

The Business Case for Full-Service Payroll & HR

6 reasons it pays to integrate
and outsource employee
management



A more human resource.™

Your Process is Broken, so Fix it.

Let's be honest, no one looks forward to spending hours tackling payroll and HR admin. Even if you're an HR professional, you'd rather be working on your long-term workforce goals than calculating overtime pay or tax withholdings.

Then there are the Inadvertent HR Managers – the small business owners or office managers who don't have 'HR' in their job title but somehow ended up running payroll, approving time off and trying to figure out exactly which bits of the Fair Labor Standards Act they need to follow.

It's not easy and it's certainly not most people's idea of fun.



Your Process is Broken, so Fix it.

Payroll taxes were ranked as the **number one** most burdensome tax both financially and administratively among small firms.¹

40% of small business owners say bookkeeping and taxes are the worst part of owning a small business.²

But here's the thing. You really, really need to get his stuff right.

Because the alternative is an expensive route to go down – and it's not just bad news for employee wellbeing. Your bottom line could take a hit too. The IRS issued 6.8 million penalties totaling **\$4.5 billion** related to payroll employment taxes in just one year.³

Luckily, there's a better way. One that can help you save time, keep your employees happy, and help with your compliance challenges – by taking advantage of enterprise-grade payroll and HR systems, without the price tag.

Here's what we mean...



1. Small Business Taxation Survey 2015, NSBA, 2015.

2. Infographic: A Look at Accounting and Taxes, SCORE, Jan 2015.

3. Source: Bloomberg.com, "Small Business Owners Have a \$4.5 Billion Payroll Tax Problem"



Making the Case for a New Approach

At ADP® we've been helping businesses to hire, manage, protect and pay their people for decades. In that time we've partnered closely with businesses of all types and sizes, and we've learned a few things about the challenges that all organizations face. The big three are:

People

Attracting, retaining and training the best talent.

Cash

Forecasting and managing the flow of cash through the business.

Risk

Maintaining compliance and minimizing financial and operational risk.

ADP helps you connect and optimize your payroll and HR processes for the best chance of nailing these challenges.

We do it by taking the burden of repetitive administration away from you, so you can get ahead with the stuff that will really make an impact. Our unmatched experience and 24/7 support services are also critical resources that businesses can draw on when they need help or advice.

It's payroll, and then some

When it's done right, payroll connects seamlessly to all the employee management processes that it touches: time and attendance, benefits administration, retirement, insurance and more.

We call it Full-Service Payroll & HR.

Put it all together – the right technology and the best expertise behind it – and you're on your way to being in the best shape possible to grow a business and cultivate a culture that can handle whatever comes next.

You can take outsourcing as far as you need – up to a co-employment arrangement, when your outsourcing partner acts as a Professional Employer Organization (PEO), taking on responsibility for employment responsibilities like benefits, payroll, insurance, training, and more.

This ebook is designed to show you how you get returns on your investment connected services like these, so you can figure out which option could your business.

Let's dive in.

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It Smartens Up Your Payroll Processes

With Full-Service Payroll & HR you can take advantage of the best people, processes and technology without having to invest in a bigger in-house HR team.

How you benefit:

Streamlined processes

You stay productive and your HR machine keeps running with only necessary involvement from you, where you add value. So you save more of your most valuable resource: Time. More on that later.

Fewer errors

Connected, automated systems help you make sure you don't mess up payroll and tax calculations or miss a payment deadline. And you've got improved confidence in your data for reporting and making informed decisions.



Greater flexibility

Payroll that works the way you work – with direct deposits or checks, as frequently as you like, and a solution that can be tailored to help meet the needs of your operation.

More power to your people

With a self-service system, it's easy for your people to log in on the move. So they have better visibility, and they don't need to bother you with queries so often.

"It's a service that's difficult to do on your own, and if you can find somebody that can do it for you, and do it well, it's one less thing to worry about."
Jon Michaelson, Owner, Leaf

02

It Connects Your HR Systems

When you're managing multiple payroll and HR processes, there are three golden rules:

Integrate. Integrate. Integrate.

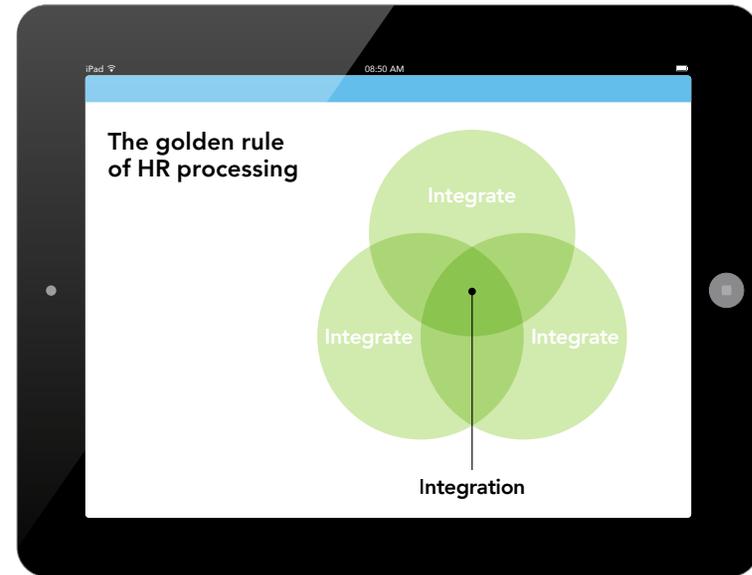
How you benefit:

Everything in one place

No more logging in and out of a dozen systems to run one report. With a centralized platform, you can grab the data you need, fast.

Systems that play nice together

When your timestamps are on paper and your hourly rates are on spreadsheets, loading your payroll amounts is a bore – and mistakes can happen. When integrated systems speak to each other, everything works better.

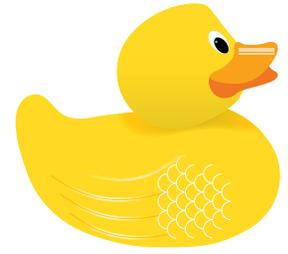
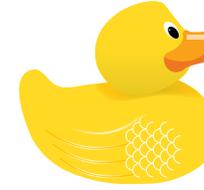
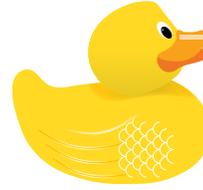
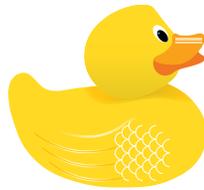


It grows with you

Full-Service Payroll & HR caters to your wider employee management needs as they arise, so you can scale in a cost-effective way. Covering not just payroll as your headcount increases, but all the other HR requirements that go with growth.

03

It Helps You Control Your Cash



Get your ducks in a row to avoid cash chaos.

Picking the right payroll solution goes beyond cost savings. According to 46% of owners, managing cash flow is a top concern for small businesses.⁴ And payroll and HR play a huge part. From employee hiring and benefits administration to regulatory costs and IRS penalties – if you want to do everything possible to avoid cash flow problems, you need to get your payroll management in order.

How you benefit:

Better accuracy

For most businesses, payroll is their number one expense. Which means you need confidence you've got the numbers right – because even a small error in either direction can be a big problem.

Better forecasting

With visibility into your employee management and payroll calculations, you can optimize your workforce and know how much money you need to have in the bank when payday comes around.

Simplified outgoings

So you have a single, regular payment going out to the payroll provider, instead of multiple payments to individuals by check and direct deposit.

No nasty surprises

Because you have more confidence in your payroll tax compliance obligations, you can help avoid unexpected expenses or penalties for late or inaccurate tax filing – which can put a serious dent in your cash flow.

4. <https://www.adp.com/solutions/small-business/resources/article.aspx?id=D0BABA64-FF1D-48CE-AD06-5A1221AB759D>

04

It Takes Care of Your People

Your people are your greatest asset, so you need to take care of them – or someone else will. With Full-Service Payroll & HR from ADP, your people get the support they need every step of the way, from hire to retire.

How you benefit:

Offer the best benefits

When it comes to employee care and training, partnering with a Full-Service Payroll & HR provider helps you punch above your weight – especially if you opt for a co-employment arrangement with a PEO, giving you access to Fortune 500-level benefits and development programs.

Reduce employee churn

Attracting and retaining great people is a big plus. Losing them – and having to replace them – is an expensive negative.



Become an 'employer of choice'

Ultimately, HR is about cultivating a great workforce culture and making your people proud to work for you. With a Full-Service Payroll & HR solution you can go beyond transaction efficiencies and start building a great employer brand.



05

It Helps Minimize Your Risk

Running any business can be risky business. Whether it's penalties from the IRS or failing to comply with the right employment regulations, there's plenty to keep business leaders stressed out. Full-Service Payroll and HR cuts your liability and guides you through challenging, changeable times.

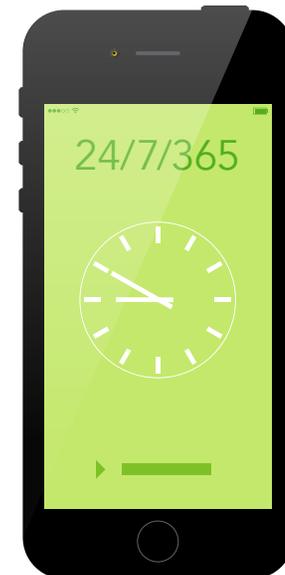
How you benefit:

Cut the compliance burden

Worried about discriminatory hiring processes? Or workplace health and safety? How about making sure you've got your tax obligations covered on both the employee and employer side? With a full-service approach, you minimize risks like these.

Expert support

And through all of it, if you run into any problems, big or small, you know the professionals have got your back, **24/7/365**.



06

It Frees You to Do Your Thing

Whether you're an HR professional or one of the growing number of Inadvertent HR Managers, you don't want to get hung up on the time-consuming, repetitive tasks that come with employing people. You want to focus on the bigger picture.

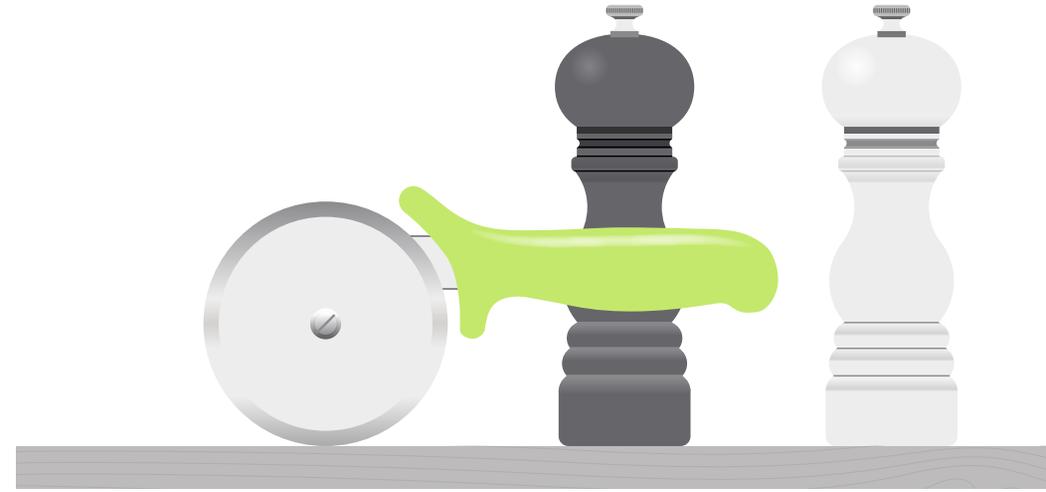
How you benefit:

Do what you do best

When you leave payroll and HR to the people who really know what they're doing, you give yourself the opportunity to get on with what you're best at, and the assurance that you can do it with confidence.

Bigger-picture employee management

Concentrate more time on the bigger-picture HR stuff – like hiring the best talent that will help your business thrive, and making your company a place they love to work.



Speed to value

Full-Service Payroll & HR is about service before, during and after you get up and running with your payroll provider. So you can take advantage of the experience of professionals who have helped thousands of businesses like yours with the same transition to these services.

Whether it's providing you with best practice advice to help with your HR needs, or helping with the legwork when you're transferring data from paper and existing systems – everything's in place to get you moving fast. Which means you get back to your real job sooner.



Make Your Case. Make Your Move.

If you want to increase your payroll and HR effectiveness while getting the help you need to mitigate your compliance risks and worries, it could be time to invest in Full-Service Payroll & HR – and to start reaping the rewards....

See what full-service payroll can do for you

ADP helps you take care of your people – so you can take care of business. You didn't get into business to think about things like payroll and benefits, or HR administration and compliance – but we did.

Whatever your workforce needs, ADP has solutions that can help you and your team save time, cut costs and reduce risk. We support you in your day-to-day employee responsibilities every step of the way, from hire to retire. So you can focus on building an insanely great business, confident that your greatest assets – your people – are taken care of.

Our cloud tools and support services streamline and automate payroll, benefits and human capital management – backing you up with expert advice on every aspect of employing staff.

If you run a growing business, you've got way better things to do than admin and paperwork.

We don't. This is our thing and we're awesome at it. That's why hundreds of thousands of businesses rely on us every day. And why we'd love to do it for you.

ADP Takes Care of You and Your People

Our cloud tools and support services streamline and automate payroll, tax filing, employee benefits and HR management – backing you up with proven advice and compliance assistance to help you take care of your people.

If you run a growing business or a busy HR department, you've got better things to do than paperwork, administration and managing compliance-related tasks.

We don't. This is what we do best.

That's why hundreds of thousands of businesses rely on us every day. And why we'd love to do it for you.

Let's talk.

This information is provided as a courtesy to assist in your understanding of the impact of certain regulatory requirements and should not be construed as tax or legal advice. ADP encourages readers to consult with appropriate legal and/or tax advisors.

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