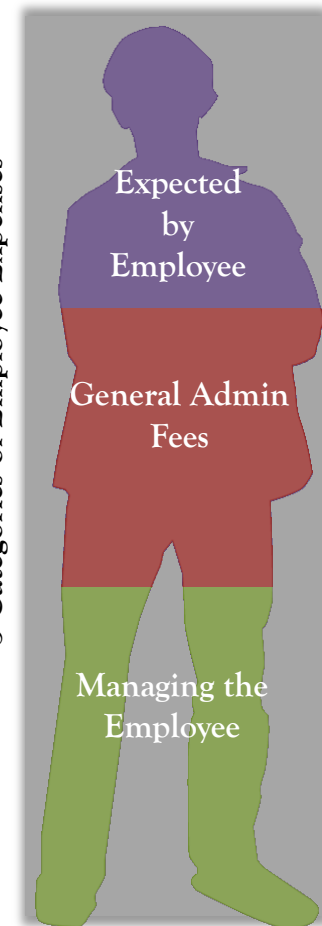


# 3 Categories of Employee Expenses – How Outsourcing Can Help

Let's take a look at the typical expenses related to a single employee and whether or not outsourcing provides an opportunity to not only reduce the expense but also help in other areas. After reviewing the expenses of a single employee, think about how these expenses can grow as more employees are added and the overall management of these employees becomes more complex.

3 Categories of Employee Expenses



## Description & Expense Formula

- ✓ Salary
- ✓ Benefits (health/vision/dental)
- ✓ 401k
- ✓ Paid Time Off (PTO)



Expense = Salary + Benefits

- ✓ Payroll Tax (FICA, FUTA, SUTA)
- ✓ Workers Compensation
- ✓ HR Tools (ex. HRIS, Recruiting Ads, ATS, Employee Handbook, ect.)
- ✓ Insurance

%

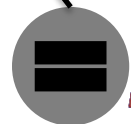
Expense = % of Salary + Benefits

Usually measured in time spent with Employee on items such as career planning, counseling, approving PTO, training, etc. as well opportunity cost of managing the employee



Expense = Time spent with Employees + YOUR Time + Opportunity Cost

## Total Expense Calculation



## How Outsourcing Can Help

Outsourcing can assist with lowering overall benefit costs, help mitigate the risk of an audit and provide access to 3<sup>rd</sup> party technology tools that might not otherwise be available



Outsourcing provides your Team with access to HR experts who understand the ins and outs related to employee administration and have the tools necessary to ensure timeliness and accuracy.



EXPERIENCE

Employee management is a full-time job. Outsourcing helps take some of the burden away so that you can focus on strategies related to growing your business and saving money on administrative expenses.



Whether or not you decide to outsource your employee management needs, there are always going to be costs and time considerations involved when you have employees working for you. The question is how deep do you want to go with managing the employees or would you prefer to bring in a 3<sup>rd</sup> party expert to assist while you focus on your core business?

Want to Know More?

Employees Only provides Professional Employee Outsourcing (PEO), Employee Leasing and Human Resources Outsourcing (HRO) solutions. We work with business owners, HR Managers and company Presidents who are **frustrated** with administrative tasks that do not create revenue, are **tired** of managing benefits and employee issues and are **interested** in making improvement in their organization that are result in increased profit. More information can be found at [www.EmployeesOnly.net](http://www.EmployeesOnly.net)

