



The Complete Guide to PEOs



What is a PEO?

The PEO industry has been around for 30+ years. PEOs operate in every state and provide services to more than 2.5 million people. There are more than 700 PEOs nationwide. During your research, you may have heard PEO services referred to as co-employment, business process outsourcing, or HR outsourcing. However, PEOs can best be summed up with this definition from NAPEO (National Association of Professional Employer Organizations):

“PEOs enable clients to cost-effectively outsource the management of human resources, employee benefits, payroll and workers’ compensation.”

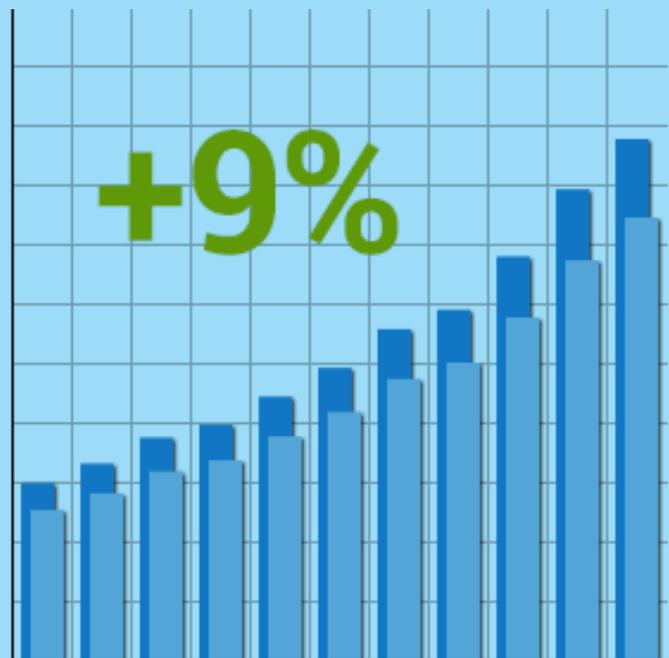
What PEOs Can and Can't Do For You

PEO's Can:

- Handle comprehensive HR services for you, including payroll processing, HR compliance, risk management, and employee benefits
- Help reduce liability for payment of wages, payroll taxes, and state unemployment taxes
- Assist with employee recruitment
- Make your business more attractive to current and potential employees
- Save you time so you can focus on the growth of your business

PEO's Don't:

- Take control of your business
- Supply labor to worksites
- Make hiring and firing decisions for you



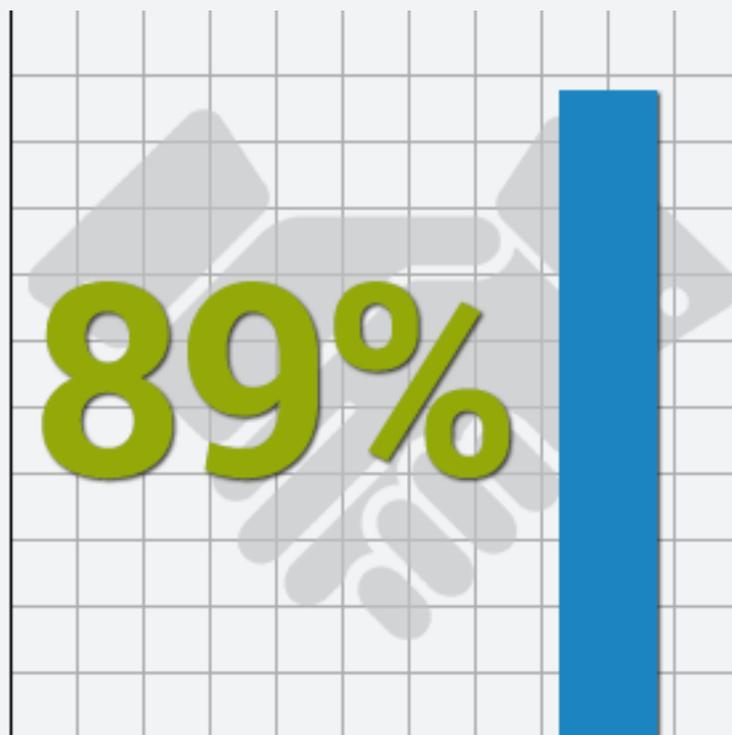
↑ Small businesses who use a PEO have 9% greater growth than other small businesses



Outsourcing Your HR ≠ Losing Control of Your Business

If you're concerned that working with a PEO means you're going to lose control of your company, you're not alone.

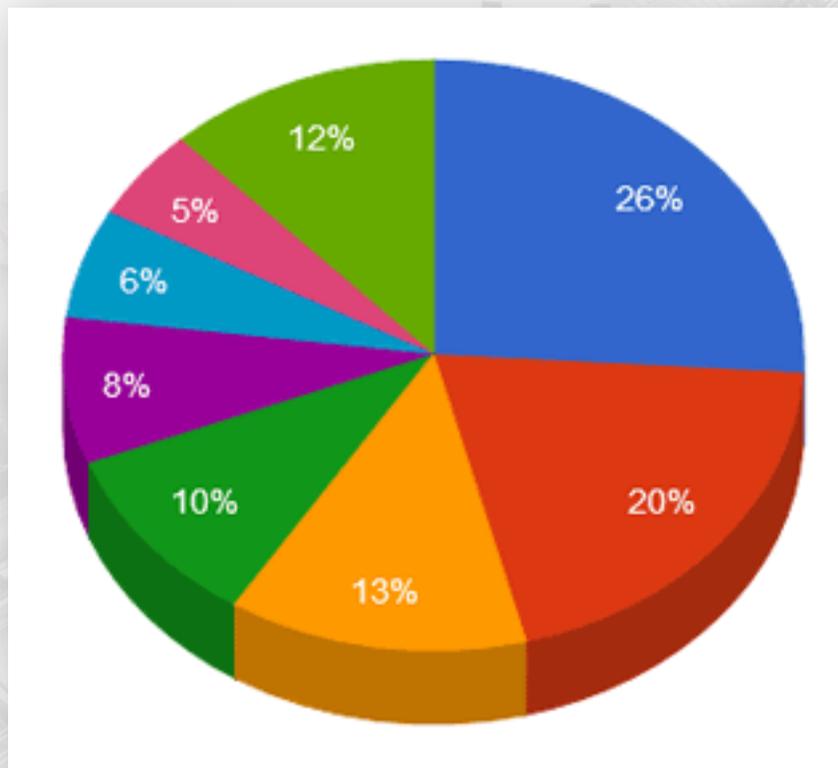
The reality is that you will never lose control of your business when you hire a PEO. In fact, a PEO will help YOU make more informed HR decisions that will make your business stronger.



↑ Average Retention Rate of PEO clients: 89%

Do PEOs Work In My Industry?

Yes. PEOs work with companies in all industries ranging from accounting firms to high-tech companies and small manufacturers. Many different types of professionals benefit from PEO services, including:



- Services
- Construction
- Transportation & Utilities
- Retail
- Manufacturing
- Wholesale
- Agriculture / Forestry / Fishing
- Other (public administration, finance, insurance, real estate, and mining markets)

Checklist: Selecting a PEO

Step 1: Determine Your Needs

Payroll

- Web-based payroll software
- Simplified payroll management
- Payroll tax administration (W-2s, W-3s, SUTA, FUTA, Forms 940 and 941)
- Management of tax records
- Simplified deduction tracking

Employee Benefits

- Fully insured health
- 401k retirement plans
- Profit sharing
- Supplemental insurance plans
- Benefit administration
- Group life
- COBRA
- Disability
- Dental

Human Resources

- Recruiting, pre-screening
- Job descriptions
- Employee handbook
- Employee training
- Insurance administration/procurement
- Employment policies and procedures
- Supervisory handbook

Risk Management

- Workplace safety programs
- Safety manuals
- Safety guidelines
- Workplace inspections
- Drug testing
- Workers' Compensation insurance
- Workers' Compensation claims investigation, representation, management

Step 2: Match the PEO Partner to Your Needs

After you've determined your business needs, ask the following questions to make sure the PEO you select can meet those needs.

- Do you offer the range of services that will meet my needs?
- How are your employee benefits funded?
- Can you tailor your benefits packages to meet the needs of my employees?
- Are you a member of NAPEO (National Association of Professional Employer Organizations)?
- What is your client retention rate?
- How many companies and employees do you currently represent?
- What certifications or accreditations do your employees have?
- Do you have any clients that are similar to my business?



Who We Are

GMS is a Professional Employer Organization (PEO) and a third party administrator (TPA). GMS was founded by Mike Kahoe in 1996 and has helped thousands of companies take control of their HR functions.

What We Do

We are HR professionals. We take on the administrative burdens that companies don't have the time or expertise to effectively manage, including:

- Payroll and Tax
- Human Resources
- Employee Benefits
- Risk Management
- TPA Services (for insurance brokers)

How We Benefit You

We make employee management simpler, safer, and stronger. We save you time and money. You retain full control over your employees, and regain the opportunity to focus on growing your business. Leave the HR details to us.

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