



## Tips for effective recovery of business debts

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### Keep records

Make follow-up on sums owed by written correspondence so as to have ready record trail minimizing phone-calls which may not provide an easy record trail.

### Leverage technology

Send a letter requesting payment of sums owed as soon as agreed credit period you give runs out. IT can be leveraged to automatically send such requests on email.

### Afford business contacts Indulgence

Where a business contact you have had for some time requests for reasonable indulgence in paying sums owed it is prudent to grant it. This may strengthen your future business relationship and earn you a client for life.

### Send a firm Demand letter

Where your request for payment is not taken seriously, instruct a lawyer to send a demand letter which must be firm but polite. Often a lawyer's letter serves as an indicator to your business contact of your seriousness.

### Act promptly

Note that the law provides for a time period within which an action for recovery of debt can be commenced through the courts. The expiry of this set time will leave you without recourse to legal remedy and often times also means that documents in support of your claim get difficult to compile.