



Driving Business Growth, Supporting Staffing Success

A strategic partnership has helped Action Staffing Group more than triple its revenues in just five years. It's the kind of trajectory any staffing and recruiting company—especially one just starting up—would be thrilled to achieve.

By Glenn Cook

Mark Weiss knew managing “the paperwork end of the operation” would be challenging when he started the Action Staffing Group in 2012. The ever-changing nature of his business, working with temporary and contract employees who service the food distribution, logistics, and transportation industries, means turnover is constant and record-keeping can be onerous.

“You’re not dealing with 20 administrators in an office. You’re talking about hundreds of people who

are working as drivers, in warehouses and in maintenance-type jobs,” Weiss says. “The turnover can be excessive, and the paperwork piece can be overwhelming because things are constantly changing.”

Weiss’ need for support that ensures payroll is accurate, on time, and in compliance with local, state, and federal regulations is common, especially among small and mid-size staffing companies. Finding that help, in many ways, is just as critical as providing outstanding service to your customers. >>>



Staffing and recruiting companies can learn more about partnering with Sterling National Bank at snb.com/payroll.

Before opening his first office in Elizabeth, NJ, Weiss signed a contract with Sterling National Bank to take care of his payroll, taxes, and recordkeeping. Sterling's Payroll Finance Division handles Action Staffing's payroll, taxes, invoicing, and recordkeeping through a seamless system that Weiss says "is like having your back office in your pocket."

"It is a core essential to be able to pay your temporary workers every single week without delay," he says. "You can't be in a position where a temporary worker has done the work, the time sheet is correct and legitimate, and you can't pay them. I had to know going in that my back-office operations were under control, managed well, and managed efficiently."

Customized, Dependable Solutions

Sterling's Payroll Finance Division, based in Woodbury, NY, has a dedicated client service team. The company offers a wide range of services to staffing companies, including what Margaret Sweet-Anglim describes as a full suite of financing and banking products.

"We can provide a life cycle of products for them," says Sweet-Anglim, the division's vice president of operations. "We've had clients who have used our full-service model for 27 years, like Mark Weiss does. Some want to only use our financing-only products where they are looking for working capital."

"If I had to worry about buying software, staffing a back office, and then going out and getting the funding to pay my employees on time, I wouldn't be as successful as I am today."

—Mark Weiss, Action Staffing Group

Sweet-Anglim's team handles payroll checks and invoicing for Sterling's staffing clients. Depending on a staffing company's needs, the team can produce its payroll at the Woodbury office, delivering it to printers via an electronic customer portal, via FedEx to the vendor on the premises, direct deposit, or e-card processing. Other clients, such as Weiss, choose to do their own payroll processing on site, with Sterling acting as the backup in case of emergency.

Payroll is produced daily, starting as early as 4 a.m. Eastern time and running until 9 p.m. for

West coast clients. Pay cards and direct deposits are sent every night, and automated runs allow Sterling's clients to deliver their customer invoices the next day, electronically or via U.S. mail. All invoices and other paperwork are customized for each client.

"Flexibility is key. We produce thousands of invoices per week, and each client has different needs," Sweet-Anglim says. "We know our clients need to accommodate their customers. If they need a red, white, and blue invoice with the employee's name in purple, we can do it. We also know that you can put a hard cutoff for payroll at 2 p.m. on a Tuesday, and inevitably a temporary employee will walk in at 3 p.m. and expect to be paid, so you make accommodations."

What makes this work is Oasis, Sterling's front-end, back-office system, which includes detailed management reporting to Sterling's clients. Sweet-Anglim calls Oasis "one-stop shopping with everything you need to help grow your business."

"It also works as a front- to back-end applicant tracking system. Clients upload their applicant's information and skills into the system—all of which are branded with the client's logo and information—and Oasis does all the necessary electronic documents to take it from there," she says.

Oasis helps Sterling's clients manage their business by providing them with more than 250 reports that provide information on sales, gross profits, accounts receivable, and daily cash receipts, among other things. A help desk is available weekdays from 6 a.m. to 8 p.m. Eastern time, with a rotating schedule on weekends, for clients who might have problems with the system.

For clients like Weiss, that support is both critical and welcome.

"People know we pay our bills on time," he says. "The fact that we're not dealing with a funding company, but with a national bank, adds instant credibility to everything we do. We've never had a deficit balance with the bank. I know I have money in my account every week to make sure everything is covered. It takes tremendous pressure off my back."

Valuable Industry Experience

One thing that makes Sterling unique is its commitment to hiring professionals with prior experience in the staffing industry.

"We are owned by a bank, but everyone here in this building is a staffing professional," says Rich Karras, senior vice president of the client financial services group. "As a bank with a lower cost of capital, we are able to pass on those savings to our clients."

Sweet-Anglim started her career as a recruiter for

a staffing company before moving into sales and branch management. She moved into funding more than 30 years ago and, like Karras, has been with Sterling since the bank acquired the business in 2006. On average, the staff has worked for Sterling for more than 10 years, which “says a lot about how we feel about our company and our clients,” Sweet-Anglim adds.

Karras says customer service always comes first. “It’s in the top echelon of what we tell people every day, that we must have a timely response to our clients. Any hiccups will be addressed quickly. Response time is critical.”

Compliant, Detailed Services

Once Sweet-Anglim’s team completes its work on payroll and invoicing, the focus shifts to Karras’s group, which supports the payroll and payroll tax processes, ensuring staffing companies and their clients comply with local, state, and federal laws for employee and employer withholding. Currently, Sterling provides payroll and payroll tax information, along with workers’ compensation information, in 46 states.

“We sit in the background and let the staffing company run their business,” Karras says. “With us handling the back office, they can focus on growing their business.”

Karras’ team works with its staffing clients to ensure all accounts receivable invoices are “credible, collectible, and accurate to make sure payments are made as timely as possible.” On the accounts receivable end, customers send credit card or EFT (electronic funds transfer) payments to a centralized lockbox maintained by Sterling. Weekly financial statements are sent out, showing total sales, gross profits, payroll, and employer-related taxes and fees.

Staffing companies have a vested interest in making sure their customers pay their bills on time, and Sterling staff offers assistance in this process by helping with collections.

Weiss says Sterling’s full-service system “has given me the ability to open and expand my business to any place and plug in the technology,” resulting in no startup delays. He says that’s a key reason his business has grown from one to six locations in New Jersey and New York, increasing revenue from \$8.7 million in 2012 to \$27 million this year.

“It allows me and my team to focus on building revenue and profit, while knowing we have the capital resources to make that bridge for our temporary workers,” Weiss says. “The ability to have a database and process that is really connected with everything we do every single day is huge for us. If I

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Glenn Cook is a professional writer who covers a wide range of business and education topics. He also is a prolific photo-journalist, having created award-winning article-photography packages for national publications. Learn more about his work at glenncook.virb.com.

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