



Regional Staffing Company Case Study II

Business Challenge

A temporary staffing firm providing clerical and light industrial positions with 15 branch offices in five states recognized the cost and inefficiencies of payroll check administration for its 2500 employees. There had been problems with check loss causing administrative nightmares and the costs associated with check processing and distribution.

Individual offices were disrupted as dozens of workers descended to pick up their checks, impacting productivity. These distractions interfered with the staff's ability to interview and place new employees and hindered business development. In many situations, branch managers needed to drive to the customer site to distribute checks or workers traveled from their job locations to the branch office to pick up their checks. Both scenarios significantly impacted productivity for both the staffing firm and their clients which, if not addressed could have developed into a serious problem.

Another issue was check fraud which the firm wanted to eliminate for themselves and for their clients. Management had considered direct deposit but many of their employees were not bankable and they would only accept a program that could result in 100% of employees moving to direct deposit.

Directo's Solution

Directo implemented a direct deposit program that was the impetus for 100% of employees accepting direct deposit. Because the implementation process was so smooth, acceptance came quickly. Directo's support material and implementation team did an excellent job of explaining the program and ensuring that all employee questions were addressed.

Client Benefits

- Key benefits of the Directo program included:
- Streamlined operations and reduction of "administrivia" and costs associated with payroll checks
- Increased employee productivity and within branch offices
- Eliminated the cost and hassle of lost, stolen or forged checks
- Eliminated fraud risks associated with paychecks
- Reduced banking fees
- Lower per transfer costs
- Timely customer service response to employee inquiries or issues associated with their pay

Results:

The firm quickly and efficiently converted 100% of their employees to direct deposit -- 40% with Directo and 60% with local banks. Employees, particularly those who were unbanked, now enjoy the benefits and flexibility of direct deposit and easy access to their cash. With one system in place across all staffing offices, the firm has increased efficiency, saved employees money and lowered their own costs.