

# Staffing Cash Flow Problems Solved: A Factoring Success Scenario

This success scenario is Part Two of a six part series designed to illustrate how invoice factoring can sustain and grow businesses in various industries.



## Factoring for the Staffing Industry

In Part Two we will explore the positive impact of factoring, also referred to as accounts receivable financing, on a business in the Staffing Industry. In successive posts we will explore factoring scenarios in the following industries:

- Printing / Publishing
- Wholesale / Distribution
- Manufacturing / Fabrication
- Advertising / Communications

*We hope you enjoy this series of factoring scenarios and learn how Universal Funding can improve your cash flow and ensure the growth of your business. For the purposes of this successful factoring scenario we will call our Staffing company, My People Corporation\**

My People Corporation, a temporary staffing company that provides a wide variety of skilled personnel, saw a rare opportunity to significantly grow their business in a short period of time. Due to the downturn in the economy, My People guessed that many companies that had laid-off workers because of decreased revenues would still need staff to perform those jobs on a limited basis. Also, with the increase in layoffs, My People predicted they would see an influx of new employees registering for placement with their company.

My People had been paying their staffers biweekly for years, but wanted to gain a competitive edge over other staffing agencies in the area, so they decided to shorten their pay frequency. Within a few months, the predictions began to materialize and they started to experience a high demand for their services, as well as an increase in the personnel to meet that demand. Unfortunately, they lacked the [working capital](#) to pay new staffers on a weekly basis while waiting for clients to pay 30 day invoices. They needed a fast [cash flow](#) solution to make payroll.

With a factoring program custom designed just for them, Universal Funding was able to advance the cash that My People needed, based upon the invoices sitting in their [accounts receivable](#). As the staffing company continued to add new contracts and new temps, Universal Funding was able to increase the amount of funding to keep up with their growth.

My People is now one of the largest staffing agencies in its metropolitan area. [Factoring](#) was the cash flow solution that allowed them to anticipate the demands of the market and grow very quickly without taking on new debt.

*\* Not actual name. Representation based upon a combination of general examples.*

*\*\*All dollar amounts are approximate value.*