



Evaluation Of Standard Operational Procedure For Receivable Collection Of PT. XYZ

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ARTICLE INFO	ABSTRACT
Received: August, 2023 Accepted: August, 2023 Published: August, 2023	The aim of this research is to evaluate the implementation of Standard Operational Procedures for Receivables Collection at PT. XYZ and knowing the obstacles and delivering. solutions and suggestions for PT. XYS receivable collection procedures. The research method uses qualitative descriptive analysis supported by data collection from observation, documentation and interviews. Meanwhile, the data analysis method used is the Champion method. The results of Champion's research stated that the Standard Operating Procedures were declared effective by the billing department with a percentage of 91.67%. However, there are still obstacles in the receivables collection process, namely the cash collection process carried out by the collector team is not completed. For this reason, the author advises companies to consider adding collector staff and collaborating with cash payment outlets.
Keyword : Standard Operating Procedures (SOP), Accounts Receivable Collection, Evaluation	

INTRODUCTION

Accounts Receivable Collection SOP is a procedure for collecting accounts receivable that starts from the preparation process for billing until receipt of payment of receivables. Like making SOPs or standard procedures for carrying out certain processes or activities that are part of a larger process. It is necessary for us to make predictions about events that might occur if there is no SOP for standard operating procedures that provide limits on processes, responsibilities and document usage.

Tabel 1.1 Tabel Piutang

Tahun	Total Piutang (Rp)	Piutang Tertagih (Rp)	Piutang Tak Tertagih (Rp)
2021	Rp663.759.975	Rp651.309.975	Rp 12.450.000
2022	Rp696.309.975	Rp673.359.975	Rp 22.950.000

Sumber : Laporan Keuangan PT.XYZ

Based on Table 1.1, it can be seen that sales made by PT. XYZ use a credit sales system. The data above shows that PT. XYZ's total receivables in 2021 and 2022 have increased. In 2021 to 2022 accounts receivable will increase by Rp. 32,550,000. However, bad debts also increased by Rp. 10,500,000.

The payment system at PT. XYZ uses three methods, namely, Virtual Account (VA) transfers, transfers to the company's BCA account, and cash payments (directly). These three methods are used because PT. XYZ uses a customer database application which can only be accessed by the billing team (admin billing), and related teams. This application cannot be accessed by customers to check monthly bills, so using the three methods above, PT. XYZ adapts to each customer's conditions and needs.

A total of 800 customers chose to pay their internet bills in cash, which was carried out by the collection team and picked up directly at the customer's home. With a collection team consisting of 2 (two) people to collect 800 customers throughout the Proxinet Batam area, there is an obstacle, namely not enough time in the billing period from the 1st (first) to the 10th (tenth) of each month. So many customers are not collected until the payment is due.

LITERATURE REVIEW

Adya Barata and Bambang Trishartanto (2017:71), state that "receivables are claims to other parties arising from non-cash or credit sales with a payment agreement at a later date. Sulindawati (2017:55), receivables are bills as company claims to buyers that arise as a result of purchasing goods or services on credit. Donald, E Kieso (2017:432) stated "receivables are financial instruments which are referred to as loans submitted to customers or money, goods or services.

Based on the definition of receivables according to the experts above, it can be concluded that Receivables are claims for a sum of money from other parties which are expected to be paid before the due date agreed by both parties, both the seller and the buyer, as a result of credit sales.

According to Mulyadi (2016:207), the procedure for recording receivables aims to record the mutation of the company's receivables to each debtor. Receivables movements are caused by credit sales transactions, cash receipts from debtors, sales returns, and write-offs of receivables. According to Mulyadi (2016:403), the source of the company's cash receipts comes from repayment of receivables from debtors because sales are usually made on credit.

According to Mulyadi (2016:407) the functions related to the cash receipts system from receivables are:

1. Secretariat

In the cash receipts system from receivables, the secretariat function is responsible for receiving checks and notification letters by post from company debtors.

2. Admin Billing
The billing function is responsible for billing the company's debtors based on the list of accounts receivable made by the accounting function.
3. Cashier
Cashier function is responsible for depositing cash received from various functions immediately to the bank in full amount.
4. Accountant
The accounting function is responsible for recording cash receipts from receivables in the cash receipts journal and reductions in the receivables card.
5. Internal Examiner
The internal inspection function is responsible for carrying out periodic calculations of cash in the hands of the cash function.

According to Mulyadi (2016: 407) the documents used in the cash receipt system from receivables are:

1. Notification Letter
A notification letter is made by the debtor to notify the payment he has made.
2. List of Notification Letters
The list of notification letters is a recapitulation of cash receipts made by the secretary function or billing function.
3. Bank Deposit Proof
The list of notification letters is a recapitulation of cash receipts made by the secretary function or billing function.
4. Receipt
This document is proof of cash receipts made by the company for debtors who have paid their debts.

According to Mulyadi (2016: 409) the elements of internal control in the cash receipts system from receivables are:

Organization

1. The accounting function must be separate from the collection function and the cash receipt function.
 2. The cash receipt function must be separate from the accounting function.
- #### Authorization System and Recording Procedure
3. Debtors are asked to make payments in the form of checks on behalf of or by way of transfer.
 4. The billing function collects only on the basis of the list of receivables that must be billed made by the accounting function.
 5. The crediting of the accounts receivable sub-account by the accounting function (receivables section) must be based on a notification letter from the debtor.

Best practice

6. The results of the cash calculation must be recorded in the report on the procedure for calculating cash and paid in full to the bank immediately.
7. Collectors and cashiers must be insured (fidelity bond insurance).
8. Cash in transit (both in cash and in the hands of corporate collectors) must be insured (cash-in-safe and case-in-transit-insurance).

METHOD

In compiling this report, the research method used was a qualitative descriptive analysis method which was carried out by collecting data directly from sources, both written and verbal. Data collection using this method is carried out by researchers by interviewing sources directly, making observations in the field, and also obtaining results from documentation. From the results of the data collected will be developed into a complex data summary.

The object of this study is the company's accounts receivable report over a period of 2 years (2021-2022). The data concerning the research object raised were obtained from PT. XYZ.

The data collection method used in this study are:

1. Observation

Doing research on the accounts receivable collection process and observing the emergence of uncollectible accounts at PT. XYZ.

2. Interview

The author conducted direct interviews with the Billing Department through 1 (one) Head Billing person, 2 (two) Billing Admins and 2 (two) collectors regarding FTTH (Fiber To The Home) internet sales and problems with collecting receivables from customers.

3. Documentation

The documentation used in this study is by studying the Standard Operating Procedures of PT XYZ, the Financial Statements of PT. XYZ, and proof of payment used by PT. XYZ.

In this research, a data analysis method was used, namely the champion method. The champion method is used to see the percentage of the evaluation of Standard Operational Procedures for internal audits with two answer choices, namely "YES" and "NO" in improving effectiveness, efficiency and economic performance at PT. XYZ, which is seen from employee compliance performance, financial performance and managerial performance. Then the results of these answers will be calculated using a rating scale based on the champion formula.

Based on the classification above, it can be described as follows:

1. 0%-25% = Internal control in providing credit is ineffective
2. 26%-50% = Internal control in providing credit is less effective
3. 51%-75% = Internal control in providing credit is quite effective
4. 76%-100% = Internal control in giving is very effective.

RESULTS AND DISCUSSION

PT. XYZ Receivables Collection Flow

The research was carried out by studying standard operational procedures for collecting receivables at PT. XYZ. The description of PT. XYZ's receivables collection flow is shown in the Appendix in Figure 4.1

1. Billing admin collects customer billing data and broadcasts messages via WhatsApp to customers to collect before the due date.
 - If a customer makes a payment by Virtual Account transfer, the billing admin ensures that it is paid automatically to the ERP system, equates to bank transfers, and updates customer data.
 - If a customer makes a payment via transfer, then the billing is paid in the ERP system and the customer data is updated.
 - If the customer makes a cash payment, billing will schedule billing directly through the collector.
2. Billing submits cash bill data to the collector for transfer to the customer's location.
3. Collector contacts the customer to confirm. If the customer is not at the location or reschedules, the collector provides information to the billing admin.
4. Collector goes to the location to collect.
5. The customer pays the bill and the collector gives the original (white) receipt to the customer.
6. Collector submits cash bill deposit with proof of receipt copy (red) to billing admin.
7. Billing is paid for in the ERP system and updates customer data.

Champion Method Audit Results

Based on the results of filling in the champion method audit in order to draw conclusions regarding the evaluation of receivables collection against the standard operating procedures for receivables collection at PT. XYZ, the following results are presented in Table 4.1 Identity of Respondents, Table 4.2 to 4.4 Champion Method Audit Results, Table 4.5 Tabulation of Champion Method Answers, Table 4.6 Champion Method Audit Recapitulations, as well as Table 4.7 Criteria for the Effectiveness of Internal Control in Providing Credit are presented as follows:

Tabel 4.1
Identitas Responden

No.	Divisi	Jabatan
1	Billing	Head Billing
2	Billing	Admin Billing 1
3	Billing	Admin Billing 2
4	Billing	Collector 1
5	Billing	Collector 2

Sumber : Data di olah (2023)

All of the above employees are employees related to the Standard Operational Accounts Receivable at PT. XYZ.

Tabel 4.2 Audit Metode Champion

No	Divisi	Pertanyaan	Head Billing	
			Ya	Tidak
1	Head Billing	Apakah senior <i>billing</i> melakukan pengecekan terhadap laporan excel pendapatan dan data <i>client list</i> yang dibuat oleh admin <i>Billing</i>	√	
2		Apakah senior <i>billing</i> melakukan pengecekan dan memantau sistem pembayaran yang dilakukan oleh admin <i>billing</i> di sistem <i>Erpro</i>	√	
3		Apakah senior <i>billing</i> membantu menyelesaikan masalah yang berkaitan dengan pembayaran pelanggan	√	
4		Apakah senior <i>billing</i> berkoordinasi dengan tim dan divisi lain untuk memperlancar pelayanan dan pembayaran oleh pelanggan	√	

Sumber : Data di olah (2023)

Tabel 4.3 Tabel Audit Metode Champion

No	Divisi	Pertanyaan	Billing 1		Billing 2	
			Ya	Tidak	Ya	Tidak
1	Admin Billing	Admin <i>billing</i> melakukan komunikasi dan membalas chat pelanggan yang berhubungan dengan masalah pembayaran serta meneruskan bukti transfer yang dikirimkan pelanggan ke tim <i>Billing</i> untuk dilakukan pengecekan dan pembayaran di sistem <i>Erpro</i>	√		√	
2		Admin <i>billing</i> melakukan <i>Paid</i> pada sistem <i>Erpro</i> pada setiap pelanggan yg melakukan pembayaran	√		√	
3		Admin <i>billing</i> memastikan pembayaran pelanggan melalui Virtual Account, transfer, maupun <i>cash</i> benar-benar masuk ke saldo bank dan sesuai dengan nominal tagihan.	√		√	
4		Admin <i>billing</i> mengirim bukti penunasan kepada pelanggan	√		√	
5		Admin <i>billing</i> menyimpan bukti pembayaran pelanggan (baik transfer maupun <i>cash</i>)	√		√	
6		Admin <i>billing</i> melakukan penagihan kepada pelanggan yang menunggak	√		√	

Sumber : Data di olah (2023)

Tabel 4.4 Tabel Audit Metode Champion

No	Divisi	Pertanyaan	Collector 1		Collector 2	
			Ya	Tidak	Ya	Tidak
1	Collector	Collector menerima daftar tagihan pelanggan secara <i>cash</i> dari Admin <i>Billing</i>	√		√	
2		Collector memberikan bukti kwitansi kepada pelanggan yang sudah melakukan pembayaran secara <i>cash</i>	√		√	
3		Collector melakukan penagihan secara keseluruhan dari daftar tagihan pelanggan secara <i>cash</i>		√		√
4		Collector melakukan penagihan secara tepat waktu sampai sebelum masa jatuh tempo pembayaran pelanggan		√		√

Sumber : Data di olah (2023)

Based on the results of the Champion Method audit carried out on 1 (one) head billing person, 2 (two) billing admins, and 2 (two) people, it can be concluded that:

1. The 4 (four) questions asked to the head of billing are all carried out in accordance with the applicable SOP procedures.
2. The 6 (six) questions asked to admin billing 1 and admin billing 2 were all carried out in accordance with applicable SOP procedures.
3. In table 3 (third) questions 1 (one) and 2 (two) collector 1 and collector 2 carry out work in accordance with applicable procedures.
4. In table 3, the 3rd (third) and 4th (fourth) questions were not answered optimally. Because the collector still hasn't completed all cash collections on time.

Through the calculation results of the Champion Audit Method above, it is obtained that the percentage of accounts receivable collection procedures at PT XYZ has been carried out by employees of 91.67%. However, for a percentage of 8.33% it was concluded that points 3 (three) and 4 (four) in table 44 were not carried out properly by collectors, namely:

1. The Collector has not collected the entire list of customer bills in cash.

- The collector still hasn't completed it on time before the customer's cash payment is due.

**Tabel 4.6 Rekapitulasi Hasil Audit
Metode Champion**

SOP	Hasil Audit
SOP Penagihan Piutang	91,67%
Rata-Rata	91,67%

Sumber : Data di olah (2023)

Based on the criteria for the effectiveness of internal control according to the Champion Audit Method, the results of the tabulation percentage of 91.67% include very effective criteria. So, it can be concluded that PT XYZ has complied with the Receivables Collection SOP that the company has created.

Discussion

The admin billing section (recipient of cash bills) is separate from admin billing (recipient of transfer bills) and is separate from the bookkeeping section of head billing. This aims to monitor deposits made by admin billing (recipient of cash bills) to the admin billing section (recipient of transfer bills) and ensure that transfer funds are in accordance with deposits received.

The collector in charge of depositing cash bills is separate from the accounts receivable bookkeeper. This aims to reduce irregularities in the form of errors or deviations in the form of fraud or embezzlement of company money. Admin billing as bill recipient is separate from the accounting (finance) section. This is because the admin billing activity is receiving incoming money. There will be no cash out activity as this is part of the finance.

Before entering the due date of payment, the admin billing section has informed the customer the amount of the bill in accordance with the bill taken. Then the customer will be asked to make a payment by cash or transfer according to the invoice received. Admin billing 1 and admin billing 2 will record proof of customer payment as a valid payment and provide invoice proof of payment to the customer.

In the procedures for collecting receivables, PT And the results of customer payments are recorded with transfers adjusted to the company's bank mutation (whether the transfer deposit has been successfully entered/not). Meanwhile, collectors, billing admins (recipients of cash bills), and bills that are in transit have not been registered as insurance companies.

Not completing the entire list of customer bills in cash is the number of customers who are registered as cash billing customers. As many as 800 customers registered in cash bills are scattered throughout the Batam area and covered by only 2 (two) collectors. Where the billing time is from the 1st to the 10th of each month. Collectors feel that there is not enough time if they have to finish billing 80 customers every day. Constraints that often occur are customers who cannot be contacted,

customers who are not at the location, or customers who have a pick-up time outside the collector's operating hours. So that some customers have to reschedule billing and result in additional billing time beyond the time it should be.

There is an increase in uncollectible accounts from 2021 to 2022 due to new customers joining in 2021 registered for cash collection. This increase in cash collection was not matched by the previous number of collectors of 2 people so that the collector team was not billed as a whole. So the author hereby can provide advice in the form of consideration for companies to increase billing activities for cash customers by adding collector staff.

The addition of these collectors can be very helpful for the two previous collectors in the cash collection process who are unable to complete all invoices in a timely manner. Then the collector staff can try to have 2 shifts, namely the morning shift and the night shift with the aim of tonight's operating hours to help bill customers who have a schedule at the location at night or to re-check customers who cannot be contacted by morning collector staff.

In addition to adding collectors, companies need to add cash payment methods by opening partnerships with outlets so that this method can reduce cash billing lists. And this method is also easy for customers because these outlets are spread throughout the Batam area.

CONCLUSIONS AND RECOMMENDATIONS

Based on the results of this research the author can conclude that PT. XYZ has established Standard Operating Procedures for credit sales and policies by fulfilling the requirements of effective internal control with the Champion Method Audit results of 91.67%.

However, there were obstacles during the process of collecting receivables, including cash billing which was not completed in its entirety by 2 collector staff because the customer could not be contacted when the team was billing, the customer was located at night outside the collector's operating hours and there was not enough time to do the billing. from the 1st to the 10th of every month.

To overcome the problems above, the authors provide suggestions in the form of consideration for companies to add collector staff with shift schedules and collaborate with payment outlets.

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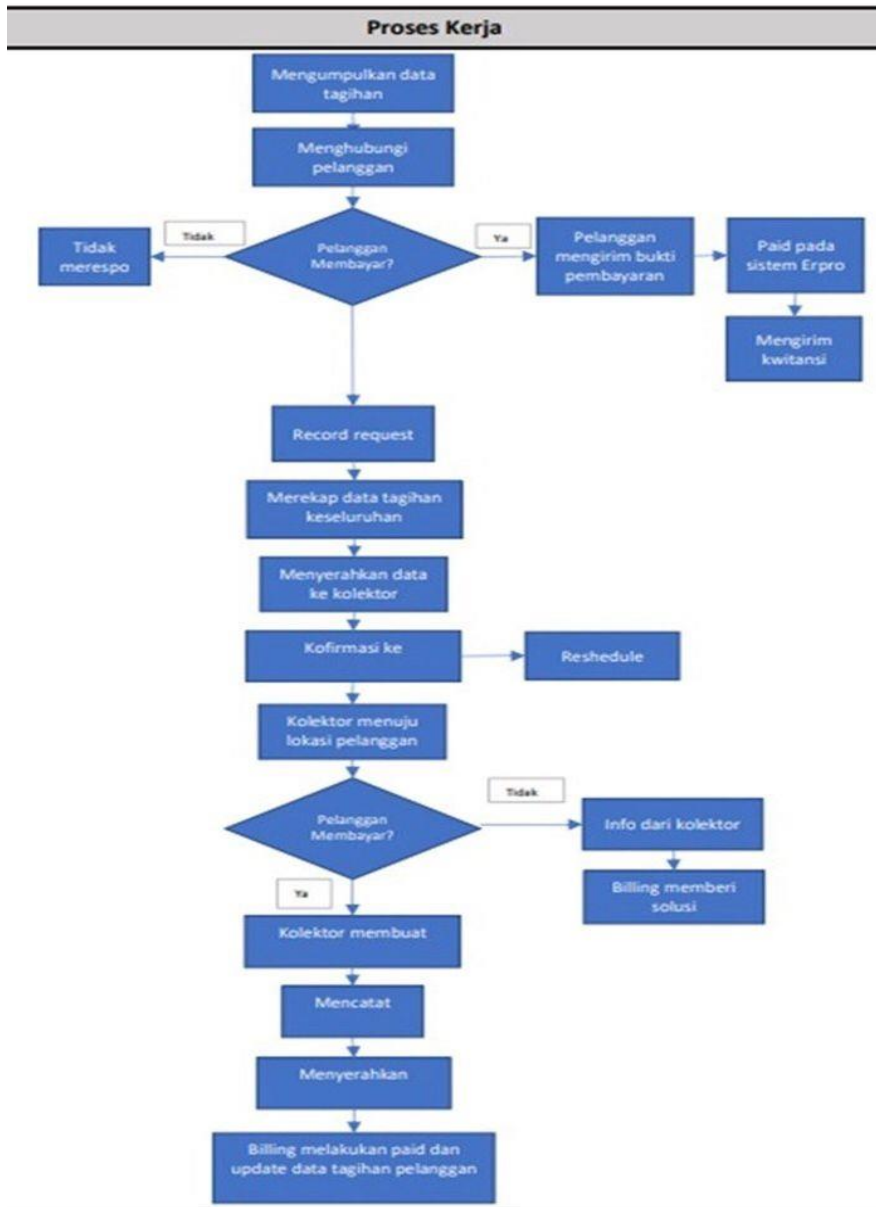
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Appendix

Figure 1.1 Receivables Collection Flow



Source: SOP PT. XYZ