What Engaging a Receivables Partner Actually Involves

A candid guide to what a receivables engagement buys, what the client must hand over, how the first 90 days work and when outsourcing is unlikely to solve the problem.

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In brief

A receivables partner does not take ownership of management decisions. It provides an operating function: diagnosing the portfolio, working the customer, exposing internal blockers, creating escalation discipline and reporting what management must decide.

Three services are often confused: **Revenue Intelligence** assesses counterparty evidence and exposure; **Revenue Assurance** works the current invoice lifecycle to prevent avoidable delay; **Revenue Realization** works overdue receivables toward cash, resolution or a documented next route.

How commercial structures differ

Structure	Best suited to	Watch for
Fixed fee	Defined diagnostic, assurance or portfolio work	Scope and deliverables must be explicit
Success-linked fee	Eligible overdue recovery	Define attribution, direct payments, partial recovery and exclusions
Hybrid	Work requiring mobilisation plus outcome alignment	Separate onboarding, pass-through, legal and variable components

A success-fee component is earned on collections under the agreement; it does not automatically mean that nothing else is payable. File-opening, mobilisation, legal, verification, travel or agreed pass-through costs may apply. Success-linked pricing aligns part of professional compensation with outcome; it does not transfer the client's underlying credit risk.

What the client must provide

- Invoice-level ledger with invoice date, due date, amount, receipts and customer identifiers.
- Current customer contacts and the client-supplied KYC needed to identify the correct legal counterparty.
- Purchase orders, proof of delivery, acceptance, certification and correspondence.
- Credit, dispute, deduction and settlement history.
- A named internal owner able to resolve questions and approve decisions.

The client has primary responsibility for supplying customer KYC. If it is unavailable, GGA discusses the gap with the client before using agreed public sources to establish alternative identity evidence.

What the first 90 days should produce

The first useful output is usually not cash. It is a reconciled and segmented portfolio: clean delays, process exceptions, documentation gaps, disputes, risk cases and accounts requiring management or legal decisions.

GGA can make blockers visible, assign owners, escalate them and manage closure. It cannot unilaterally issue the client's credit note, settle its commercial dispute or approve a supply stop. The client's response speed materially affects the outcome.

Cash timing varies with age, evidence, dispute status and counterparty condition. Any six-to-twelve-week reference should be treated as GGA operating experience, not a promise.

Protect the customer relationship by design

The engagement should segment strategic, continuing, disputed, dormant and risk accounts. Tone, authority and escalation should reflect the commercial relationship. A consumer-style pressure model applied indiscriminately to B2B customers can destroy value.

When not to engage a recovery partner

An external recovery mandate may not be warranted when the book is overwhelmingly current and controlled. Revenue Assurance may still be useful where management wants stronger invoice governance, forecasting or prevention.

Do not outsource merely to avoid internal decisions. If management will not resolve documentation failures, settle disputes, stop further exposure or act on evidence, the partner can recover some easy money while the underlying problem regenerates.

Frequently asked questions

What does a receivables partner need from the client?

An invoice-level ledger, current contacts, client-supplied customer KYC, supporting documents, dispute history and a named internal owner.

Does a success fee transfer the credit risk?

No. It aligns part of the fee with collection outcomes. The client retains the underlying receivable and management decisions unless a separate lawful assignment says otherwise.

How quickly should cash arrive?

It varies. Age, documentation, disputes and debtor circumstances matter; operating ranges should not be presented as a guarantee.

Related GGA services and research

- How GGA Engagements Work
- The GGA Model
- Portfolio Recovery
- Contact GGA

Methodology, sources and boundary

This article combines GGA operating experience with the statutory or policy materials identified in the text. Engagement observations are aggregated and anonymised and should not be interpreted as an industry recovery probability. Public law, policy terms and procedures can change; the current instrument and case facts govern.

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