

How to Calculate DSO and Actually Reduce it Using AI

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The Metric Everyone Reports, And Almost Nobody Moves

Ask any credit or collections professional what their most-watched metric is, and the answer is almost always the same: Days Sales Outstanding. DSO appears in every treasury review, every working capital conversation, and every board-level discussion about cash performance. It is the number that tells a CFO how long, on average, the business waits to collect cash it has already earned.

And yet, for most organizations, it barely moves year over year.

Teams add headcount. They run dunning campaigns. They invest in invoice automation. The activity increases. The DSO does not respond. This article explains why that happens, what the formula actually tells you and what it does not, and how AI is changing the practical mechanics of DSO reduction for enterprise AR teams.

This article is only available to members of the Credit Research Foundation (CRF).

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