

# planning for the end of lockdown



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In the midst of lockdown with business owners taking action to protect their hard built business, many are also now preparing for the future. This is a challenge when the future is not easy to sketch out but there are some themes that will be important in most scenarios.

### new markets and delivery methods

The ability to “pivot” your business model to a new sector, the transferability of skills and networks, as well as the ability to look at new delivery methods will play a pivotal part in business recovery. We are seeing agencies switching workers to more in demand sectors and planning on opening new temporary desks. Having access to technology that allows workers to be onboarded, screened, time collected and paid through one seamless system will provide a digital delivery method to support these renewed marketing efforts and provide business agility.





### variable costs

Businesses who have a larger proportion of their costs variable rather than fixed will be able to react more quickly to a change in sales volumes and emerge from this crisis stronger than others. Outsourcing is increasingly seen as a good way to keep costs variable, agencies who outsourced their back office have seen a welcome reduction in costs as their sales sadly have reduced. This, in conjunction with the furlough schemes, means agencies have been able to pause some business activities and crucially be ready to respond immediately when business increases again, as it surely will.

## depleted capital reserves

Businesses cash reserves are inevitably going to be depleted and finding new ways of raising finance to meet daily, weekly and monthly cash requirements is going to be important. Agencies that have in the past managed to self-finance will have lower cash reserves through no fault of their own.

Alternative methods will likely need to be utilised. Bank loans, as has been well publicised, are not easy to come by and often demand a directors house as collateral. Invoice finance will be an increasingly utilised option: invoice finance provides finance against the assets of the business, the book debts, not the personal assets of the directors. Invoice finance is also ideally placed to support (re)growth of temporary work with the amount of finance available rising with sales. We predict many more businesses will make use of invoice finance to finance payroll, business overheads and pay the shareholders their just rewards.



## cash is king

The importance of credit management, professional credit control and bad debt protection (covering end client insolvency) has not been as important since the financial crisis of 2008.

A hard won contract placing workers only turns to a true cash profit when the contract is paid. Outstanding invoices have become increasingly hard to collect for businesses. Working with a professional credit control company and combining this with bad debt cover transfers this risk and allows business leaders to focus on marketing and sales. Also, keeping the cost truly variable (no hidden minimums) further supports business agility and resilience.



we can help

At **giant finance+** we have been pleased to work with agencies for 10 years, providing online cloud based delivery systems, invoice finance and credit management, all with strong service ethos and at a true variable cost.

giant

## about giant

Since 1992 **giant** have provided specialist, end to end workforce management software and support services to large and small recruitment agencies, internationally.

We invest heavily in our cloud-based software which ranges from candidate sourcing and onboarding through to timesheet management, billing and payroll. Our support services include candidate screening, employment solutions and legislative risk management; whilst at our specialist division, **giant finance+**, we provide tailored funding, software and support services for start-up to medium sized recruitment agencies.

You can relax knowing your data is safe with us. Our commitment to compliance protects your business from risk and our rigorous international security standard ISO 27001 ensures that your data is GDPR secure.

Our principles are simple: customer 1st. This is the core to everything we do as a group and screening is no exception. We grow and retain our customer base through exceeding expectations and ensuring that everything we do is focused on our client's needs and not our own.

As part of **giant group**, who have been delivering compliance solutions to their clients for 25 years, we have the expertise, knowledge and systems that many providers envy.

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