



## A Guide to Navigating Employer Compliance Regulations

Compliance regulations are the source of stress and headaches for many business owners. Keeping up with regulatory changes is more than a full-time job and errors are costly. Partnering with a PEO that can manage compliance regulations can save small and medium-sized business owners tons of time and energy, while keeping costs under control by avoiding non-compliance fines. The cost of compliance is already 67% higher for small businesses than large businesses, so controlling costs is a major perk. So, what's your plan?

### Keeping up with regulations is a constant challenge

**45%**

of small business owners claim to be familiar with regulations that don't actually exist.<sup>1</sup>



A PEO monitors and interprets compliance changes on behalf of its clients.

### Small businesses already pay more

Tax compliance costs are

**67%**

higher for small businesses compared with costs for large businesses.<sup>2</sup>



Your organization cannot afford to fall short on compliance.



A PEO helps control compliance costs both now and in the future.

small businesses

large businesses

**+67%**

### Protect your business from rising costs

Total compliance spending per 1,000 employees grew more than

**42%**

from 2017-2019.<sup>3</sup>



A PEO helps organizations pay less in HR administration costs per employee.



**\$114k**

2017

**\$162k**

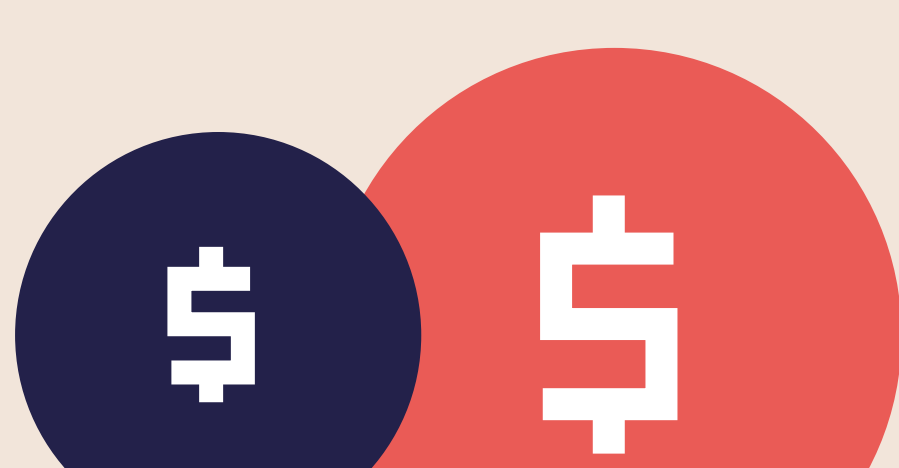
2019

Given the significant increase in new regulations in 2020 and 2021, these costs will continue to rise.

### Confidence is key

Many small businesses don't have a robust HR department, let alone a compliance expert on staff. This leaves a business vulnerable, increasing the risk of non-compliance and endangering the organization's financial health.

Non-compliance costs more than twice the cost of maintaining compliance.<sup>4</sup>



A PEO shares compliance liability with the client company. As a co-employer, the PEO has a vested interest in the client company being compliant.



### ADP TotalSource® is a trusted partner

With a PEO like ADP TotalSource® helping to manage compliance regulations, your team will save money and countless hours that can be reinvested in growing the business, supporting employees, innovating and moving your business forward. Why waste time stressing about compliance regulations when you can have expert partners working for you throughout the year?

Learn more at [adptotalsource.com](https://adptotalsource.com).

Up next: What's your plan for embracing a hybrid workplace?

Sources:

1. <https://www.surepayroll.com/resources/payroll-taxes-and-regulations-report>

2. <https://www.score.org/resource/infographic-tax-reform-impact-small-businesses>

3. <https://www.gartner.com/en/newsroom/press-releases/2021-03-18-gartner-says-compliance-spending-plateaued-in-2020>

4. <https://fmgglobal.com/blog/the-cost-of-non-compliance/>

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