



National Staffing Company Case Study

Business Challenge

A staffing company provides skilled employees for temporary, temporary-to-hire and direct hire positions. With 63 branch offices in 16 states the firm annually places over 28,000 mobile workers who require a flexible and robust payment distribution solution. This presents specific issues for both the company and for the workers.

Staffing Management Challenges

- High costs associated with the print production of large volumes of checks
- Logistical problems inherent with distribution of checks to multiple remote locations
- Replacement and distribution of lost and stolen checks
- High cost of exception check production and distribution
- Requirement of employees to return to the branch office to pick up paychecks, resulting in crowding and confusion
- Lost time while employees sought outlets to cash their checks

Employee Challenges

- Finding a reputable business to cash their paychecks near each work location
- Lost wages while waiting in long lines at check cashing outlets
- Check cashing fees in excess of 8% of the face amount of the check
- Inconvenience and inefficiency of returning to the office to pick up check.

Directo's Solution

The company had introduced a pay card program from a large bank but experienced significant adoption and card fulfillment issues. Subsequently, branch managers did not embrace the program and headquarters did not aggressively promote it. However, management understood the inherent value of a pay card program and after a thorough review of providers, selected Directo and its *Directocash* offering.

The company based its decision on several factors. First, after their experience with the bank, they wanted a firm whose sole focus was on pay cards and driving direct deposit. Second, was Directo's ability to offer a "bank account" option for its unbanked employees. Last, but equally important, was Directo's easy-to implement system which enabled the company to introduce and activate the *Directocash* program seamlessly within its branches and to the employees they placed.

Client Benefits

Substantial payroll savings, including:

- Reduced check distribution costs
- Greater production and distribution driven by eliminating the need for the payroll department and branch employees to manage check production and distribution
- A single Directo Cash Card providing employee access to ATMs 24/7 at each geographic location where they work as well as at any terminal POS systems at Target and Wal-Mart
- Elimination of predatory fees charged by some check cashers, replaced by a low ATM access fee
- The security of a bank account and the assurance that the Directo Cash Card cannot be used by anyone without the PIN number

Results

Through implementation of the Directo Card Program, the staffing company has reduced check writing costs, lowered payroll distribution costs and increased employee productivity and job satisfaction. By meeting the needs of both management and their employees, Directo has created a true win-win situation.