

### 3 Ways a PEO Helps You Grow



It's always exciting to see your business grow before your eyes. Expanding with new services for your clients, adding on new team members, and opening new locations can be great new opportunities for your business. Each of these opportunities come with their own challenges, of course.

As a business owner, you undoubtedly know that you have to wear several hats to keep everything running smoothly. Yet, as your business starts to grow, you will find yourself wearing more hats than you can handle. This is where PEO's can come in to help you with the growing pains.

When you enter this growth phase of your business you face an entirely different set of challenges that you didn't see when just starting like:

- Expanding teams and filling new positions
- Expanding your existing HR processes
- Increased need for technology
- Training employees
- Delegating tasks effectively

Mess up any of these tasks and you're in for a headache. PEO's can help with these growing pains by taking away the burden of HR administrative tasks (and even strategic HR like training and onboarding). This can ensure that you can focus on your priorities while the administrative backbone of your business gets handled by professionals.

That's why we wanted to talk about three big ways that PEO's can help you during a growth phase of your business. During important times like these, you must have someone watching your back and making sure that you're focused on the overall strategy and direction of your business.

### **1) Growth Under a PEO**

According to the National Association of Professional Employer Organizations (NAPEO), partnering with a PEO can help your business grow [7-9% faster](#). This is because partnering with a PEO gives you access to a slew of HR resources that let you take off some of those administrative hats. PEO's offer services like payroll systems, benefits administration, employee training, compliance filing, HR support, and more allowing you to focus your attention on growth activities like sales, marketing, and product development.

When partnering with a competent PEO you can see huge gains in your business's growth by simply not having to worry about some of the more thought-consuming parts of the business. Think of it as getting some extra help from a bigger company to help push your smaller business in the right direction.

### **2) PEO's can Help you Stay in Business**

The NAPEO also says on their website that small businesses are 50% more likely to stay in business when they partner with a PEO. This is because of the PEO's ability to help you focus on the bigger picture issues of your business instead of the more cumbersome administrative aspects of it.

According to the [U.S. Bureau of Labor Statistics](#) (BLS), approximately 20% of new businesses fail during the first two years of being open, 45% during the first five years, and 65% during the first 10 years. Only 25% of new businesses make it to the 15 years or more mark.

[Investopedia lists four of the most common reasons that new businesses fail](#) and two of those reasons are because they 1) lack proper management, and 2) have ineffective business planning. Owners get caught up working "in" the business and don't have the time to work "on" the business. When starting and running a business we know that it's difficult to juggle all the different tasks and that's why partnering with a PEO to relieve you of some of those tasks is a great step to ensuring that your business is one of the 25% that make it to the 15 years or more mark.

### **3) PEO's give you a Pre-Built HR Infrastructure**

Growing your business usually means that you need to scale your operations to match the required growth. This can be time-consuming and expensive especially when it comes to finding the right candidates that can meet your business's needs. PEO's come with pre-built HR infrastructures that help you bridge the gap between where your business is and where you want it to be. PEO's can help you scale up by offering:

- *Better Benefits*— a big advantage of a PEO is its ability to provide cost-effective comprehensive benefits for your employees without the administrative and regulatory headaches that come with it. As a co-employer, the PEO can offer a wider variety of benefits to your employees than if you were to handle it in-house, such as medical, 401(k), vision, dental, life, and disability, etc.
- *Onboarding*— When you hire your new employees you desire to get them all up to speed on the goals and operations of your business. This can be another time-consuming process that a PEO can help you with by formalizing the process through pre-made employee handbooks, training, benefits, customized support, and access to efficient technology.
- *Compliance*— HR law can be confusing and cumbersome to a business, especially if you run an operation that crosses state lines. Keeping up with all the countless new HR and payroll laws, regulations, and rules that apply to your business can be as costly as the fines for violation can be huge. This is where PEO's can give you a big advantage over an in-house team. You'll have access to a legion of trusted advisors whose sole job is to keep up to date on any changes to the law to keep you safe and on track.

Growing your business doesn't have to be the most difficult thing in the world. You can make it a little easier by partnering with the right people that have your back for the most cumbersome parts of the business. Partnering with a PEO can ensure that you don't burn out, you reach your business goals, and your business grows strong for a bright future.

*Are you struggling with managing your human resource needs? Pinnacle offers several transactional and strategic HR services to help your business. Contact us today at (210) 344-2088 to find the right solution for you, so you can focus on what matters—growing your business!*