

Opportunity is calling. Answer it.

Insights and solutions for moving
beyond risky ad hoc HR management



Always Designing
for People™

Is ad hoc HR management holding back your company?

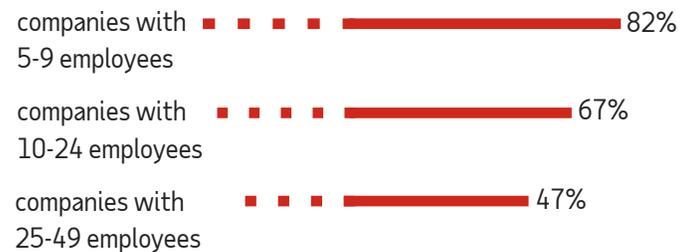
We know how important it is for you to grow your business. It's your passion. While you may not have the resources of a larger company, that doesn't mean you need to take on the full weight of running a successful organization on your own. Even so, many small businesses often rely on owners and other employees to help with tasks outside of their expertise. This often happens with human resources, where anyone from CEOs and owners to office managers can find themselves filling the role of an HR manager on the fly.



We call them ad hoc HR managers (aHRMs)

In fact, 70 percent of smaller companies use aHRMs: People who, by circumstance, handle HR tasks — such as payroll, time tracking, hiring, benefits, performance reviews, and more — in addition to the duties of their “day jobs.”

1.5 million businesses in the U.S. use aHRMs



And it comes at a risk: If your business is leveraging aHRMs for your HR needs, you're dealing with a fairly costly business issue. According to our research, companies aren't planning to move away from this practice anytime soon.

The good news: A strategic and dedicated partner is closer than you think.

aHRMs are everyone's go-to

aHRMs are the typical do-it-all employees or business owners who go above and (way) beyond their assigned job description to get things done. Unsurprisingly, many are top leaders who may be distracted from growing the business because they are also juggling a number of business-critical HR tasks, including:



Time and Attendance



Health Benefits



Employee Training



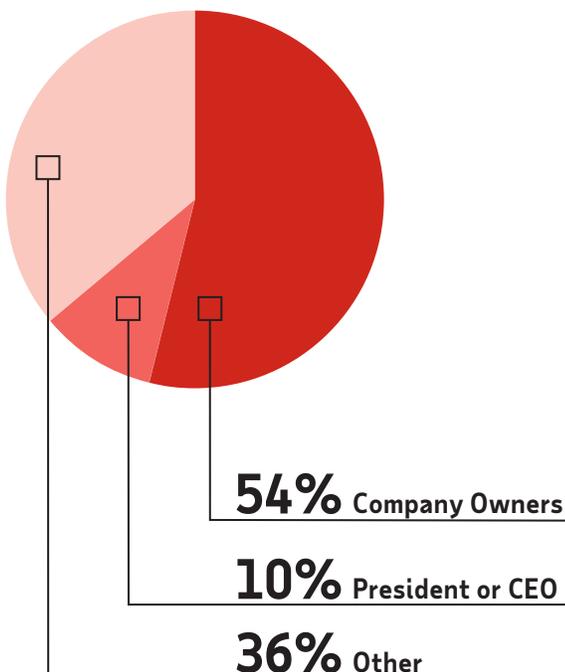
Payroll and Taxes



Retirement Plans

aHRMs are also top leaders

They are doing it all with little training and tools



of aHRMs have no certified HR training



of aHRMs feel they have the tools and resources they need to succeed

Navigating HR challenges

The weight of growing a business and managing every aspect of it in-house can be overwhelming. When aHRMs do receive help, it's primarily from a certified public accountant (CPA) or attorney. The stressors that come with not having the appropriate tools and resources can add up and eventually decrease company morale and job satisfaction.



81%

of aHRMs lack confidence in handling HR tasks without mistakes



Only

1 in 10

aHRMs enjoy HR tasks



Given the choice, only

35%

would keep their HR responsibilities, given the choice



22%

say their HR responsibilities have actually reduced overall

Managing sensitive issues

Without the proper training, tools, and resources to perform HR-related tasks, businesses with aHRMs can inadvertently suffer serious consequences. The top areas where aHRMs feel their companies are at risk:



Staying on top of legalities



of aHRMs are concerned they can't keep up with changing HR regulations

This legal risk may prevent businesses from succeeding at critical HR responsibilities. For example, ones that help save money or improve employee retention and culture.

The cost of aHRM

Rather than taking on the burden of costly HR tasks, you could be investing in improved efficiencies and peace of mind.

HR tasks take up about

20%

of an aHRM's workweek



That equates to nearly

**700
hours**

each year per small business



Over

\$18,000+

a year per small business*
— that's \$27 billion
nationwide



And roughly

482,000

full-time equivalent (FTE)
employees across the U.S.

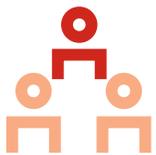


*ADPRI Data: Average wage for small business employee \$27.41/hour.

Grow with expert guidance and strategic support

Of the companies that rely on aHRMs, only 2 percent plan to hire a dedicated HR person. In short, aHRMs aren't going anywhere and will continue to be leveraged at the cost of companies' goals. But you aren't alone in navigating this; there are ways to ensure your company and people stay productive and protected.

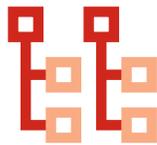
The right outsourced HR solution — one that connects you with a dedicated team that knows your business personally and has proven processes and technology in place — can help. Current aHRMs say their number one wish is access to HR experts. Today, that's a feasible option for businesses of all sizes. Your company can enjoy the freedom of not being burdened by HR tasks and benefit from having a helping hand in these areas:



Human Resources



Employee Benefits



Talent Management



Payroll



Regulatory Compliance

Outsourced HR solutions can help manage your risk, keep you compliant, and give you peace of mind. And in doing so, you'll be placing your company in a strong position to grow and prosper.



Embrace HR for a new day



Imagine the possibility of doing more with your day and growing your small business without added burdens. We're here to help you do all that and more. It's time to rethink your approach to HR management.

Visit adptotalsource.com
or call **800-HIRE-ADP** for details.

Study methodology

The ADP Ad Hoc Human Resource Management Study was a blind online study among 1,054 businesses with 5-49 employees (December 2016).

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