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SURVEY RESULTS

Invoicing and time tracking

in professional services companies

Koho PSA

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INTRO

Invoicing and time tracking in professional services companies

In spring 2024, Koho PSA commissioned an external agency to interview managers of expert companies in Finland to find out how they manage their work time tracking and invoicing. Managers from 50 different companies participated in the survey.

This infographic package summarizes the most important findings of the survey.

- Spreadsheets and paper documents for tracking working hours are becoming a thing of the past: **92%** of companies use either time recording or operations management systems (PSA or similar).
- Most companies still have problems with efficient invoicing.

58%

38%

Well over half of the companies interviewed *cannot* say that there is nothing left uninvoiced.

Almost half of respondents say that work goes uninvoiced because not all working hours are logged.

44%

38 % of those who responded that nothing goes uninvoiced also responded that work *may* go uninvoiced due to missing time entries.

Why?

→ Do the existing systems not offer clear ways for supervisors to monitor working hours?

→ Are the supervisory views incomplete?

→ Do employees find it difficult to log their working hours?

Who handles sales invoicing?

Companies with fewer than 20 employees
(60% of respondents)

50 %	CEO
30 %	Several different people
13 %	Supervisor / Manager
13 %	External party

Companies with 20+ employees
(40% of respondents)

35 %	CEO
35 %	Supervisor / Manager
35 %	Several different people
30 %	Financial administration or billing department

In 44% of companies, the CEO is responsible for invoicing
– even in those where hundreds of invoices are sent out every month.

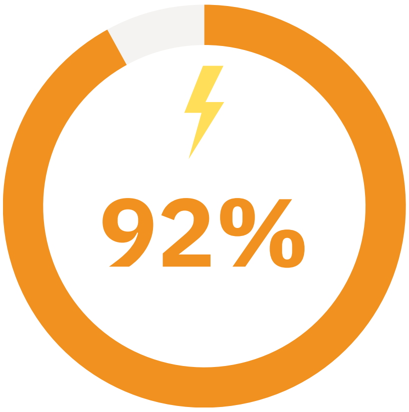
Is it worth wasting the CEO's valuable time on this?

Cost of invoicing

The calculations are based on an hourly rate of €70, which is the average rate for the time spent by the CEO of an SME.

Company turnover category	<2 million €	2-4,9 million €	≥5 million €
Average time spent on invoicing per month	19 h	26 h	12 h
Annual costs	**15 960 €**	**21 840 €**	**10 080 €**

→ What would be the cost based on your company's CEO's hourly rate?



Almost all companies interviewed use either a work time tracking or operations management system to record and monitor working hours.

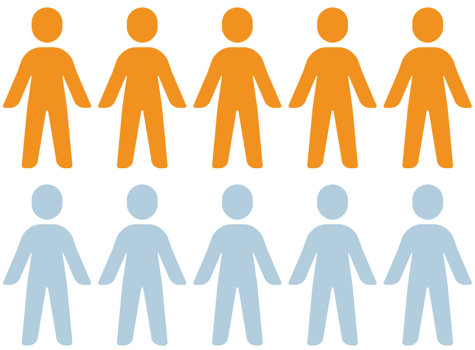
20% of companies send sales invoices with a delay of more than 21 days.

This was also the result in 2015.

Only **30%** send invoices within 7 days.

Long invoicing delays have a direct impact on cash flow.

20% of respondents also state that credit losses could be reduced by speeding up invoicing.



50% of companies create tenders using Excel or Word software.

Making offers manually with these tools — without the appropriate software — makes it difficult to standardize the quality of offers and maintain consistency, and makes the process of creating them cumbersome and time-consuming.

Want to improve your company's time tracking and invoicing processes?

Koho PSA helps.

Contact us

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Koho PSA is a perfect match for accounting agencies that want to do business more efficiently – and have no energy to struggle with complicated software.

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