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IMPROVMENT THE ACCOUNTS RECEIVABLE'S MANAGEMENT OF THE ENTERPRISE

Improving the management of accounts receivable (AR) is crucial for maintaining the financial stability and operational efficiency of an enterprise. Effective AR management helps in reducing financial risks, improving liquidity, and ensuring timely payments. Here are key strategies and insights from various research papers on enhancing AR management:

In modern conditions, the following directions for improving AR management can be identified:

1. **Automation and Information Systems.** Automating the information base on accounts payable and receivable can streamline processes and improve accuracy in financial reporting. This includes the use of analytical and sub-accounts in the company's accounting system to enhance the efficiency of AR management [1].

2. **Clear Credit Policies.** Establishing a clear credit policy is essential. This includes defining the list of buyers, conditions and scope of commercial credit, sanctions for late payments, and procedures for debt collection. A well-defined credit policy helps in balancing receivables and payables and mitigating risks associated with overdue debts [4].

3. **Regular Monitoring and Analysis.** Regular monitoring of the status of settlements with customers and analyzing the liquidity of the enterprise are critical. This involves balance sheet liquidity studies and ratio analysis to ensure the company can meet its short-term obligations and take advantage of profitable opportunities [5].

4. **Efficient Accounting Practices.** Implementing efficient accounting practices, such as accurate recording of receivables and timely inventory checks, helps in avoiding tax fines and interest charges. This also includes considering customers' credit ratings to manage funds effectively and ensure compliance with tax legislation [3].

5. **Improving Payment Discipline.** Enhancing payment discipline through rational and sound management of receivables and payables directly impacts the financial results and reputation of the enterprise. This involves setting acceptable limits for receivables and payables to avoid financial risks that could lead to bankruptcy [2].

6. **Strategic Business Process Management.** Developing a structural and functional model for managing receivables and payables can increase efficiency. This includes conceptual directions for improving management practices and strengthening the practical components of these recommendations [2].

7. **Risk Management.** Strengthening receivable account management to prevent financial crises is crucial. This involves understanding the origins of receivable account risks and adopting scientific management practices to maintain a good financial condition [6].

Improving AR management involves a combination of automation, clear credit policies, regular monitoring, efficient accounting practices, and strategic business process management. These measures help in reducing financial risks, improving liquidity, and ensuring the financial stability of the enterprise. By implementing these strategies, enterprises can enhance their economic efficiency and maintain a strong financial position.

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