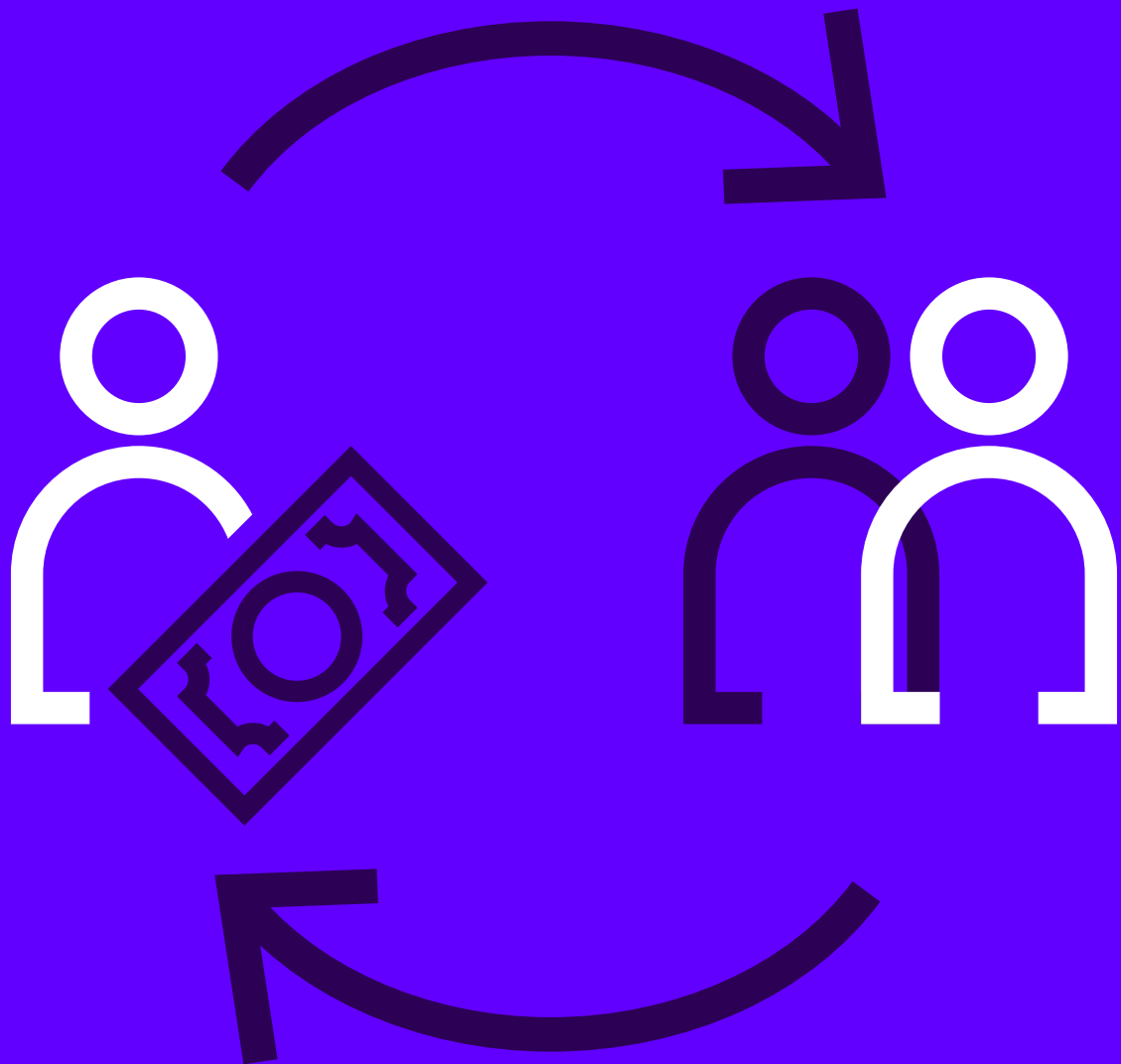


Guide to switching your invoice funding provider.



Introduction

It is often said that cashflow is the oxygen of a business, and like oxygen, if it's not in constant supply, a lack of it can quickly prove fatal, even for an otherwise healthy organisation. That is why so many companies seek funding to keep monies moving quickly and smoothly. One such option, invoice factoring, which allows you to turn your outstanding invoices into cash, can seamlessly bridge the gap between funds paid out and funds received, meaning that outgoings can be met on time and investments can be made as opportunities arise.

How does that translate when it comes to employment, and particularly for those who hire contingent labour, which by default requires a lot of flexibility in payroll management?

We surveyed medium and small businesses and found that 53% of them currently use, or have previously used, contractors. This figure increases to 81% when looking at just medium sized businesses. This demand for flexible talent is not surprising, given that contractors and freelancers are often called in to help businesses deliver specialist or complex projects or to cover temporarily for permanent resources.

Yet, our research shows that contingent workers have traditionally suffered from late payments. Over a quarter (27%) of SMEs admit to taking on average 90 days to pay their contract staff – three times longer than the average time for permanent employees. This figure increases to 37% among the larger businesses, with cashflow pressures often being cited as the reason behind these delays.

For recruiters or consultancies who place contractors, this is an opportunity to demonstrate value add: If you have a funding solution in place, not only can you help your clients to find the best talent in the market, but you will also act as a trusted partner, taking the pressure off their finances because you are setup to pay the contractors on time, while allowing your clients a longer time to pay you.

Therefore, finding the right funding partner is extremely important for your recruitment or consultancy business. Not all financiers are the same, and one size doesn't fit all. If you are using a funding provider, it is worth reviewing your arrangements regularly to make sure they are giving you the facilities you need to keep competing and growing.

When to consider switching

When your current facility or debenture is due to expire is an ideal time to review these arrangements. To make sure you have the best service in place, there are a few questions to ask:

Do you need more funding or greater flexibility?

Perhaps your business has outgrown the facility you first put in place.

Are concentration limits holding you back?

You may have opportunities to grow that you can't currently take advantage of.

Do you need better export financing options?

International opportunities are plentiful at the moment. Do you have the right funding to move cross borders?

Would you like simpler, more transparent pricing?

Perhaps you have been unpleasantly surprised by hidden costs.

Are you tied down by complex covenants?

Do you feel there must be a simpler way?

Do you feel technology is holding you back?

Maybe you could achieve operational efficiencies with a more sophisticated, integrated IT solution.

Is your facility tailored to your industry?

Do you often find yourself having to retro-fit your business decisions to suit a one size fits all funding contract?

Maybe you would feel happier with a supplier who really understands the complexities of the recruitment sector, rather than one who works in multiple sectors. Or maybe you are simply looking for better service from a supplier with a responsive and flexible approach.

What to look for in a funder

Find out what percentage of your invoices they will fund.

Make sure you understand the pricing structure. It is transparent and are you clear on what your costs will be in real terms, so you can compare this to what you are paying now.

Check how flexible they are. **Do they tie you down in long and complex contracts? Do they impose concentration limits that can limit your potential to grow?**

Ask about **what kind of export funding they provide**, including which currencies. Even if you're not considering international placements now, they could come up and you should be ready to rise to the occasion.

You might also want to make sure they will **tailor their service to your requirements**, rather than rolling out a generic solution. And you will want to be certain they can offer the customer service you will need as your business grows.

Very importantly, **check their debt insurance terms to keep your business protected..**



Is it time to review your invoice funding facility?

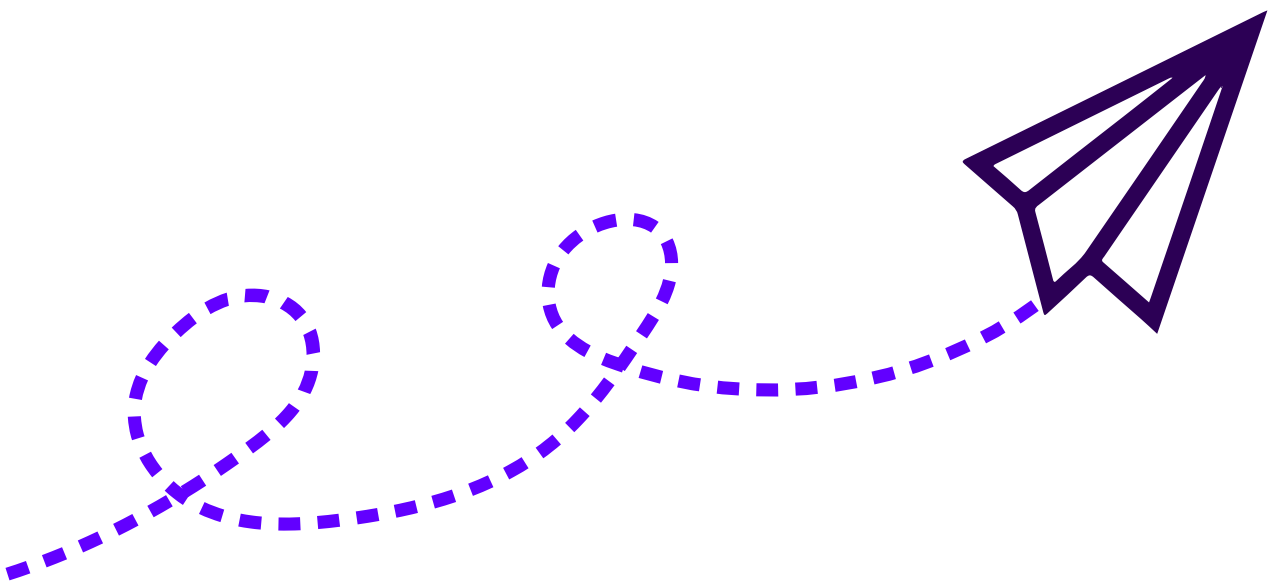
Don't sign up for another year without taking our 30 second quiz to check whether you're getting industry leading funding solutions from your current provider or whether it's time to switch.

Take the quiz ▶
(click here)

Why choose Sonovate?

In a fast-moving industry such as recruitment, you need to be flexible to make the most of opportunities. Sonovate can help you become more agile with up to 100% invoice funding, simple pricing and user-friendly technology.

At Sonovate, we are recruitment specialists. Our founders each have a background in recruitment so we understand the obstacles caused by delays in cashflow, especially in a period of growth or when you need to scale up your contractor book rapidly. Our service is designed to give our customers the ability to access cashflow with the maximum flexibility, and comes with user-friendly technology and first-rate customer service as standard.





Enabling Growth

We advance up to 100% of invoice value, helping you fund the business of today and the growth of tomorrow. What is more, we don't impose concentration limits as we don't see concentrated business as a risk. And we don't set facility limits, as we believe your ceiling should grow with you, without the need for renegotiation.



Flexibility

We don't believe in tying people in to long-term contracts, so we offer terms on a rolling 90-day basis. And we don't require personal guarantees from Directors, as we feel these are unnecessarily restrictive.



Transparency

Our fee structure is simple and transparent, making it simple to budget. There are no additional insurance costs, as we insure all debt as standard.



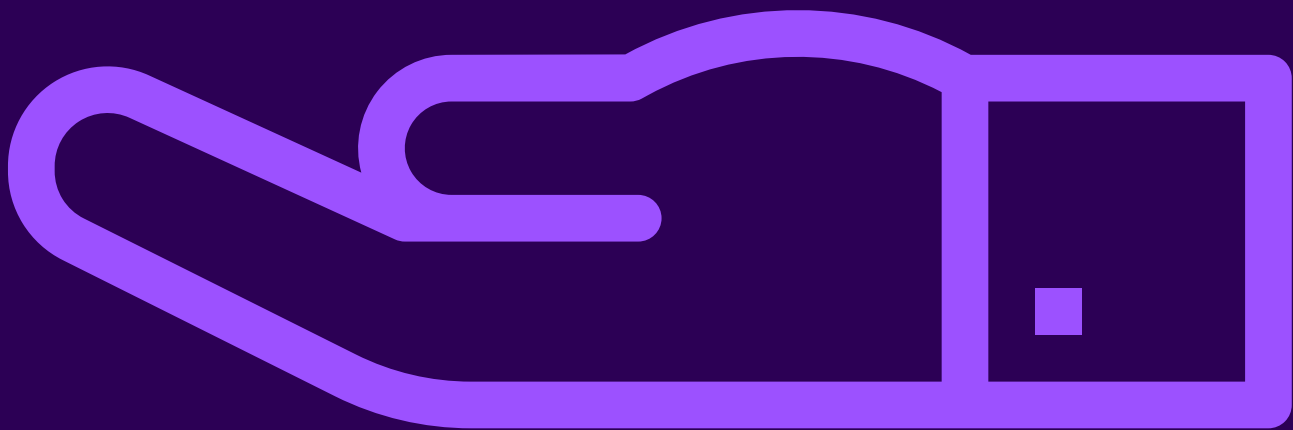
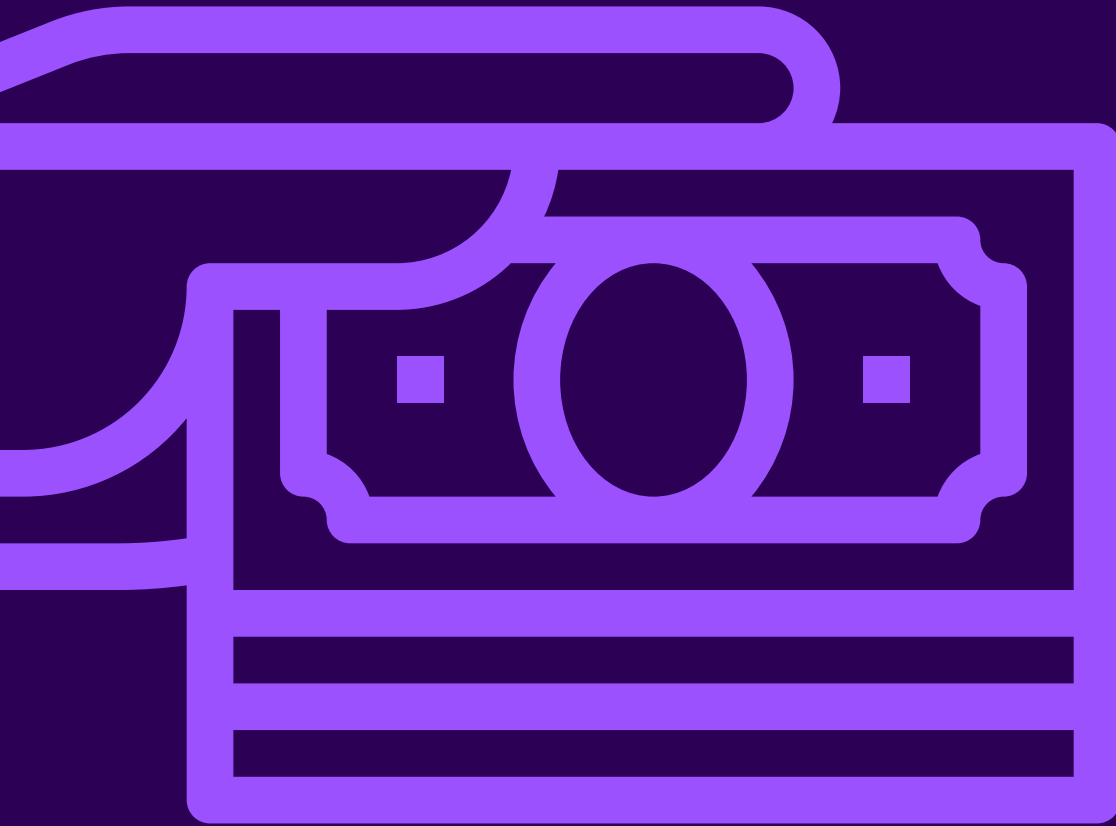
International

We are multi-currency and can meet your funding needs in Euros, US Dollars or Swiss Francs as well as Sterling. We also fund many US-based agencies (Incs).



Intuitive Technology

We offer a standalone platform or plug-ins through an API to your own software, so data doesn't need to be re-input. This means no extra administrative burden for you, errors are reduced and sound, meaningful MI is at your fingertips.



Switch to Sonovate >>>

There has never been a better time to switch financier and unlock the potential of your cashflow. It couldn't be easier, just follow our simple four-step process and join the thousands of companies worldwide already working with us.

Step 1

We will show you our product, but also take the time to get to know you, your business and your requirements. We will then seek the necessary underwriting approvals, all done through our specialist teams, based on which we will provide you with a formal proposal.

Step 2

Should you wish to proceed with Sonovate, we will establish a timeframe to provide a notice to your current provider (subject to your current contractual terms), and the transfer of the debt to us.

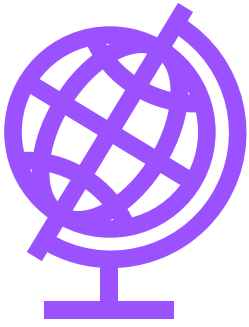
Step 3

Our onboarding team will provide you with all the information you need to take advantage of your Sonovate funding to keep your business growing.

Step 4

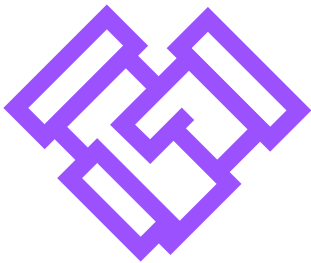
We will also remove prior debentures and guarantees, replacing them with a Sonovate debenture and get your funding rolling!

Sonovate in numbers



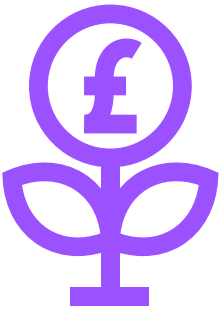
£3bn+

Over £3bn invoices funded in over 40 countries



3k+

Have used Sonovate



£0.5bn

With securitisation from BNP Paribas and M&G Investments



180+

Employees

Find out more at

sonovate.com

