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ADP TotalSource Exceeds Half Million Worksite Employee Mark, Showing Continued Momentum in its Professional Employer Organization

ROSELAND, NJ -- (Marketwired) -- 01/31/18 -- [ADP TotalSource®](#), the largest certified* Professional Employer Organization (PEO) in the United States, today announced that it now co-employs more than half a million worksite employees. The company also today announced that ADP PEO Services revenues increased 15% compared to last year's second quarter.

ADP TotalSource has continued to grow organically over the past 19 years. In fact, if ADP TotalSource were an independent employer, its more than 500,000 worksite employees would rank it [second among private sector employers](#) in the United States.

Clients who partner with ADP TotalSource get access to strategic, day-to-day HR support that enables their business to focus on their priorities while providing their employees with access to a larger suite of HCM offerings, including access to the same quality and selection of benefits offered at Fortune 500® companies, a top-flight 401(k) retirement savings plan, and career development training.

"We're seeing a growing trend for small and midsized businesses to outsource their HR and employee benefits administration responsibilities," said Brian Michaud, senior vice president of ADP TotalSource and ADP Resource®. "We've found that this is, in part, due to the practice of many businesses assigning HR tasks to someone who's not trained in this profession. And that approach for business imperatives like compliance, hiring, compensation, retention and leadership development programs can have a startling downside and tangible hidden cost."

Being a trusted partner and delivering high-quality services are the reasons [Contegix®](#) adopted the ADP TotalSource PEO model.

Arlyn Small, senior vice president of Human Resources for Contegix, says that the company's relationship with ADP TotalSource goes beyond the typical client -- service provider interactions.

"Our relationship with ADP is a true partnership," said Small. "Whenever issues arise, they are here to collaborate in real time and rally around us with a sense of urgency."

And while Small says the caliber of benefits Contegix gets from ADP TotalSource is important, it's the attention to personal worksite employee concerns that makes Contegix a fan.

"Our benefit plans under ADP are very good, but it's the extra resources they make available that set them apart from other service providers," Small said. "If I learn of a situation that's not exactly covered under our plan, there are more resources we can access through ADP TotalSource to help find a solution. I've had numerous unique situations with employees and ADP was able to help them find a solution. Service like that is absolutely phenomenal and brings value to the table."

Unfortunately, that experience is not always the case. Often, out of necessity, small and midsized business owners, or a senior business manager, become what ADP® calls the "ad-hoc HR manager." Using ad hoc HR managers may inadvertently expose business owners to additional expenses and risk when they manage crucial business functions themselves.

According to an [ADP study](#), only one in five of these ad hoc HR managers say they are confident in their ability to complete HR duties without making a mistake and 90 percent of them say they would give up the responsibilities if they could.

Additionally, according to the study, ad hoc HR managers spend 20 percent of their time weekly managing HR duties. That nets out to more than \$18,000 a year to have untrained staff manage their HR tasks, which equates to an annual total cost of \$27 billion across the small business market.

The value of the PEO approach is supported by other independent research.

[A study](#) by the National Association of Professional Employer Organizations[®] (NAPEO) shows that small businesses that use a PEO to manage HR for their employees see double the annual revenue growth compared to a company that doesn't. According to the NAPEO[®] research, small and mid-sized businesses that used a PEO were significantly less concerned about their ability to handle a number of business challenges, such as hiring employees, increasing revenues and raising capital.

ADP TotalSource is a Certified Professional Employer Organization (CPEO), which gives business owners confidence that it has met specific standards set by the U.S. government. To qualify for IRS certification, the business had to adhere to very specific bonding and independent financial-review requirements, and is required to participate in ongoing reporting and record-keeping to maintain its status as a CPEO.

For more information about ADP TotalSource, please call 1-800-HIRE-ADP (1-800-447-3237) or visit www.adptotalsource.com.

About ADP (NASDAQ: ADP)

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