

# Why mid-size companies choose a PEO as their HR partner

ADP TotalSource®



## PEOs aren't just for small businesses

There's a perception that the PEO model of full-service HR only works for small businesses. In truth, many larger companies choose PEO due to the administrative support, ongoing, high-touch support and market-leading employee benefits across any state. A PEO can also provide workers' compensation coverage and claims administration to help your business maintain safety and control costs.

A PEO helps companies stabilize labor costs and delivers a cost savings ROI. Together with a PEO provider, your business can achieve anything.

**27.2%** Annual Return on Investment (Cost Savings Alone) From Using a PEO<sup>1</sup>

### 1 Provide scalable HR infrastructure with hands on support

PEOs partner with mid-size businesses that have anywhere from hundreds of employees to thousands. One of the biggest challenges for these businesses is finding the right HR infrastructure. Companies have different needs based on their growth stage. A PEO platform serves as an all-in-one HR solution, able to support a business through headcount change or expansion into new states. With more employees, there are extra layers of compliance to stay on top of.

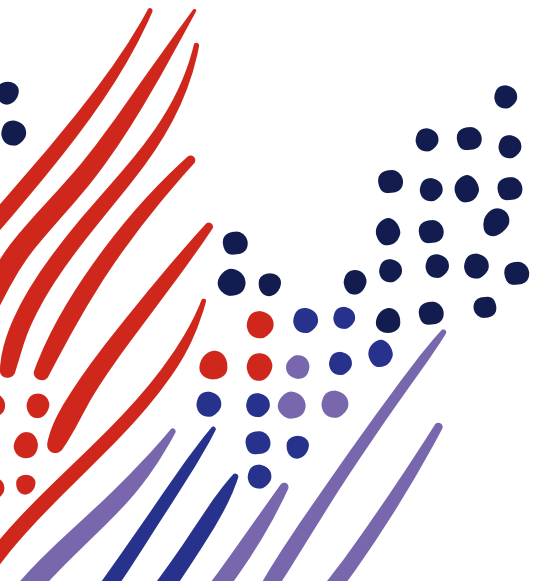
A PEO provides a team of deep-dive experts who offer compliance expertise and day-to-day management of payroll and benefits tasks for your business. This dedicated HR support model amplifies and supplements your in-house HR team, potentially helping you avoid hiring specialized roles.

### 2 Grow without borders

While remote work has increased access to talent, it has added compliance and payroll complexity for businesses.

A PEO can manage this complexity for your business. It handles the compliance and tax requirements of a business, including state unemployment insurance and worker's compensation in every state you operate. By freeing up your HR team, they can focus on your business's most pressing needs, like employee development.

A PEO will also recommend competitive benefits offerings for your employees and advise you on the employment landscape in your proposed sites. This can help you avoid losing candidates to competitors and reduce turnover.



**4.5 Million**  
employees use the the  
PEO model for all-in-one  
HR, payroll, benefits,  
hiring and more

**3**

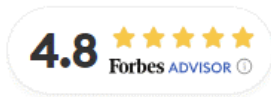
**Consolidate vendors and reduce admin work**

With business growth comes more technology needs. Why use multiple vendors for HR, benefits, payroll and applicant tracking?

A PEO helps your business avoid the need to use multiple HR systems. A PEO partners with your business so you don't have to navigate HR, payroll, benefits, workers' compensation, risk, compliance and hiring across several partners. Instead, use one partner. The cost of using a PEO is less than sourcing all your HR solutions individually and then hiring a additional staff to oversee and manage them.

Integration is also critical for a modern HR experience. With a leading PEO like ADP TotalSource, you can easily connect and share data across your HR system and third-party partners. You can try, buy and implement solutions designed to help simplify how you manage HR and run your business.

**ADP TotalSource awards and recognition**



**IRS Certified PEO**  
(2018 to present)

**ESAC Certification**  
(1995 to present)



**Best Customer Service**  
among PEOs in 2023



**Customer Service award winner**  
**3 years in a row (2022-2024)**

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for People®

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