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Busting the Myths of PEOs: Truth is Sweeter Than Fiction

National PEO Week is the perfect time to dispel the misconceptions about Professional Employer Organizations (PEOs). Paychex HR PEO is here to help you separate the facts from fiction, so you can decide for yourself if a PEO is right for your business.

Myth: Working with a PEO means losing control of your business

A PEO can provide you with *greater control* of your HR functions with access to advanced HR analytics tools, compliance support and guidance, and employee self-service features. While providing the HR expertise to help your company grow, PEO services can also help you reduce the risk of costly fines and penalties associated with non-compliance. Plus, you will have more time to focus on higher-level business priorities while a PEO helps you handle the majority of your HR admin.

Myth: I won't control personnel decisions like hiring and terminations

Paychex HR PEO helps with the burden of HR administration, but you're still responsible for decisions like who to hire, promote, and terminate. PEOs can help you find opportunities to be proactive, rather than reactive, about managing your HR administration and can also allow you to enhance other employee engagement solutions like benefits.

Myth: PEOs won't save me money

A PEO can help you save money by offering more competitive benefits and streamlining your HR administration. In fact, you can save as much as $1,775 per employee per year.[1] And the support you receive through Paychex HR PEO may be able to help your business avoid costly fines or even a lawsuit. You'll also save time so you can focus on your business.

Myth: PEO certifications don't matter

In fact, PEOs accredited by ESAC — the Employer Services Assurance Corporation — meet the gold standard for ethical, operational, and financial reliability. Paychex HR PEO is proud to be ESAC accredited.

Myth: PEOs limit my benefit options

PEOs often offer more competitive benefits and can save you time by vetting benefit packages directly with the carriers. The collective buying power of a PEO may also help you lower costs. Paychex HR PEO has a variety of benefit options, including 401(k) administration with Multiple Employer Plan (MEP), Simplified Employee Pension (SEP), and Pooled Employer Plan (PEP) options. Health and medical benefits include full health insurance, minimum essential coverage, multiple benefit class codes, and part-time coverage. Plus, you can offer ancillary benefits like dental and vision insurance, disability, and EAP programs.

Myth: A PEO will replace my HR team

Using a PEO does not necessarily mean letting go of your existing HR staff, but it can help them become more efficient by freeing them from time-consuming administrative tasks and enabling them to focus more on employee engagement, training, and development. You could also save as much as 27% annually on HR admin costs.[1]

Myth: All PEOs are the same

While many PEOs may offer similar services, individual features may vary. Paychex HR PEO is different for three main reasons::

1. We provide a specialized service and support model, with each client having a payroll specialist, HR business partner, and client advocate.
2. We can customize our solutions to your unique business needs.
3. We provide full transparency in our billing and invoicing.



Fact:
Here's a Special Offer

Celebrate National PEO Week with us and receive 3 months of free PEO services.*

Get Started Today »

*Terms and conditions apply.

[1] The ROI of Using a PEO, NAPEO

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