

ADP TOTALSOURCE®

Your Business. Stronger.



HR. Payroll. Benefits.

Maximizing Your Success

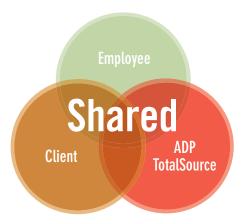
Imagine being able to reduce the costs and complexities surrounding your employment management tasks. The administrative and compliance burdens that hamper growth. The pressures that come with rising benefits costs. The hurdle of an IT infrastructure that can't grow with you.

Taxes. Payroll. Legislation. Workers' compensation insurance. Compliance. Employee benefits. Get them right, and your business will run smoothly. Get them wrong, and you could face penalties, dissatisfied employees, and possibly even litigation.

Partnering with a Professional Employer Organization (PEO) can help stabilize costs, enhance employee productivity and engagement, and improve the ability to maintain compliance. Shared responsibility means you're not facing the threat and impact of changes to regulatory laws and other compliance requirements alone. Being in business has enough risks. Let us help you handle HR management and employee benefits while you focus on building your business.

82% of small and mid-size companies that currently work with PEOs recommend this model to their peers, it's clear that PEOs are becoming a tool of choice to **relieve compliance and competitive pressures**.¹

Leveraging Success Through The PEO Co-Employment Model.



A co-employment relationship is one in which the employment responsibilities are allocated to both the client and the PEO.

The clients, as employers, continue to have direct control over the day-to-day activities of their business, while the PEO becomes an employer for purposes of human resources administration. This model allows ADP TotalSource® clients to gain more focus, control, and performance from their organization.

¹ PEO: Taking Outsourcing a Step Beyond Pays Off for Small and Mid-Sized Companies, Aberdeen Group, August 2011

Advantages of Using ADP TotalSource

ADP TotalSource integrates all major HR management and employee benefits functions into a single-source solution — one that translates into real savings, increased efficiency and greater peace of mind. Key reasons to consider ADP TotalSource include:

- Expert guidance from a trusted HR Business Partner who is dedicated to helping your organization proactively manage your employees, and make the right business decisions about matters, such as benefits
- Shared responsibilities with a leading authority on employment risk
- The ability to scale up or down with a minimal impact on your infrastructure with ADP's flexible technology platform
- The opportunity to optimize your benefits and employee services like a Fortune 500® company through the ADP TotalSource procurement model

56% of ADP TotalSource clients indicate that they chose TotalSource to **stabilize their costs**.²

With ADP TotalSource, you retain the day-to-day control over how you manage your employees and ADP TotalSource handles the HR management and benefits administration, including:

- Managing certain critical HR service responsibilities such as payroll, benefits and workers' compensation
- Assisting your company in guiding you with many common employer risks
- Offering health plans
- Providing IT infrastructure for HR management
- Helping you improve productivity and engagement
- Training your employees in both online and classroom venues

² Source: ADP Research Institute, Relieving the Pressure: The PEO Approach to Navigating Compliance & Gaining a Competitive Advantage. 2011

Leveraging ADP TotalSource HR Management Solutions

The following supports the key advantages in the ADP TotalSource service offering:

- · An HR expert in your corner who knows how employee productivity leads to long-term success
- Scalable technology and infrastructure to help you maximize resources
- Shared responsibility to help reduce exposure to risk both predictable and unforeseen

IMPROVE EMPLOYEE PRODUCTIVITY WITH HR EXPERTISE		
Your Focus	PEO Advantage	
Hiring the Right Talent	► Facilitate efficient and effective recruitment through clear and concise job descriptions and a targeted training plan for hiring managers	
Clear Communication of Policies and Procedures	► An updated customizable employee handbook, posted to My TotalSource®, to help ensure your employees are clear on your company's policies and procedures, as well as policies mandated by federal and state law	
Retaining Top Talent	► Leverage Total Compensation Statements to highlight the investment made in each employee	
	 Drive awareness of employee benefits via email communications to help drive participation and engagement 	
	▶ Provide management training on retention best practices	
	▶ Highlight the saving advantages of the employee perks and discount program	
Employee Training and Development	► Leverage instructor-led and online courses on key management topics including talent management, employment law and much more	

MITIGATE RISK THROUGH SHARED RESPONSIBILITY		
Your Focus	PEO Advantage	
Control Unexpected Costs	▶ Legal Defense Benefit and Employment Practice Liability Insurance helps protect your assets	
Safety & Risk Management	 ▶ ADP TotalSource Risk and Safety Specialist to help you design a safety program and implement a safety committee ▶ Implement multistate compliant Drug-Free Workplace initiative to help ensure safer working conditions ▶ Training includes ergonomics and OSHA recordkeeping 	
Ensuring Compliance with Federal and State Regulations	 Minimize potential for liability by working with ADP TotalSource to create job descriptions that are consistent with FMLA, ADA, Title VII, and other federal and state regulations Provide recommendations and assistance with laws and regulations such as the Fair Labor Standards Act and Health Care Reform Conduct I-9 and FLSA assessments Deliver harassment prevention training to employees 	
Reduce Distractions and Focus on Business Goals	 In addition to an effective anti-harassment policy, anti-harassment training should be provided for all employees and supervisors to help ensure understanding Increase your protection and mitigate Title VII risk and liability 	

SCALABLE TECHNOLOGY AND INFRASTRUCTURE TO HELP YOU MAXIMIZE RESOURCES	
Your Focus	PEO Advantage
Manage Labor Costs	▶ Implement time and labor management solutions to help reduce time theft and improve profitability
	▶ Deliver compensation analyses to determine market labor costs and make adjustments, as necessary
	➤ Review alignment between compensation and organizational goals, including pay for performance, profit sharing, merit, and bonus programs
Track Achievements in Skills and Licenses	▶ Help ensure accurate recordkeeping of employee skills and licenses by leveraging the My TotalSource skills and licensing solution to track employee knowledge, skills, certifications, and licenses
Competitive Advantage	► Augment your benefit and compensation strategy
	► Full-time and part-time Employee Compensation by wage band
	▶ Benchmark your employer benefits contribution and wage distribution versus companies in your industry; and your employee 401(k) contributions versus ADP TotalSource clients
Superior Customer Service	► Enhance organizational focus on customer service through employee and manager training
	▶ Discuss reward and recognition strategies for employees who provide outstanding customer service

Your Business, But Better

ADP TotalSource provides value across virtually all aspects of human resource management and employee benefits – and includes both the technical infrastructure to support growth and one-on-one advice and guidance from experts regarding workplace issues.

Risk **Benefits** Recruitment Payroll & Tax Training & **Employee** Regulatory **Terminations** Management **Programs** & Selection Administration **Relations** Development Compliance & Safety & 401(k)

- **Recruitment & Selection** Successful HR management starts with finding and hiring the right people, using comprehensive talent management solutions.
- Payroll & Tax Administration As the global leader in payroll services, we're uniquely qualified to manage your payroll, tax withholds, and other related services.
- Employee Benefits Programs & 401(k) ADP®'s scale and bargaining power provides you with affordable access to a choice of premium healthcare, retirement, and other employee benefits. We can also help your company remain compliant with the myriad federal and state regulations that govern employer-sponsored plans.
- **Employee Relations** By combining online HR management tools with an assigned human resources business partner at ADP TotalSource, you'll be able to streamline and reduce the burden of day-to-day HR tasks.
- **Training & Development** Through a variety of training options and delivery methods, both you and your employees can gain knowledge and skills to put to use immediately.
- Risk Management & Safety We devote resources to helping you manage risk and achieve safety objectives. The result?

 Better employee morale, fewer worker injuries, reduced downtime, and lower costs.
- **Regulatory Compliance** The average small business would have trouble withstanding the impact of a six- or seven-figure judgment. Even if you win a lawsuit, it might cost you up to \$150,000 to defend yourself. That's why our primary goal is to help minimize your exposure to risk and liability.
- **Terminations** It's never easy to terminate an employee. But if you need to, then it's essential that you go about it in the right way in order to avoid exposure to lawsuits or other issues.

Flexible Technology Solutions

Technology and Innovation

Serving as the technical foundation of ADP TotalSource is our fully scalable infrastructure. From the moment you start working with us your company has access to a flexible technology platform and operational infrastructure for managing all aspects of your business — now and as it grows.

Mobile Solutions

Today's mobile workforce demands mobile solutions. That's why ADP TotalSource delivers mobile pay statements and benefits summaries, helping to keep your employees engaged and aware no matter where they are.

75% of HR Managers say mobile HR solutions improve workforce satisfaction.³

To have a competitive advantage, you must create an edge over your competitors. In today's economy, every advantage counts to establish your business in the top of your industry. Gaining a competitive advantage takes strategic planning and partnering with ADP TotalSource is one way to help you get there.

³ Source: 2011 ADP Research Institute and VDC Whitepaper, Mobile and HR Solutions: Connecting and Empowering Your Workforce, 2011.



To learn more about how ADP TotalSource can help you gain a competitive edge, call 1-800-447-237 or visit www.adptotalsource.com.