustments/deductions
87.0580 What is the number of full-time equivalents (FTEs) employed during the year to perform the process "manage and process adjustments/deductions"? <i>(Use up to two decimal places if needed.)</i> .	

87.0590 What is the total cost of the process "Manage and process adjustments/deductions" for your business entity for each cost category?

Cost table <i>(If your business entity does not have costs in a category, use a zero; if you do not know the cost, leave blank.)</i>	Manage and process adjustments/deductions
a. Annual personnel costs <i>(including compensation and benefits)</i> for those classified as FTEs in question 87.0580.	
b. Annual systems costs <i>(direct and/or allocated to the business entity)</i>	
c. Annual overhead costs <i>(direct and/or allocated to the business entity)</i>	
d. Annual other costs	
e. Annual outsourced costs	
f. Total cost of the process <i>Manage and process adjustments/deductions</i> (sum of a through e)	

87.0600 Using the total number of FTEs from question 87.0580 for the "manage and process adjustments/deductions" process, please allocate those FTEs among the following activities: *(Use a decimal if needed, and use a zero if no FTEs perform this activity.)*

Activities for manage and process adjustments/deductions	FTE allocation
a. Perform management activities	
b. Establish policies/procedures for adjustments	
c. Analyze adjustments	
d. Correspond/Negotiate with customer	
e. Discuss resolution with internal parties	
f. Prepare chargeback invoices	
g. Process related entries	
h. Total number of FTEs <i>(Must equal the answer to question 87.0580)</i>	

87.0610 What is your business entity's average elapsed number of calendar days (including weekends) from the time when an adjustment is identified to the time it is fully resolved and reflected in the accounting records?

Number of days

87.0620 What is the total annual number of adjustments/deductions processed annually by your business entity?

Number of adjustments/deductions

87.0630 What is the highest value of customer adjustment/deduction that can be made without approval?

Highest value

87.0640 What is the total annual value of your business entity's customer adjustments/deductions?

Total annual value

87.0650 Thinking about your entire **manage and process adjustments/deductions** operation, what do you see as the key operational practices or management techniques that contribute to your organization's success, if any? Please list the top three.

87.0660 What additional measures would you like to see included in future reports?

87.0670 Please indicate whether your organization would like to discuss the benchmarking results to learn more about reasons for possible performance gaps.

Yes

No

You have reached the end of the survey. You can use the **previous** button to review your answers for accuracy and reasonableness. After pressing the **submit** button, you will no longer be able to directly edit your data in this survey form.

The next step will be review and validation of your responses. APQC will contact you to conduct a final review of your responses and verify that your responses were as you intended.

Please click the **Submit** button to complete the survey and transmit your data.

In order to obtain a printed version of your completed survey, you will need to print each page **before** submitting your responses. After you select "submit," you will be unable to print your completed survey.

Please direct all survey related questions to the OSBC Helpdesk at (800) 776-9676 or Email the OSBC Helpdesk at [OSBC Helpdesk](#).