HOW FINANCE TEAMS ARE LOSING TIME, TRUST, AND MONEY

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Foreword

Managing communication with customers and vendors can be quite challenging for finance teams. In many cases, there's a **lack of visibility and accountability.**

It's hard to know who in your team is handling what query, the number of queries from vendors and customers that are yet to be resolved, and so on.

But, is this the ground reality? Are these really big challenges for finance teams today?

To find that out, we surveyed 450+ mid-to-senior-level finance professionals in the United States. We wanted to understand how they communicate with vendors and customers and whether they face any challenges.

The findings speak for themselves

77% of finance professionals use email to communicate with vendors and customers.

56% struggle with not being able to respond on time to customers and vendors.

50% lack visibility into queries and their status.

57% face delays in payment collections due to communication challenges.

50% report that communication issues erode trust with customers and vendors.

For finance professionals looking to tackle these issues head-on and improve their team's efficiency, this report is a must-read.

Section 1

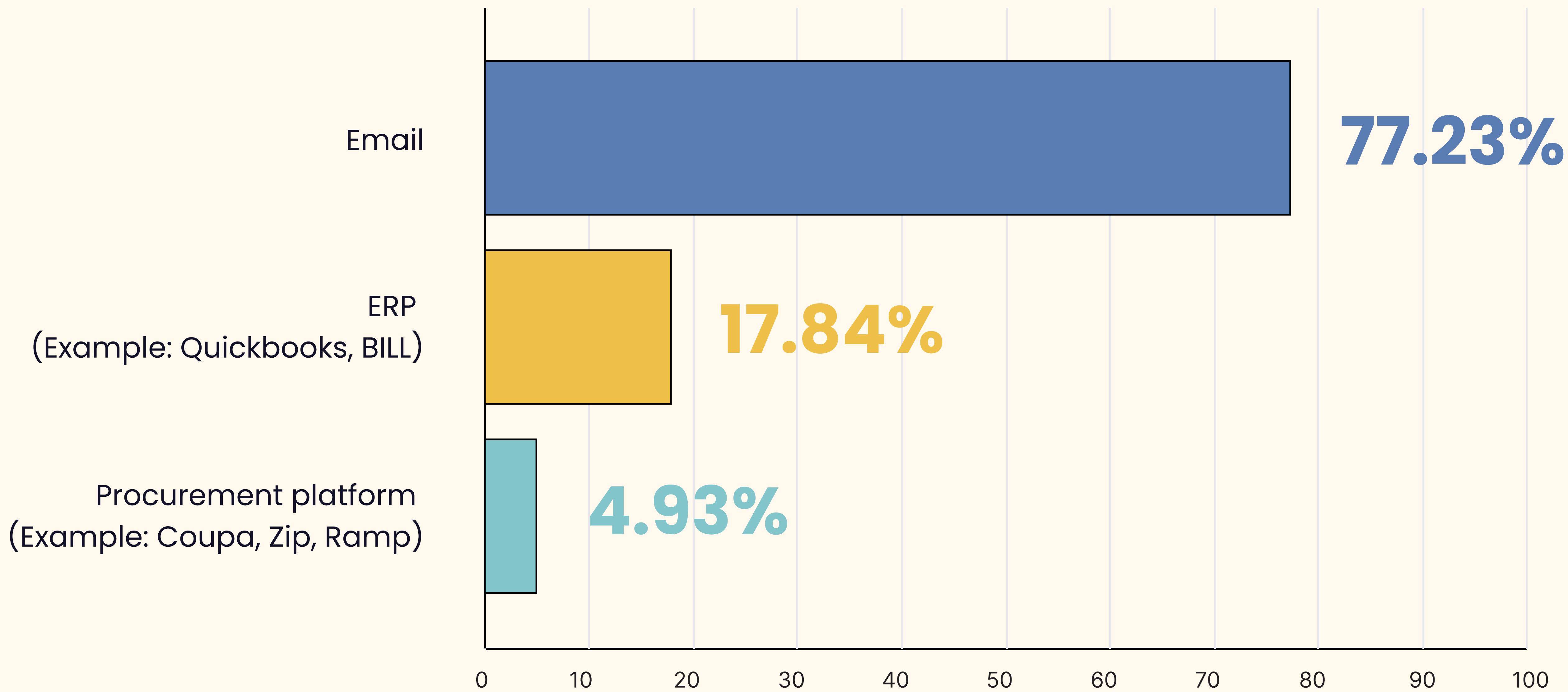
Are you in the 77%?

See how finance teams are communicating with vendors and customers.

The majority of finance professionals - around 77% - use email to manage customer and vendor queries.

While 18% of finance professionals use ERP systems like QuickBooks and BILL to manage communication and financial data together, 5% use procurement platforms like Coupa, Zip, and Ramp.

How do you handle external queries from customers and vendors?



Email's dominance in managing queries is both a strength and a challenge. Its simplicity and ubiquity make it an easy choice.

But at the same time, managing emails at scale can be quite overwhelming. When you don't have a set process to streamline email queries, it leads to delayed responses, missed conversations, and a lot more difficulties.

AP/AR communication in my last few companies was automated through software tools, and further managed by the sales rep e.g. CS in the case of A/R, PO requestor in the case of vendor invoice. This form of communication still goes through email, so the first result (77% use email) does not surprise me. Setting expectations via company policy and contracts is critical, and this is where good communication is important. Without this, delayed payments can occur.

Manadeep Raje

Finance & Strategy Leader

Section 2

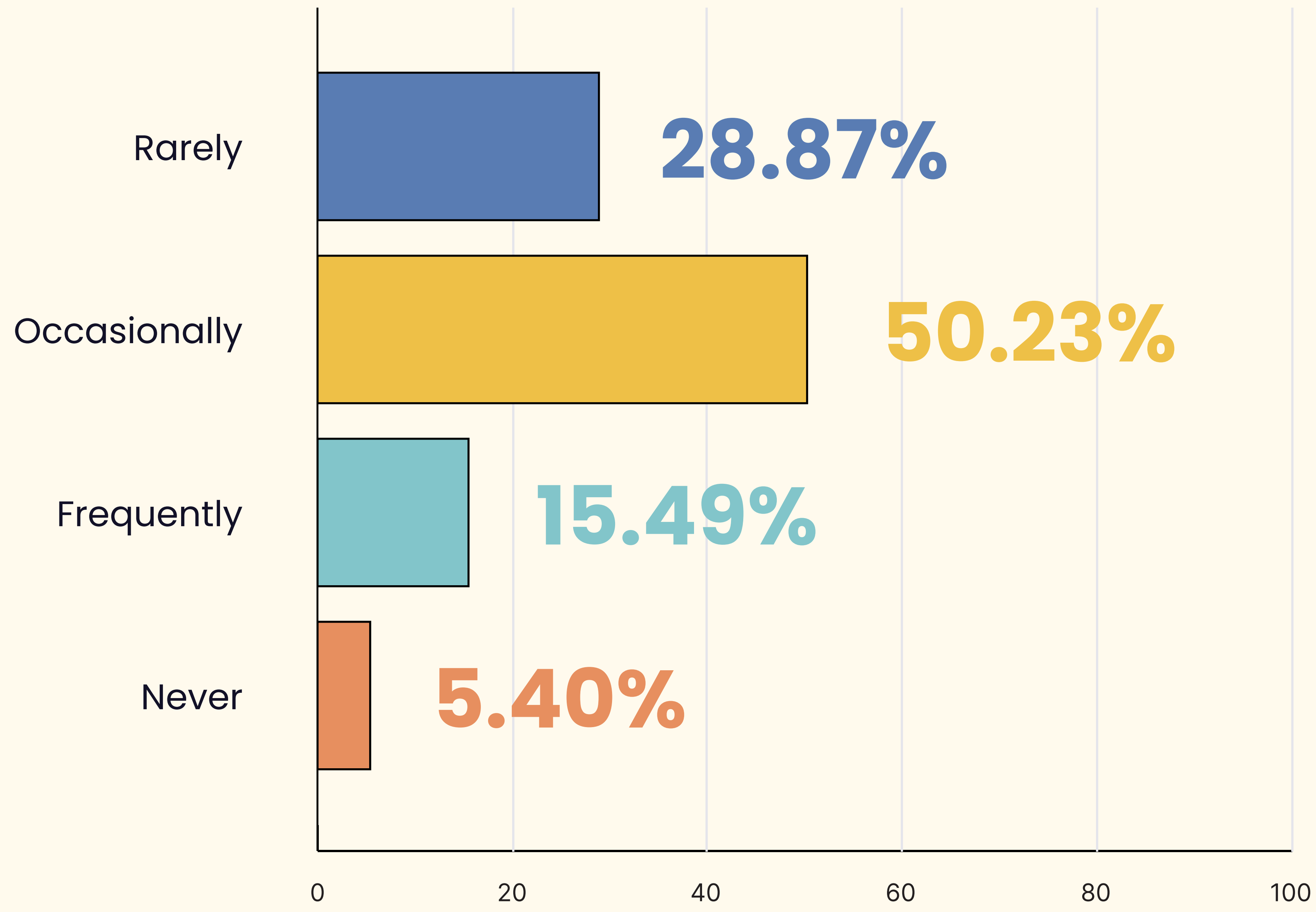
Lost in the Inbox?

50% of finance pros can’t keep track of emails.

As we mentioned before, managing emails at scale can be daunting.

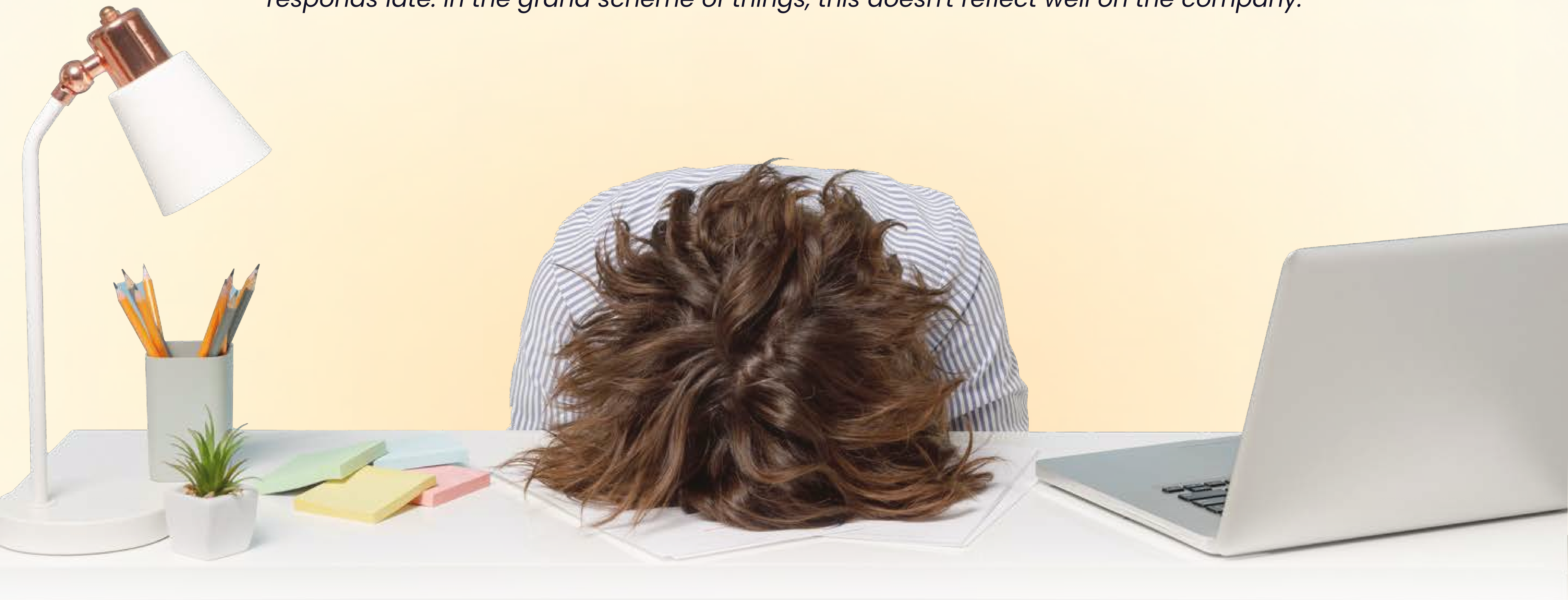
In fact, 50% of finance professionals face issues keeping track of queries on email.

How often do you find it challenging to keep track of email queries?



Let us explain with an example.

Sarah, a finance manager, receives several emails daily from vendors and customers. Without a proper system to keep track of incoming emails (what needs to be picked up, what's WIP, and what's pending), it can so happen that she overlooks some of them or responds late. In the grand scheme of things, this doesn't reflect well on the company.



The problems don't end there...

Section 3

Email Chaos!

56% don’t respond on time, and 41% are in the dark about who’s handling what.

Finance professionals also highlighted several other challenges they face when communicating with vendors and customers via email:

Delayed Responses

56%

struggle with getting back to vendors and customers on time. Inefficient workflows and high email volumes can slow down responses.

Unclear Ownership

41%

face issues with unclear task ownership. Finance professionals don't have clarity on who needs to pick up what.

Lack of Visibility

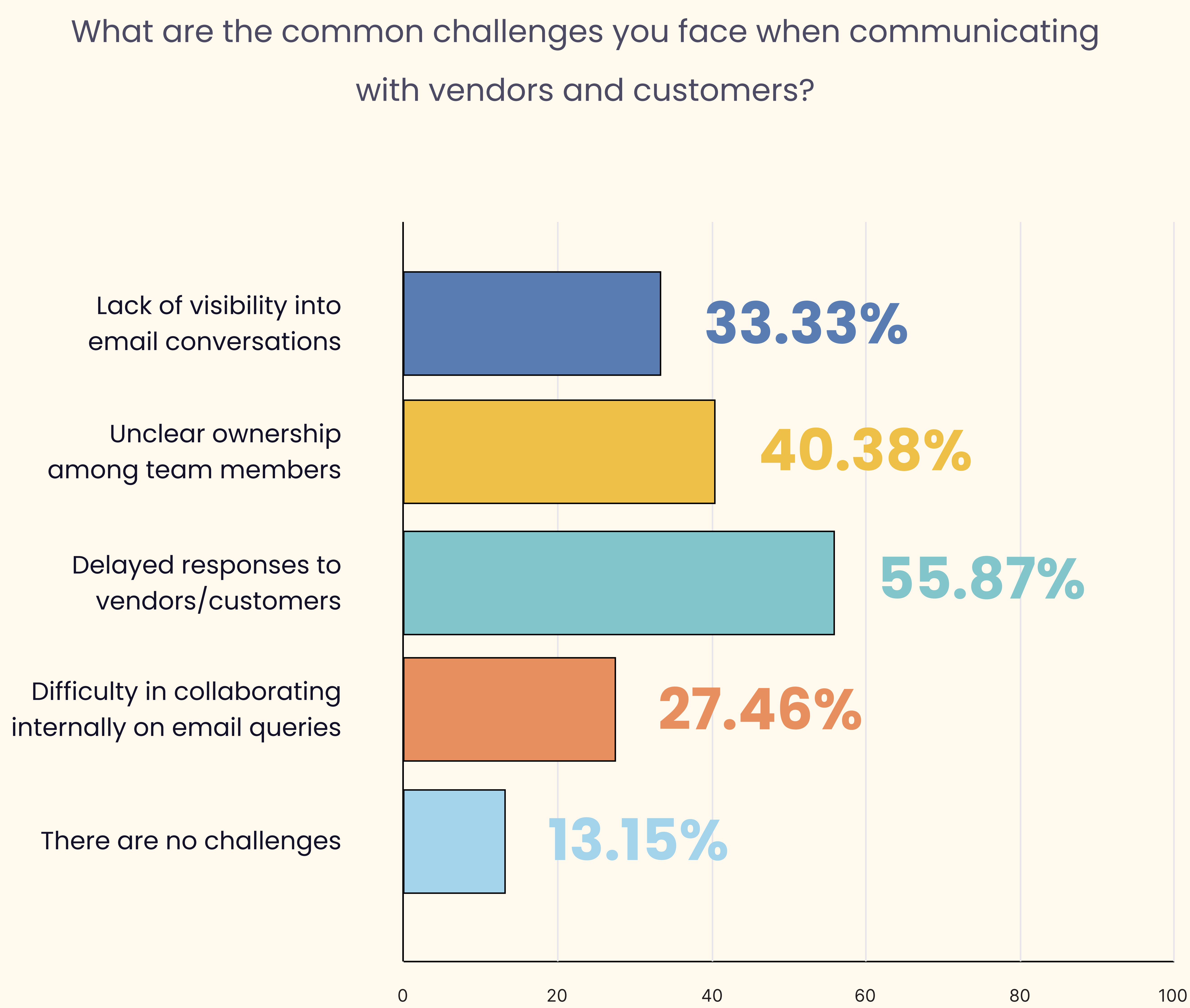
33%

struggle with visibility into ongoing email conversations. Finance team managers aren't sure what their team is working on and the status of these tasks.

Internal Collaboration

27%

find it difficult to collaborate internally on email queries. This is because there's a lot of back and forth that happens on email between colleagues.


What are the common challenges you face when communicating with vendors and customers?
Lack of visibility into email conversations
33.33%
Unclear ownership among team members
40.38%
Delayed responses to vendors/customers
55.87%
Difficulty in collaborating internally on email queries
27.46%
There are no challenges
13.15%
0
20
40
60
80
100

So, if email as a communication medium is limited, what is the fix? No, we're not suggesting that you invest in bulky, sophisticated software.

Instead, get something like Hiver - it turns your inbox into a collaboration hub and enables you to:

Assign Tasks

Delegate queries as tasks to team members. This ensures everyone knows what they have to work on.

Track Progress

Keep track of email threads and maintain an audit trail, so no conversation is missed or delayed

Collaborate Efficiently

Use notes and mentions to collaborate on email responses without switching between different platforms.

Improve Visibility

Gain real-time visibility into all email communications, making it easier to follow up and stay on top of tasks.

Effective communication isn't just a perk—it's essential. When 56% of finance professionals struggle with delayed responses, and 41% face unclear email ownership, it highlights a significant issue that can disrupt decision-making and overall efficiency. To tackle these challenges, implementing straightforward communication protocols and clear guidelines for email ownership is crucial. This ensures the smooth flow of information, which is key to achieving financial success.

Ankit Kanoria

VP, Finance & GTM Operations, Hiver

Section 4

Delayed Payments, Delayed Revenue

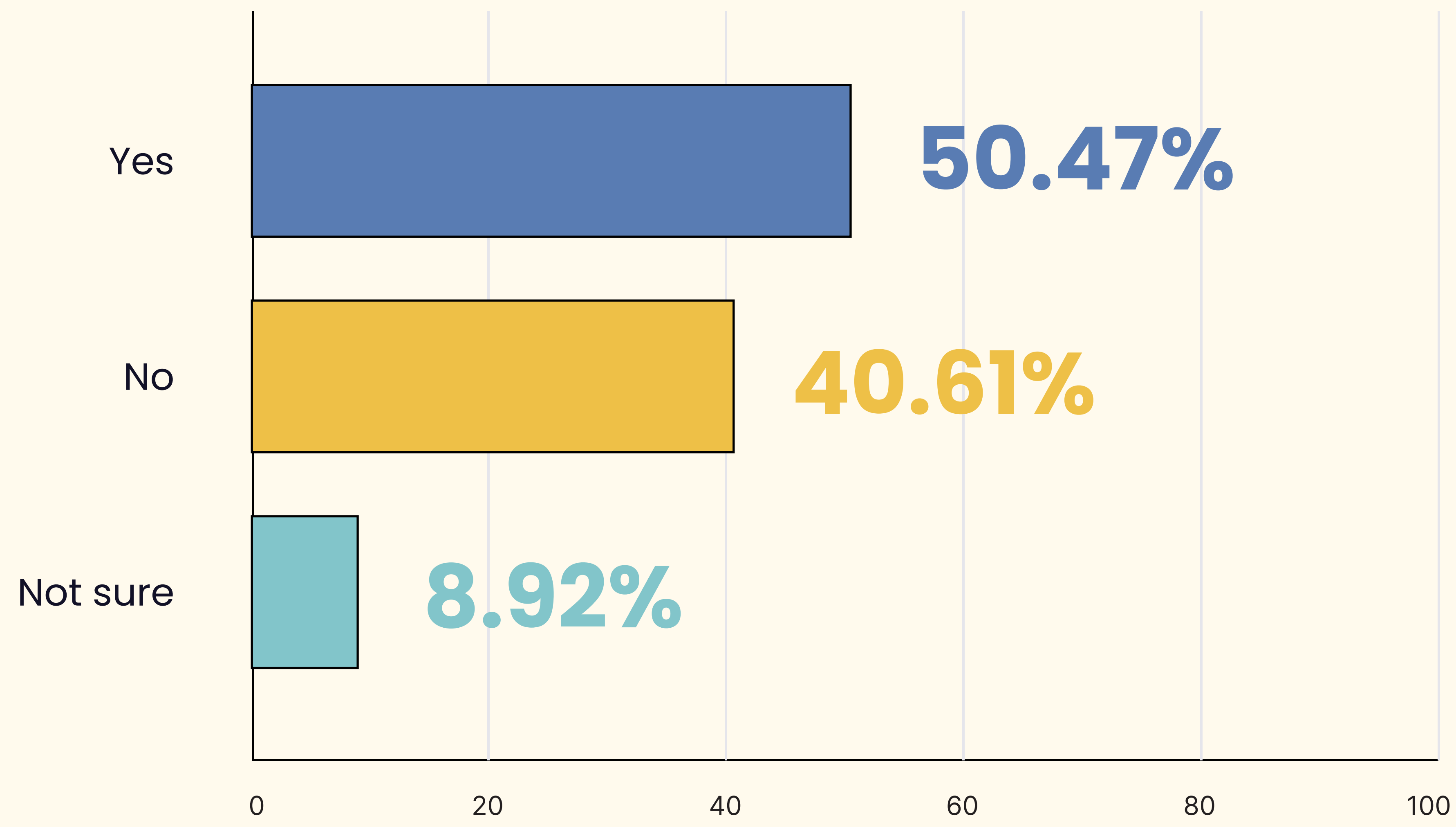
57% of finance teams report delayed payments because of communication issues.

By now, it's well established that finance teams face a plethora of challenges in communicating and collaborating with vendors and customers.

You might ask: Do these challenges have repercussions? Here's what we found out:

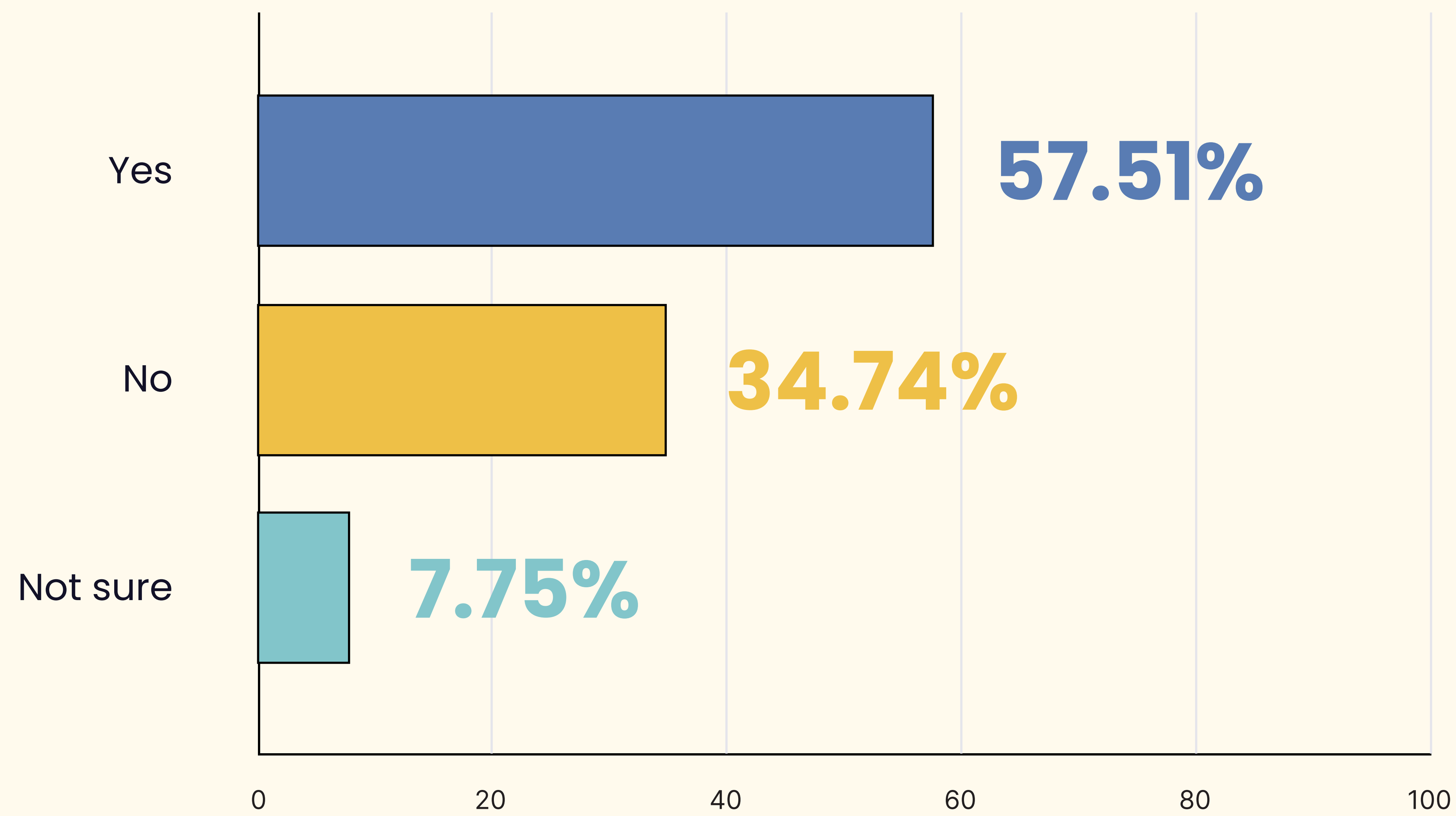
Over 50% finance professionals report that poor communication and collaboration strain their relationships with vendors and customers.

Do communication and collaboration challenges strain your relationship with vendors and customers?



Over 57% of finance teams report that communication issues lead to delayed payments. When payments are delayed, it affects the cash flow — the money coming in and going out of a business.

Do communication and collaboration challenges lead to delayed collections and/or payments?



Here's an example to put things into perspective:

A vendor emails your finance team about an urgent invoice due next week. The person processing the invoices misses the email because there's no way to keep track of emails . The vendor, annoyed by the lack of response, stops all future shipments to the company. This disruption halts production for two weeks, leading to a significant loss in revenue.

To avoid such scenarios, finance teams can take the following steps:

Implement a shared inbox tool

Use a shared inbox tool where all team members can see incoming emails. This ensures no critical message is overlooked and allows the team to manage and prioritize emails effectively.

Regular team meetings

Hold regular meetings to discuss pending tasks and any communication issues. This helps keep everyone on the same page and ensures that important messages are addressed promptly.

Training to write clearly

Teach finance team members to write emails clearly and concisely, focusing on straightforward language and essential information.

Timely responses and managing email overload

Offer guidance on how to respond to emails quickly and efficiently. This also includes sharing tips to organize inboxes and prioritize messages.

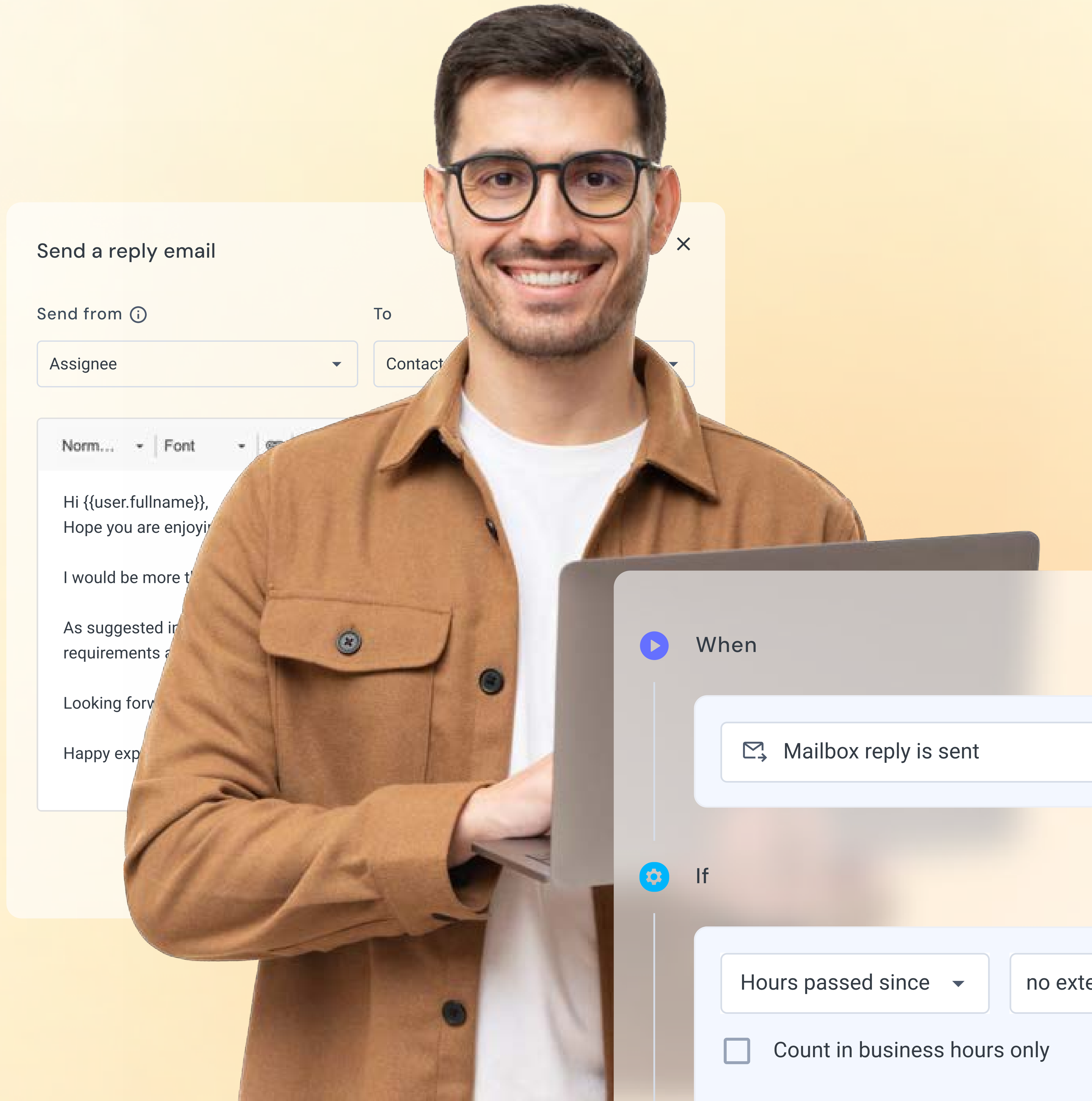
Establish Service Level Agreements (SLAs)

Implement SLAs to set clear expectations for email response time, ensuring timely and consistent communication.

Set in clear prioritization rules

Establish rules for flagging urgent emails, such as those containing keywords like "invoice due" or "urgent payment," and automatically mark them as high priority. Additionally, use automation to send reminders and follow-ups for invoices and other critical communications, minimizing human error and ensuring that essential tasks are not overlooked.

Like with Hiver, you can use triggers to automatically add and remove tags on incoming conversations. You can also use labels to share specific conversations with selected team members.



Section 5

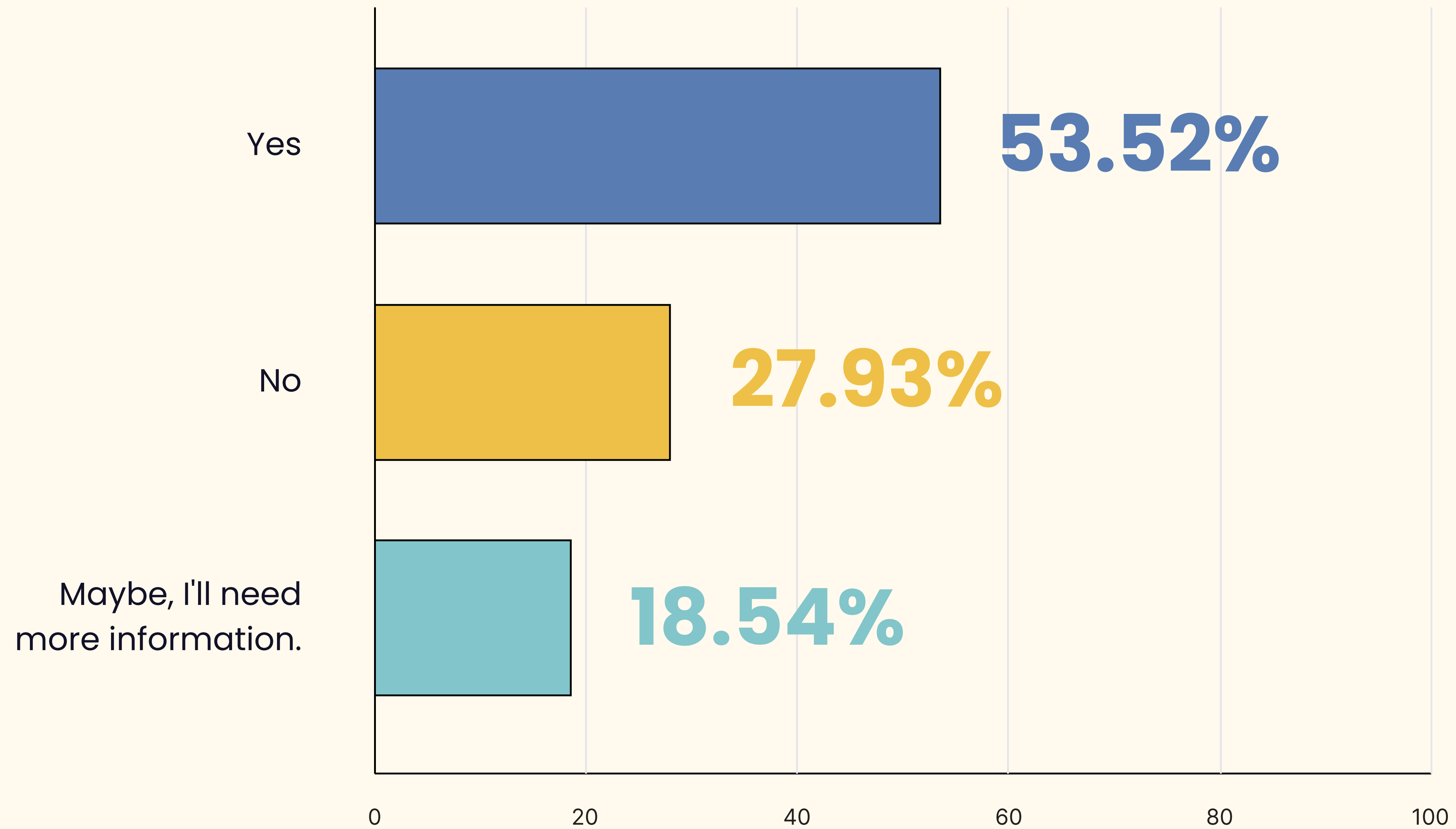
It's time for a change!

53% are looking for better tools to manage emails.

Many finance professionals we surveyed are frustrated with how they currently manage emails.

In fact, more than half (53%) are seeking tools that improve visibility into email conversations and help them collaborate better with other stakeholders.

Would you be interested in a solution that addresses visibility and collaboration challenges in handling queries?



Common Issues:

Missed Emails

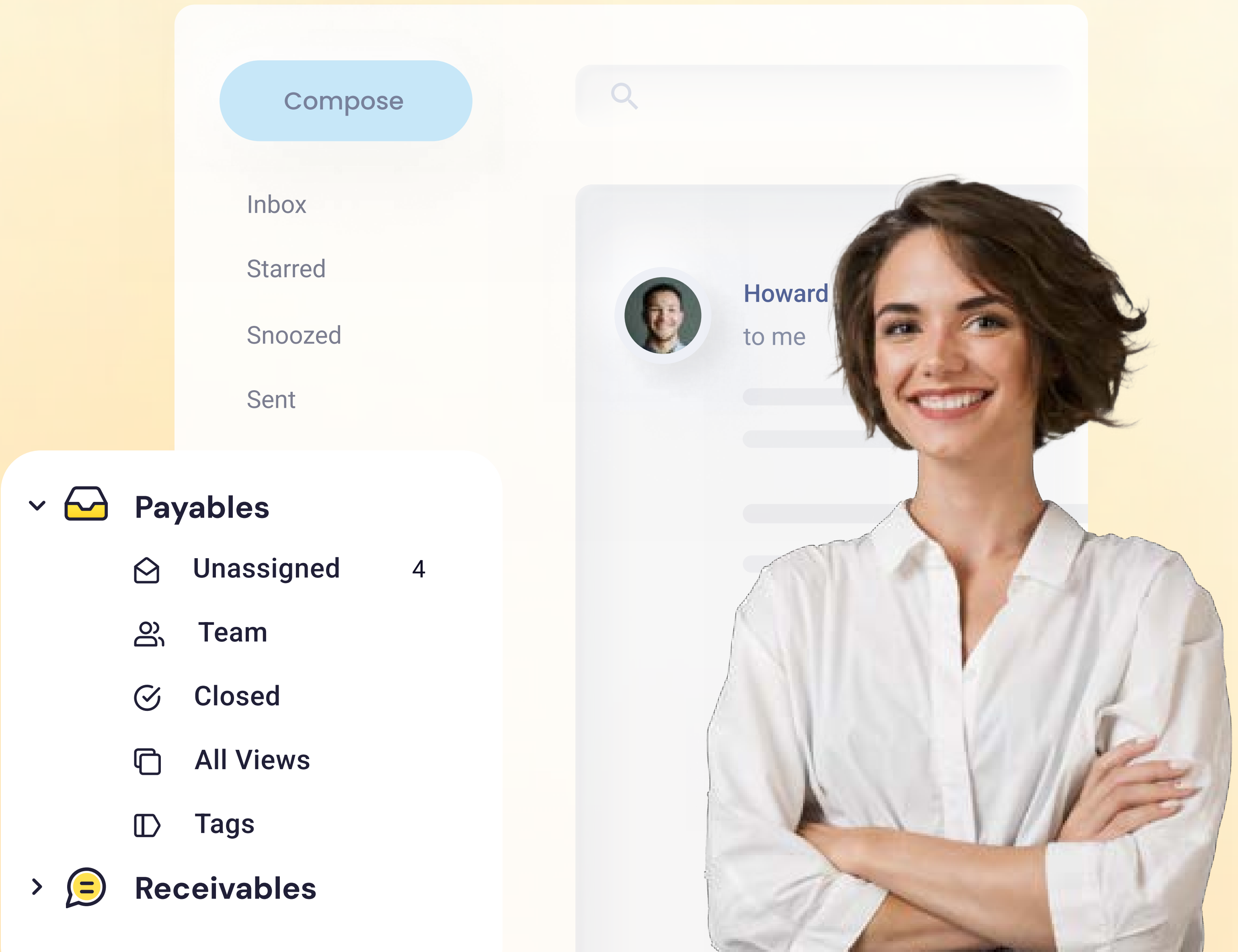
Important messages get lost

Delayed Responses

Slow replies cause frustration

Inefficient Workflows

Time is wasted managing cluttered inboxes



This proves there's a strong demand for tools that provide real-time visibility, clear task assignments, and streamlined communication. Such tools can help finance teams work more efficiently, ensure timely responses, and maintain stronger relationships with stakeholders.

Hiver, for example, simplifies finance operations by allowing teams to:

Quickly resolve customer queries, track collections on outstanding receivables, and manage emails related to invoices, payments, and vendor onboarding.

Collaborate seamlessly with sales, legal, and account management without forwarding emails.

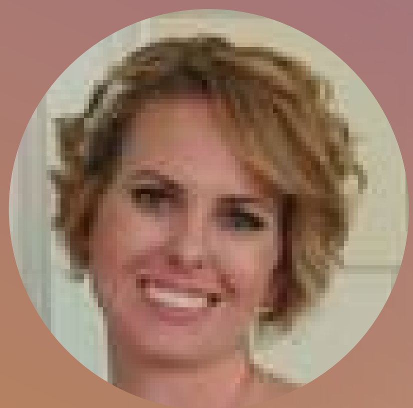
Set up approval flows and add invoices to their ERP directly from their inbox.

DecksDirect, an online decking supplies business, receives a lot of emails on their finance@ email address, including invoices and order acknowledgments. Initially, they were using Google Groups to manage this inbox, but it didn't work well. They forwarded too many emails internally, which led to more back and forth and missed communications.

They also tried a tool called Front, but it didn't help. Then they discovered Hiver.

Hiver allowed them to manage emails directly inside Gmail, and turn their finance@ email into a shared inbox. Now, the team easily handles finance emails without switching accounts. In fact, DecksDirect handles finance emails 60% faster with Hiver.

Hiver ensures emails arrive at one place and are clearly assigned to people — we have cut down on the confusion that way. With Hiver, every protest that my team had with FrontApp was gone. It's so user-friendly and intuitive that I did not take long to onboard people.



Justine

Accounts Specialist at DecksDirect

Section 6

Every finance team's wishlist...

62% want email tracking, and 55% prefer real-time notifications.

We’ve clearly seen that there’s a need amongst finance professionals for a tool that helps them manage emails better.

But what exactly are they looking for in these tools?

When we asked them about the must-have features, here's what they said

Email thread tracking and audit trail (62%)

A majority of finance teams want to track email threads and maintain an audit trail. This helps record all communications and makes them easily accessible, crucial for managing queries and maintaining accountability.

Real-time notifications (55%)

These keep teams updated on the status of queries and tasks, reducing delays and ensuring prompt responses.

Integration with existing finance software (52%)

Seamless integration reduces manual data entry and minimizes errors, ensuring smooth operations.

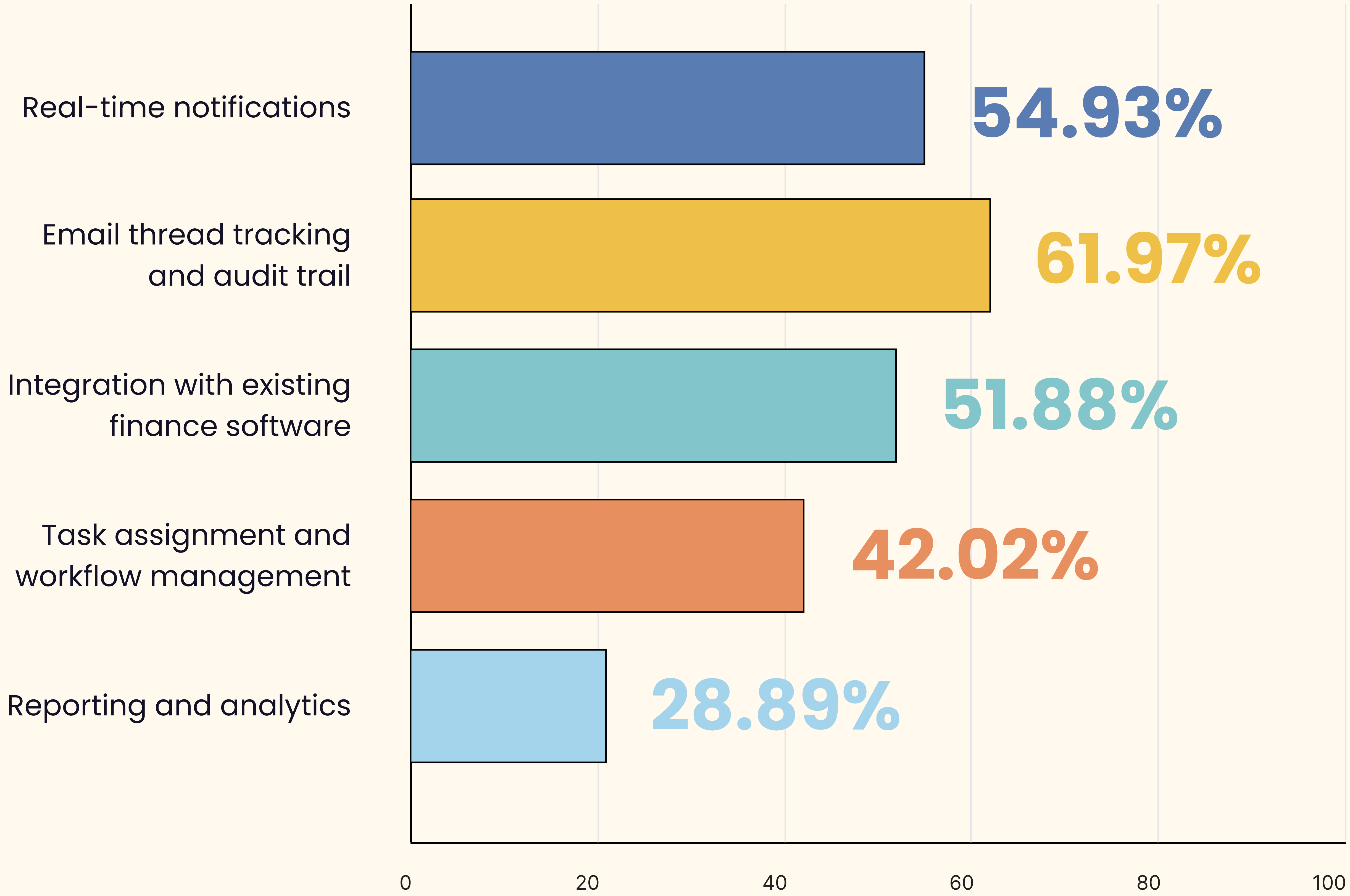
Task assignment and workflow management (42%)

These features help organize tasks, assign responsibilities, and track progress, leading to more efficient operations.

Reporting and analytics (21%)

This helps teams analyze performance, identify bottlenecks, and make data-driven decisions to improve their processes.

What capabilities would you like in a tool designed to improve visibility and collaboration in finance operations?



The most popular feature, with 62% of votes, is email thread tracking and audit trails.

This functionality is vital because it:

Improves accountability

Every email interaction is documented, making it easy to see who is responsible for each task.

Enhances transparency

All team members can view the email history, ensuring everyone is on the same page.

Simplifies audit processes

Maintains a clear record of all communications, which is essential for audits and compliance checks.

Reduces miscommunication

Provides complete context for every conversation, minimizing misunderstandings and errors.

Reduces issue resolution time

With all the information at hand, teams can quickly address and resolve issues.

Quick comparison of top tools for streamlining emails and finance operations

Feature/Tool	hiver	Front	zendesk	INTERCOM	freshdesk
Shared Inbox	**Yes**	Yes	Yes	No	Yes
Manage Emails in Gmail/Outlook	**Yes**	No	No	No	No
Real-time Collaboration	**Yes**	Yes	Yes	Yes	Yes
Email Assignment	**Yes**	Yes	Yes	Yes	Yes
Tagging and Labeling	**Yes**	Yes	Yes	Yes	Yes
Track Collections	**Yes**	No	Limited	No	Limited
Approval Flows	**Yes**	No	No	No	No
ERP Integration	**Yes (directly from inbox)**	No	No	No	No
Analytics and Reporting	**Comprehensive**	Moderate	Comprehensive	Comprehensive	Comprehensive
Starting Price	**$19/user/month**	$29/user/month	$69/user/month	$39/user/month	$15/user/month

Conclusion

Our survey highlighted several significant challenges faced by finance teams. The key issues include inefficient communication, delayed responses, and poor collaboration, all of which negatively impact relationships with vendors and customers.

The findings clearly indicate a strong need for more effective tools to streamline operations, reduce delays, and enhance overall efficiency.

How Hiver can help:

Accounts Receivable (AR)

- Collaborate seamlessly with sales, legal, and account management teams.
- Swiftly resolve customer queries and invoice terms.
- Initiate and track collections on outstanding receivables.

Accounts Payable (AP)

- Assign and track emails related to invoices, payments, and vendor onboarding.
- Set up approval flows and add invoices to your ERP directly from your inbox.
- Initiate and track collections on outstanding receivables.

Accounting

- Simplify and accelerate the book closing process.
- Collaborate with other teams to gain visibility into budgets and cash flows.

Employee Help Desk

- Address internal queries on reimbursements, taxes, travel, and payroll promptly.
- Keep employees updated on changing policies and procedures.

Take action now to upgrade your communication and collaboration systems.
For more details, check out Hiver's finance operations tool.