



IN THE BUSINESS OF YOUR SUCCESS®

Success Story: S&A Distribution
Luxury Clothing & Accessories Retailer
Workforce: About 120 Employees

ADP TotalSource® Solutions for Business Challenges

Multistate retailer improves employee administration, lowers 401(k) fees through a co-employment relationship.

S&A Distribution's Accounting Supervisor, Bridgette Nally, needed the right tools to help keep her company's employer-related administration up to date and on the right track. With part-time and hourly workers at 12 retail locations in Florida, New York, and New Jersey – and more store openings to come, S&A needed a partner with geographical reach and extensive human capital management expertise. S&A chose ADP TotalSource® – the largest Professional Employer Organization in the United States.

Business Challenges

- Lack of Expertise (Compliance, Safety, HCM)
- Finding and Keeping the Right People
- Keeping Up With Non-Stop Regulations/Reform Changes
- Increasing Labor Costs and Expenses

Payroll & HR Administration

"We have a lean payroll department and operate in a complex environment," explains Nally. "Our retail employees clock in and out on their store registers. Assistant managers and cashiers log in through separate sites. ADP TotalSource pulls all this information together from our in-house programs and flows it nicely into payroll. If we had to manage

this manually, we'd have to hire a full-time junior person. That would add about \$30K to our administrative costs."

Talent Acquisition

"Like any retail company, we experience considerable turnover at our retail locations. That means we have to make hiring decisions pretty regularly," adds Nally. "Our company policy calls for a background check for anyone who handles cash. We go through TotalSource for screening services, and feel we receive the best possible information to make good hires. We are also confident that the screening process itself complies with the law."

Risk Mitigation & Compliance

"The HR Business Partner assigned to us by TotalSource helps protect us from potential liabilities," Nally says. "For instance, we don't have to stop and research on our own to ensure we are taking the correct steps to terminate an employee. The human resource guidance from ADP is accurate and takes into account the laws in each state where we do business. That means, if an employee we terminate is in Massachusetts, ADP automatically reminds us we have to provide a final pay out on termination day. When our internal HR person left, we didn't have to replace her. We have ADP TotalSource."

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401(k) Retirement Savings Plan

Its co-employer relationship with TotalSource® enables S&A to offer significant employee benefits, such as a 401(k) Retirement Savings Plan. "We actually had a 401(k) Plan benefit for years, but when we rolled it over to ADP TotalSource, we saw the business benefits to our company increase," Nally observes. "Our monthly 401(k) administrative payments went from a monthly fee to no payments at all. TotalSource even fills out the Form 5500 for us that provides the government with reporting and disclosure information."

The ADP TotalSource Solution

As a client of ADP's Professional Employer Organization (PEO), S&A outsources its employee administration to ADP TotalSource under a co-employment arrangement. Through a dedicated Human Resource Business Partner (HRBP) – a trusted advisor from ADP – S&A has access to the high level of HR expertise it takes to help manage its human capital, comply with employer-related rules and regulations, and mitigate employer risk.