

# PEO INSIDER®

PUBLISHED BY THE NATIONAL ASSOCIATION OF  
PROFESSIONAL EMPLOYER ORGANIZATIONS®

THIS MONTH'S FOCUS

## THE PEO GROWTH PLAYBOOK



# NAPEO25

## THE PEO INDUSTRY EVENT OF THE YEAR

OCTOBER 6-8 ★ AUSTIN, TX



# 2025 Annual Conference and Marketplace

## Stop By Booth 415-419

- ✓ 401(k) Questions Answered
- ✓ Free Swag and Treats
- ✓ Fun People
- ✓ We're Near the Food!



Can't come? Visit us at:

**Slavic401k.com**



► NAPE025

34

NAPE025: THE PEO INDUSTRY  
EVENT OF THE YEAR

# Conte

## THIS MONTH'S FOCUS: THE PEO GROWTH PLAYBOOK

12

### MARKET EDUCATION

The Education Gap: Working With PEO Channel Partners And Trusted Advisors  
*Mark Steiger*

If channel partners learned more about PEOs, it stands to reason they would schedule their clients for PEO proposals more often.

Establishing Trust With PEO Buyers Through Thought Leadership  
*Samantha Reynolds*

One of the most powerful ways to scale trust with marketing is by leveraging thought leadership, content, and blogs.

18

### THE BALANCING ACT: INBOUND VS. OUTBOUND STRATEGIES

Working In Concert: Balancing Inbound And Outbound Marketing Strategies  
*Ashley Pratt*

The core differences between inbound and outbound approaches are often referred to as attraction versus interruption.

A Smarter Strategy For PEO Growth: Balancing Inbound & Outbound Marketing  
*Jay Zamft*

Balancing inbound and outbound strategies isn't just ideal, it's essential.

26

### THE SALES PIPELINE

10 Ideas To Power Up Your Sales Pipeline  
*Dean Moothart*

Here are 10 practical, proven strategies PEOs can use right now to power up their sales pipeline and accelerate growth.

Marketing Metrics That Matter: KPIs Every PEO Sales Team Should Track  
*Erica Brune*

When everyone knows what success looks like, it's a lot easier to get there together.

SEPTEMBER 2025



# nts

## TRACKS

- |  |   |
|--|---|
| <b>07</b> Letter from the NAPEO Chair      | <b>54</b> HR, Employment, & Benefits      |
| <b>08</b> Quick Hits                       | <b>61</b> Operations & Technology         |
| <b>34</b> PEO Voices                       | <b>66</b> PEO Growth                      |
| <b>41</b> Legal, Legislative, & Regulatory | <b>74</b> Letter from the NAPEO President |

## NAPEO THANKS ITS 2025 MEDALLION PARTNERS

### INDUSTRY CHAMPION



### DIAMOND

isolvd  
PEO Velocity by Compass/PRM  
PRO Software, LLC

### PLATINUM

Ameritas Retirement Plans  
Aon  
Fisher Phillips  
Poster Guard Plus™  
ThinkWare Corporation

### GOLD

Equitable  
Gallagher  
Guardian Life Insurance  
Company  
Libertate Insurance LLC  
MetLife  
Payroll Funding Company, LLC  
SUNZ Insurance Company  
Transamerica  
US Enrollment Services -  
Daybright Broker Solutions

### SILVER

AmWINS Specialty Casualty  
Solutions, LLC  
BLR  
Key Risk (a Berkley Company)

McHenry Consulting  
PayPlus Software, Inc.

### BRONZE

Aetna  
Cloud9HR  
Connecteam  
Innovation Growth Partners  
Specialty, LLC.  
Nayya  
NestEggs 401(k)  
PosterElite  
Sentara Health Plans  
SouthState Bank NA  
SyncStream Solutions, LLC  
Tabulera, Inc.  
UnitedHealthcare

# PEO INSIDER®

## OFFICERS

### CHAIR

David Feinberg

### VICE CHAIR

Bill Maness

## IMMEDIATE PAST CHAIR AND SECRETARY/ TREASURER

Steve Politis

## DIRECTORS

Joes Beers  
Erica Brune  
Alex Campos  
Monica Denler  
Eric Foster  
Dale Hageman  
Angela Hoch  
Corey Hookstra  
Hank Johnson  
Wendy Katz

Melissa Kelly  
Britt Landrum, III  
Julie Long  
Andrea McHenry  
Chad Parodi  
John Polson  
Amie Remington  
Steve Scott  
Thad Steele

## STAFF

### PUBLISHER

NAPEO

### CEO/PRESIDENT

Casey M. Clark

### EDITOR

Chris Chaney

### MANAGING EDITOR

Kerry Marshall

## VICE PRESIDENT OF MEMBERSHIP DEVELOPMENT

Nancy Benoudiz  
703/739-8169  
[nbenoudiz@napeo.org](mailto:nbenoudiz@napeo.org)

### DESIGN

Yes&

*PEO Insider*® (USPS 024-492)(ISSN 1520-894X) is published monthly except June/July and December/January, which are combined, by the National Association of Professional Employer Organizations, 707 North Saint Asaph Street, Alexandria, VA 22314-1911. \$150 of each member's dues goes towards his/her annual subscription to *PEO Insider*®. The annual subscription rate for non-members is \$150. Periodicals Postage paid at Alexandria, Virginia, and additional mailing offices. POSTMASTER: Send address changes to *PEO Insider*®, 707 North Saint Asaph Street, Alexandria, VA 22314-1911.

Opinions expressed in this publication are those of the individuals who have contributed articles and are not necessarily those of NAPEO, its officers, directors, or employees. No part of this publication may be reproduced or distributed without the written permission of NAPEO.

### Subscribe Online

Renew or subscribe to *PEO Insider*® online! Save time and postage. Join NAPEO or renew your membership at [www.napeo.org](http://www.napeo.org).

© 2025 NAPEO. All Rights Reserved.

The Voice of the PEO Industry™



National Association  
of Professional Employer Organizations



SPECIALTY CASUALTY  
SOLUTIONS

is the easy choice.

## AMWINS™ PEO COMPLUS

### WORK COMP MADE EASY

- › A Rated Carriers
- › Guaranteed Cost Structure
- › Competitive Pricing
- › Target PEO Retail Agents
- › 24/7 **AMWINS PORTALPLUS**
- › Client Profitability Analysis
- › Deductible Options
- › API Capabilities



NEW

## AMWINS™ MEMBER BENEFIT PROGRAM

### HEALTHCARE MADE EASY

- › **National Coverage**  
Available in all 50 States + DC and PR
- › **Guaranteed Issuance**  
No health questions or underwriting
- › **No Minimum**  
No participation or contribution requirements
- › **Nine Medical Plan Options**  
Flexible coverage and deductibles
- › **Rx Coverage**  
Included in all plans
- › **ACA Compliant**



Whether it's work comp protection or healthcare for employees and their families,

**AMWINS** **MAKES IT EASY** for your clients.

Amwins Specialty Casualty Solutions' commitment to the PEO industry has continued to grow. In addition to our Work Comp services, we now offer exclusive national Medical and Healthcare coverage for PEOs and their clients. Stop by Booth 622 at the NAPEO Marketplace to learn more, or call us at 312-601- 9417.

# PASSING THE TORCH

BY DAVID FEINBERG

**T**he past year has shown just how much progress can be made when our members, staff, and partners are aligned on what matters most: advocating for smart policy, delivering value to our customers, and keeping the PEO model moving forward.

We've had some real wins worth pausing to celebrate. First and foremost, we've launched our brand new NAPEO website, which now offers a cleaner user experience and a clearer window into the work we're doing to support and represent this industry. It's more than a facelift. It's a functional shift in how we show up for members, policymakers, and prospective customers. If you haven't explored it yet, I encourage you to do so.

We're also seeing tangible legislative success in Oregon, where two important industry bills were signed into law. This is proof that our continued, steady presence in statehouses is making a difference. These bills modernize an outdated PEO

statute and codify our ability to offer either client-level or PEO-level unemployment insurance, helping ensure that PEOs can continue to thrive in Oregon. At the federal level, we also introduced HR 3223—bipartisan legislation that will protect PEOs from being held liable for payroll tax credits that are inappropriately claimed by our customers. This is a long game, and this bill represents an important next chapter.

NAPEO has been busy internally, too. We're onboarding a wave of new staff who are already making an impact. We've amended our bylaws to better reflect how we operate today—ensuring our internal structures keep pace with the size, scope, and ambition of our membership. And I know by the time this column goes to print, many of you will be gearing up for the Annual Conference & Marketplace in Austin—sure to be our largest ever.

And finally, our PAC is on track for a record-breaking year. That's a credit to all of you who see the value in showing up,



*To have a front-row seat to this industry's resilience, creativity, and collective will has been a privilege and an honor.*

every election cycle, to make sure the voice of the PEO industry is heard loud and clear. Your continued engagement is key to our success—thank you.

This will also be my final column as Chair of the NAPEO Board. To have a front-row seat to this industry's resilience, creativity, and collective will has been a privilege and an honor. I'm especially grateful to the NAPEO staff, my fellow Board members, and all of you—our members—for your trust and partnership over the past year. You're in good hands with Bill Maness, who I know will bring energy, perspective, and deep commitment to the work ahead.

There's more work ahead, but the future of our industry is looking brighter than ever. Thank you all for being a part of it. ■



**DAVID FEINBERG**

2024-2025 NAPEO Chair  
SVP of Risk & Insurance  
Justworks



LEADERSHIP

## QUESTCO ANNOUNCES CHAD BARNARD AS VICE PRESIDENT OF MERGERS & ACQUISITIONS

NAPEO member Questco recently announced that Chad Barnard has been appointed as Vice President of Mergers & Acquisitions, drawing on his 20 years of experience to lead strategic acquisition initiatives in support of the company's long-term growth goals. "Chad brings to Questco an impressive twenty-year track record of sourcing and executing transactions across a broad range of industries, for both large-cap and middle-market companies. We are thrilled to have him join us and look forward to Chad expanding our footprint and capabilities so Questco can support the growth of more small businesses, said Jason Randall, CEO of Questco.

KUDOS

## FRANKCRUM NAMED ONE OF FLORIDA'S TOP 25 LARGEST PRIVATE COMPANIES

NAPEO member FrankCrum has been ranked 25th on Florida Trend magazine's list of the 225 Biggest Private Companies in Florida, recognizing the PEO's success in the state. "We didn't set out to be one of the biggest companies in Florida, but we've always aimed to be one of the best," said CEO Frank Crum, Jr.

IN MEMORIAM

# KENT R. AHLSSWEDE: 1940-2025

Former NAPEO Board President Kent Rowe Ahlswede passed away on July 6, 2025, at 85. Ahlswede was also a founding member of NAPEO. He founded his PEO, Staff Resources, in 1974 (the company would eventually rebrand to Allevity). Ten years later, Ahlswede was a driving force in convening a meeting in Scottsdale, Arizona with 13 other PEOs. This meeting resulted in the group forming the National Staff Leasing Association (which would rebrand to NAPEO a decade later). Ahlswede was elected by his peers to serve as NSLA vice president and led the association as president from 1985-1988. Ahlswede's leadership helped forge the PEO industry as we know it today. This legacy still continues as the PEO he founded, Allevity, is NAPEO's longest tenured member. Ahlswede's son, Craig, leads the company today.

Apart from business, Ahlswede was an active member in the community, and he left a lasting impact on those who knew him. He remained committed to community service and leadership across many organizations throughout his life. A proud member of both the Elks and Lions Clubs, he also served on the board of the North Valley Health Education Foundation, supported Butte County Search and Rescue, and served as President and long-time member of the of the Butte County Fair Board.

Ahlswede will certainly be remembered for his generosity, good humor and kindness to all. His dedication and leadership within our industry leaves an immeasurable impact that we're all grateful for. He will be missed dearly.

SAVE THE DATE

## MAKE PLANS TO JOIN US AT THESE UPCOMING NAPEO EVENTS

Visit [www.napeo.org/events](http://www.napeo.org/events) to learn more and register! Mark your calendars:

- Members doing business in NJ, NY or New England should make plans to join us in Manhattan on September 11, 2025, for our NJ/NY/New England LCF.
- Our next First Friday, PEO Open Enrollment Essentials, is sponsored by Guardian Life Insurance Company and takes place September 12 at 12pm ET.
- Don't miss our Marvelous Monday, Simplifying Labor Law Poster Compliance for PEOs, presented by PosterElite, on September 15 at 12pm ET.
- NAPEO's Annual Conference & Marketplace, October 6-8, will be the industry hub this fall, THE place to be!



KUDOS

## THRIVE PEO NAMED ONE OF AMERICA'S FASTEST-GROWING COMPANIES BY INC. MAGAZINE

NAPEO member Thrive PEO made its debut on *Inc. Magazine's* list of the fastest-growing private companies in America, driven by a three-year revenue growth rate of 488%. "From day one, we set out to do more than provide HR solutions—we set out to change how people feel about HR entirely. To see that vision recognized on a national stage is humbling, but more importantly, it reinforces that trust, care, and relentless execution can create extraordinary outcomes," said CEO Jon Scoggins in a release announcing the recognition.



PARTNERSHIP

## ESI ANNOUNCES PARTNERSHIP WITH MENTAL HEALTH APP YUNA

NAPEO member ESI recently announced a partnership with Yuna, an AI-powered mental health coaching platform. Yuna provides employees with instant, private access to AI mental health coaches, helping them manage workplace stress and burnout without the barriers of traditional therapy.



G-P



## Partner with the leading global employment platform

As a PEO leader, you play a critical role in your clients' success. With the right partner, you can help your clients expand their operations in 180+ countries. G-P™ is the leading global employment platform. We help companies everywhere build, onboard, and manage global teams, quickly and compliantly.

Visit us at booth #604/606 at NAPEO's 2025 Marketplace.

Reach out to Ezra Schneier to learn how G-P simplifies global employment for you and your clients.

Ezra Schneier  
eschneier@g-p.com



## CONGRATULATIONS

### VENSURE EMPLOYER SOLUTIONS NAMED TO SELLING POWER MAGAZINE'S 60 BEST COMPANIES TO SELL FOR 2025 LISTS

NAPEO member Vensure Employer Solutions has been included in Selling Power magazine's list of the 60 Best Companies to Sell For in 2025, recognized for its training, earning potential and supportive culture for sales professionals. "This achievement is a direct reflection of our world-class sales team, including their exceptional talent, relentless drive, and the extensive training we invest in to sharpen their skills," said Phil Urso, Chief Sales Officer for VensureHR.

## DATA

### 66% OF WORKERS SAY AI IN LEADERSHIP WOULD MAKE WORKPLACES MORE FAIR



A new report by Resume Now uncovered growing support for AI in leadership, with 66% of workers surveyed saying AI-led management would make the workplace fairer and more efficient. Many believe AI could improve decision-making around promotions, performance reviews, and budgeting by removing bias and inconsistency. But the findings also show clear limits. While employees trust AI with logic-based tasks, most say emotional support, motivation, and conflict resolution still require a human touch.

The survey of more than 900 U.S. workers also found:

- 73% support AI having a say in hiring, layoffs, and budgeting
- 55% believe AI could make better promotion decisions than humans
- 34% would prefer to report to an AI boss
- 62% still prefer a human manager
- 85% say more AI transparency would increase trust in leadership
- 39% worry about surveillance or data misuse by AI systems ■



Contact T. Eric Foster, CEBS  
Managing Principal  
moreinfo@peovelocity.com  
860-573-8708

**peovelocity.com**

**PEO Velocity is a risk-management platform that will help your master-health plan thrive.**

**We go beyond underwriting by bundling:**

- project management
- competitive benchmarking
- risk assessment
- new-business pricing
- performance dashboards
- high-tech tools
- actuarial support
- interactive team

**All in one unique PEO experience that's actionable, collaborative, transparent, and specialized.**

**Accelerate your growth today through Velocity's deliberate, creative solutions.**

# Don't Just Be a PEO. Be Unstoppable!

PEOs on Worklio embed new products  
and unlock millions of dollars in new ARR  
—without adding headcount

Worklio is the only modern  
full-stack back-office platform  
purpose-built for PEOs.

Embed AI-powered Bookkeeping,  
Payroll, HRIS, Benefits, Insurance,  
Recruiting, EWA, and more, under  
your brand. We even invest in  
your success with upfront capital  
and end-to-end migration.

A 5,000-WSE PEO  
can unlock up to

**+\$2.8M**  
in new ARR

by lowering churn, expanding  
wallet share, and earning new  
revenue through Worklio's  
back-office platform.

**More revenue per client. Lower churn.** Real growth.  
This isn't payroll software. **It's your growth engine.**

**Unlock New ARR. Let's Talk.**

- ➔ Book a call now at [worklio.com/PEO](https://worklio.com/PEO)
- ➔ Visit us at **Booth #701** at NAPEO Annual



# MARKET EDUCATION

## THE EDUCATION GAP: WORKING WITH PEO CHANNEL PARTNERS AND TRUSTED ADVISORS

BY MARK STEIGER

P


EOs offer many benefits for small and mid-sized businesses, yet only about 17% of these companies use PEO services. The remaining 83% represent a significant untapped market primed for development. Though the industry has charted consistent growth over the last ten years, plenty of opportunity remains. One barrier to accelerated PEO growth is an education gap.

Channel partners and advisors such as insurance brokers, CPAs and legal advisors may lack in-depth PEO knowledge, limiting their ability to advise clients on these solutions. If channel partners learned more about PEOs, it stands to reason they would schedule their clients for PEO proposals more often. Heightened awareness and education could be the keys to penetrating the market.

Yet, without established accreditations that apply to PEO consulting, channel partners who appreciate the benefits of increasing their understanding have no centralized place to acquire the knowledge they need.

### BENEFITS OF CHANNEL PARTNER EDUCATION

PEO-savvy channel partners and trusted advisors can improve conditions for many entities in the PEO ecosystem. One obvious outcome of actions taken by informed individuals is better client matching. Assessing client needs from a PEO perspective allows channel partners to recommend the most suitable PEOs for them. The leads



**A close-to-the-vest approach may not be the best strategy, as it limits a PEO's ability to fully tap into the relationships between trusted advisors and their clients.**

generated by such partners will be better qualified when they are turned over to PEOs. By streamlining the selection process and proposing only relevant solutions, PEOs will close a higher percentage of deals and onboard satisfied clients likely to remain loyal for some time.

In complex situations, well-informed partners are a valuable asset for the client. With in-depth PEO training, the advisor can inspire confidence they have the skills and knowledge necessary to handle complicated tax or compliance scenarios, for example.

PEO education can also stem the spread of misconceptions inadvertently communicated to clients by channel partners who have scarce experience with PEOs. An educated partner can set realistic expectations for clients, reducing the chances of delays, friction, or cancellation during implementation.

An elevated knowledge level will be beneficial to the channel partners as well. They can offer their clients valuable insights and advice, which strengthens their status as valuable business partners.

Chantal Rainieri, the Northeast PEO Practice Leader and EVP for EH&B Consulting at Marsh McLennan Agency, would welcome a closer working relationship between PEOs and channel partners. "PEOs could enhance their proposal formats to improve clarity and transparency," she says. "We often encounter situations where we're unaware of

additional costs for services that we initially assumed were included in the baseline administrative fee. Clearly identifying add-on services would enable us to better showcase the value of each PEO's offerings."

### PEO SALES PROCESSES

Clients who navigate the sales process directly with PEO providers may perceive the process as time-consuming. They may need to attend multiple meetings and submit the same data multiple times on their own to compare their top PEO choices.

Broker-led processes may also involve duplicated efforts. Plus, with the broker in the middle, questions and requests for information or documentation can take a great deal of time to resolve. When advisors like insurance brokers attempt to manage the PEO evaluation and implementation process, lack of PEO knowledge can reduce them to a pass-through role.

A happy medium is a PEO advisor that limits their practice to only the PEO industry. This dedicated focus allows us to make unbiased comparisons, answer questions, and administer timesaving uniform applications.

### PEO INDUSTRY PERSPECTIVES ON EDUCATION

PEOs vary in how much they embrace the idea of sharing information with channel partners. A general business trend towards transparency leads more PEOs to acknowledge the value of broker and advisor expertise. Some have established informational resources to help trusted advisors learn more about the intricacies of their PEO. They want their network of channel partners to learn all they can about how their PEO works.

Other organizations see value in having more control over client relationships. They prefer to use their channel partners as a referral source, primarily. With this approach, the PEO naturally focuses on their offering only, discouraging clients from looking elsewhere for other options.

A close-to-the-vest approach may not be the best strategy, as it limits a PEO's ability to fully tap into the relationships between trusted advisors and their clients. Without the value-added relationship, channel partner clients may regard PEOs as a commodity, reducing the differentiating factor to the price. As Mark Perlberg once said, "If you win a client based on price, you're going to lose the client based on price."

One could argue that companies like mine commoditize PEOs from a pricing perspective, but part of that price comparison includes analysis of PEO plan features and benefits. We show the differences among relevant PEO platforms side-by-side, relating the value of various aspects of the plans to the client's individual situation. As we drive business to PEOs we're always aligned with the client's objectives. Some clients are pursuing cost savings and others seek improvements in their administrative infrastructure.

### FUTURE DEVELOPMENTS

Collaborative efforts to educate PEO channel partners may be on the horizon. We may see the

industry establish standardized training or formal certifications. Such moves assure clients that the advisors they trust with their businesses are qualified to help them choose and implement a PEO.

I propose we gather a consortium of professional advisors and PEOs to discuss establishing an educational and certification program for PEO channel partners. Such a program would focus on general PEO practices and principles commonly used across all PEO programs. Certifications awarded following successful completion of the training course would confirm that an individual was qualified to assist clients in the evaluation and implementation of PEO platforms.

A collaborative venture to establish training standards in our industry is not without precedent.

With structured education, professionals like legal advisors or insurance brokers can offer informed advice about which PEO plan is best for a client and explain why. They become knowledgeable experts, guiding the clients through what can be a confusing decision.

The PEO industry is poised for plenty of growth. With a large, untapped market, opportunities abound. Actively engaging CPAs, insurance brokers, human resources consultants, and legal advisors in PEO education will help these partners match their clients with the right PEOs for them. A reliable network of professionals enjoy existing relationships with the 83% of small and medium-size businesses who don't have a PEO. This may be the time to exploit the connections of these channel partners by equipping them with a thorough education that enables them to market and sell PEOs more often. ■



**MARK STEIGER**

Chief Executive Officer  
Workforce Management Agency  
Lake Worth, FL



# ESTABLISHING TRUST WITH PEO BUYERS THROUGH THOUGHT LEADERSHIP

BY SAMANTHA REYNOLDS

One thing I know for sure after working in the PEO industry for nearly 20 years is that trust is key to marketing and selling PEO. Building relationships and seeking client referrals are surefire ways to quickly gain trust, but these methods are often not able to be scaled efficiently. One of the most powerful ways to scale trust with marketing is by leveraging thought leadership, content, and blogs.

## THE CHANGING PEO BUYER JOURNEY

Today's B2B buyers are learning about your business before they ever reach out to a sales representative. Research shows that:

- About 70% of decision-making is complete before speaking with a sales representative.
- Most buyers consume 3-7 pieces of content on average before engaging directly with a company.

This is especially true in PEO sales, where prospects are entrusting you with sensitive payroll data, employee benefits, compliance, and risk management. Small business leaders will not take a chance on a partner that appears inexperienced or untrustworthy. They look for expertise, clarity, and confidence before they ever schedule that first consultation.

## WHAT IS THOUGHT LEADERSHIP?

Thought leadership is more than posting a few LinkedIn tips. It is the intentional practice of positioning your company, your executives, and your client-facing team as experts who bring valuable insight to your target audience through multiple types of content. When done well, thought leadership achieves three goals:

### **Building credibility and trust.**

Prospects see you as the safe choice.

**Differentiating your brand.** You are not just another PEO or payroll provider; you are a partner.

**Drives inbound interest.** Buyers seek out those who educate them.

## BLOGS ARE CRITICAL FOR THOUGHT LEADERSHIP

Thought leadership does not exist in a vacuum. It requires consistent distribution of insights delivered by multiple formats on various platforms buyers prefer. Blogs remain a cornerstone because:

- They answer actual questions your buyers have.
- They improve long-tail keyword SEO and organic traffic.
- They give sales teams resources to share with prospects.
- They nurture leads over long sales cycles.
- They establish expertise and build your digital footprint.

Imagine a prospect searching, "When does the new overtime rule go into effect?" and your blog is the top result. Before your sales team even reaches out, trust building has already begun.

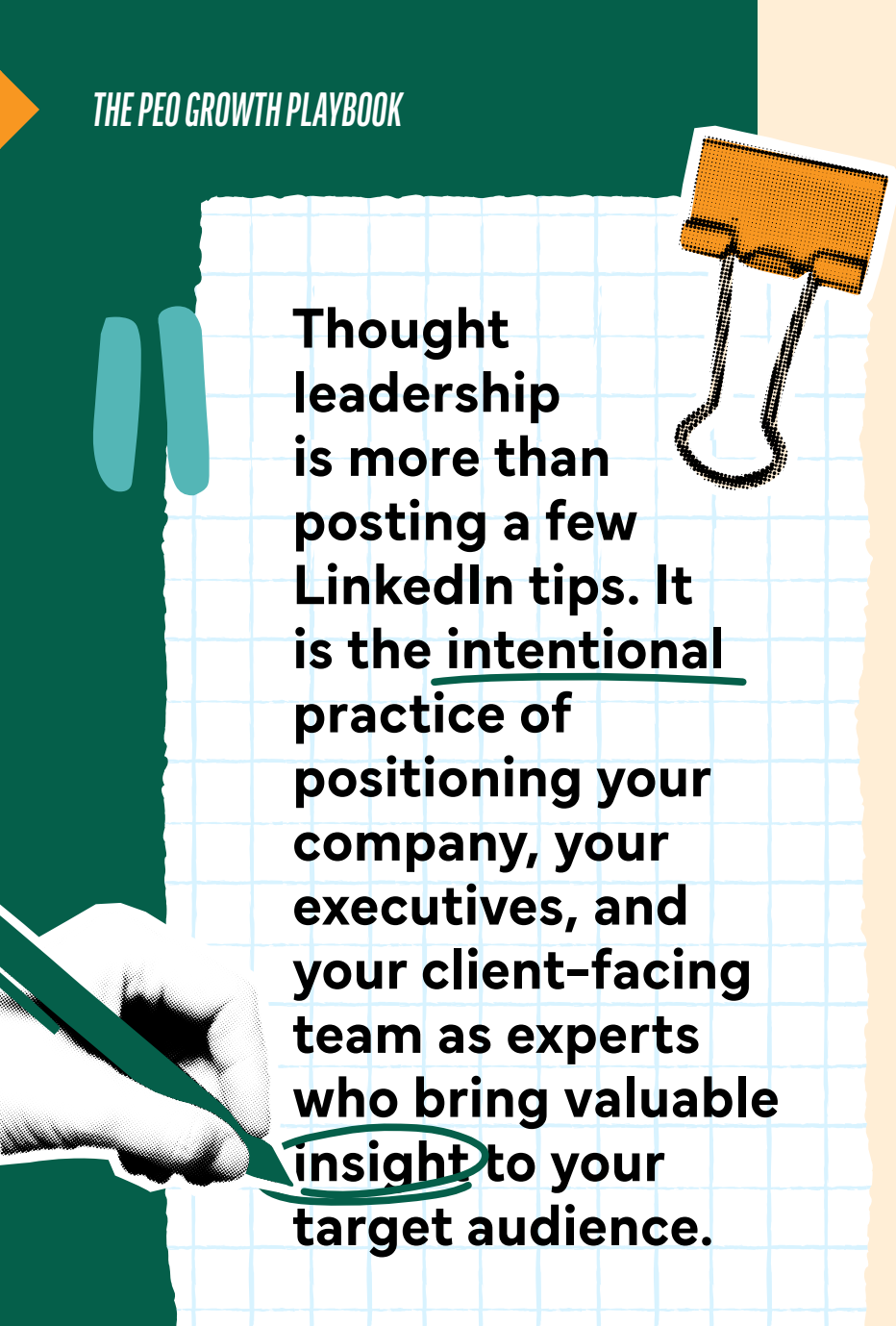
## COMMON PEO CONTENT MARKETING CHALLENGES

Sales cycles are demanding, and PEO teams often don't have a person dedicated specifically to marketing or content creation. Many PEOs hesitate to invest in content and thought leadership because:

**Content creation is time consuming.** Creating good content does take a level of commitment. But good content reduces effort later by warming up leads and providing education your team would otherwise deliver repeatedly. You can also outsource content creation by partnering with talent freelancers or agencies knowledgeable about the HR space. I have also had great success working with students and recent college graduates.

### **We aren't sure what to create.**

While you may feel HR, employer compliance, and benefits topics are repetitive, your prospects do not. Remember, most buyers need to see 3-7 pieces of your content before they reach out and what is everyday knowledge to you is complex and intimidating to your buyers.



Thought leadership is more than posting a few LinkedIn tips. It is the intentional practice of positioning your company, your executives, and your client-facing team as experts who bring valuable insight to your target audience.



**We tried having a blog once but never got any leads from it.** Content is a long-term

trust-building strategy, not a quick fix. Consistency and strategic promotion are key to success. Giving up too early is a common mistake.

Let's tackle these common challenges.

### **SPEEDING UP CONTENT CREATION TIME**

There are many great tools available to help make content creation a more efficient process.

- Using AI tools like ChatGPT and Jasper can help you quickly come up with content ideas.
- Platforms like Grammarly and Hemingway can help you refine your writing to ensure clarity and polish.
- Tools like HubSpot allow you to schedule social media posts and blogs ahead and repurpose content for emails.
- Design tools like Canva can help you turn long-form blog content into multiple formats, social media posts, videos, infographics, etc. maximizing output from a single article.

By integrating these types of tools into your workflow, you can accelerate content production without sacrificing quality or consistency.

### **WHAT CONTENT TOPICS RESONATE WITH PEO BUYERS?**

The key to great content is to answer the types of questions your clients and prospects are already asking. Here are some ideas for blog and thought leadership topics to build your content calendar:

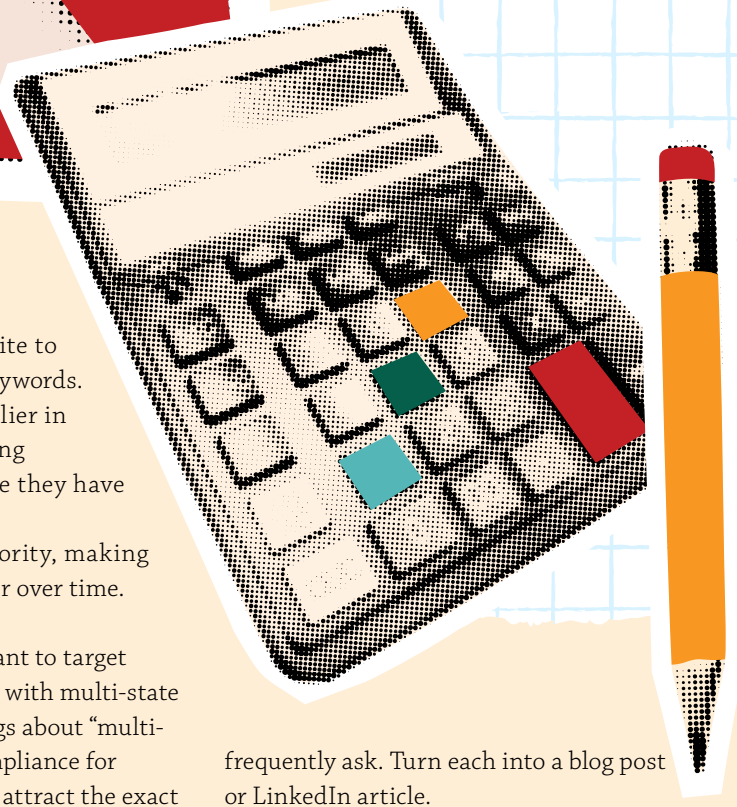
**Compliance Updates.** New DOL rules, state-specific leave laws, pay transparency legislation, etc.

**Benefits Trends.** Rising health insurance costs, new plan design strategies, compliance insights, etc.

**Payroll Best Practices.** Common payroll errors, year-end preparation, multi-state payroll considerations, etc.

**Risk Management.** Workers' comp claims trends, OSHA compliance tips, safety program ROI, etc.

**Employee Experience.** Retention strategies, onboarding best practices, creating culture in hybrid workplaces, etc.



**Business Strategy.** ROI of outsourcing HR, cost-benefit analysis of PEO vs. ASO, how HR impacts revenue growth, etc.

Additionally, good content can help humanize your brand. PEO services can feel transactional to prospects comparing multiple providers. Content humanizes your brand. You can: Highlight employee expertise with bylined articles; Share client success stories or anonymous case studies; and Feature Q&As with your HR advisors, payroll specialists, or benefits consultants.

This makes you more relatable and builds confidence that your team has real people with real expertise behind the service promise.

## WHAT TO DO WITH YOUR CONTENT

Content and blogs are not only for marketing. If you write blogs or create other content and only post it on your website, you are doing yourself a disservice. Content can be powerful sales enablement tools as well.

### Use content as sales follow-up.

After discovery calls, send relevant blogs to address concerns that may have come up during the meeting.

**Share insights to re-engage dormant leads.** An email with “Thought you’d find this helpful” and a strong blog link reopens stalled conversations.

**Strengthen proposals with educational resources.** Include links to your articles within proposals to demonstrate expertise across your team.

## CAN CONTENT REALLY DRIVE REVENUE?

Many in sales ask, “But how does this increase qualified leads and overall revenue?” Search engines, including traditional search like Google and AI search like ChatGPT, remain the primary gateway for business buyers researching solutions. Regular blogging provides SEO benefits such as:

- Positions your website to rank for long-tail keywords.
- Attracts visitors earlier in their decision-making process, often before they have any intent to buy.
- Builds domain authority, making all pages rank higher over time.

For example, if you want to target construction companies with multi-state operations, creating blogs about “multi-state workers’ comp compliance for construction firms” will attract the exact audience your sales team wants.

The ROI of content and blogs in PEO sales comes from:

**Shorter sales cycles.** Prospects educated via your content before they even enter the pipeline need less explanation.

**Increased close rates.** Buyers perceive you as a trusted expert rather than a vendor.

**Higher quality inbound leads.** Leads who engage with multiple pieces of your content are warmer and more confident in their decision to contact you.

**Improved client retention.** Ongoing educational content strengthens client relationships, reducing churn.

You can measure the ROI of your efforts by:

- Tracking blog visits and leads generated from organic search.
- Monitoring which blogs are most clicked in sales emails.
- Using attribution tools to see which pieces influenced deals closed.

## HOW TO GET STARTED WITH YOUR PEO CONTENT STRATEGY

Getting started is often the hardest part. Here is a simple outline to get you on the right track:

### Identify top prospect questions.

Ask your sales team what buyers

frequently ask. Turn each into a blog post or LinkedIn article.

**Create an editorial calendar.** Aim for at least 2 blogs per month focused on compliance, benefits, payroll, or HR strategy topics.

**Distribute strategically.** Share blogs via LinkedIn, email newsletters, and during individual sales outreach.

**Measure and refine.** Use Google Analytics, HubSpot, or your CRM to track engagement and adjust topics based on performance.

**Involve your team.** Encourage your sales team, HR professionals, and executives to contribute insights to diversify perspectives.

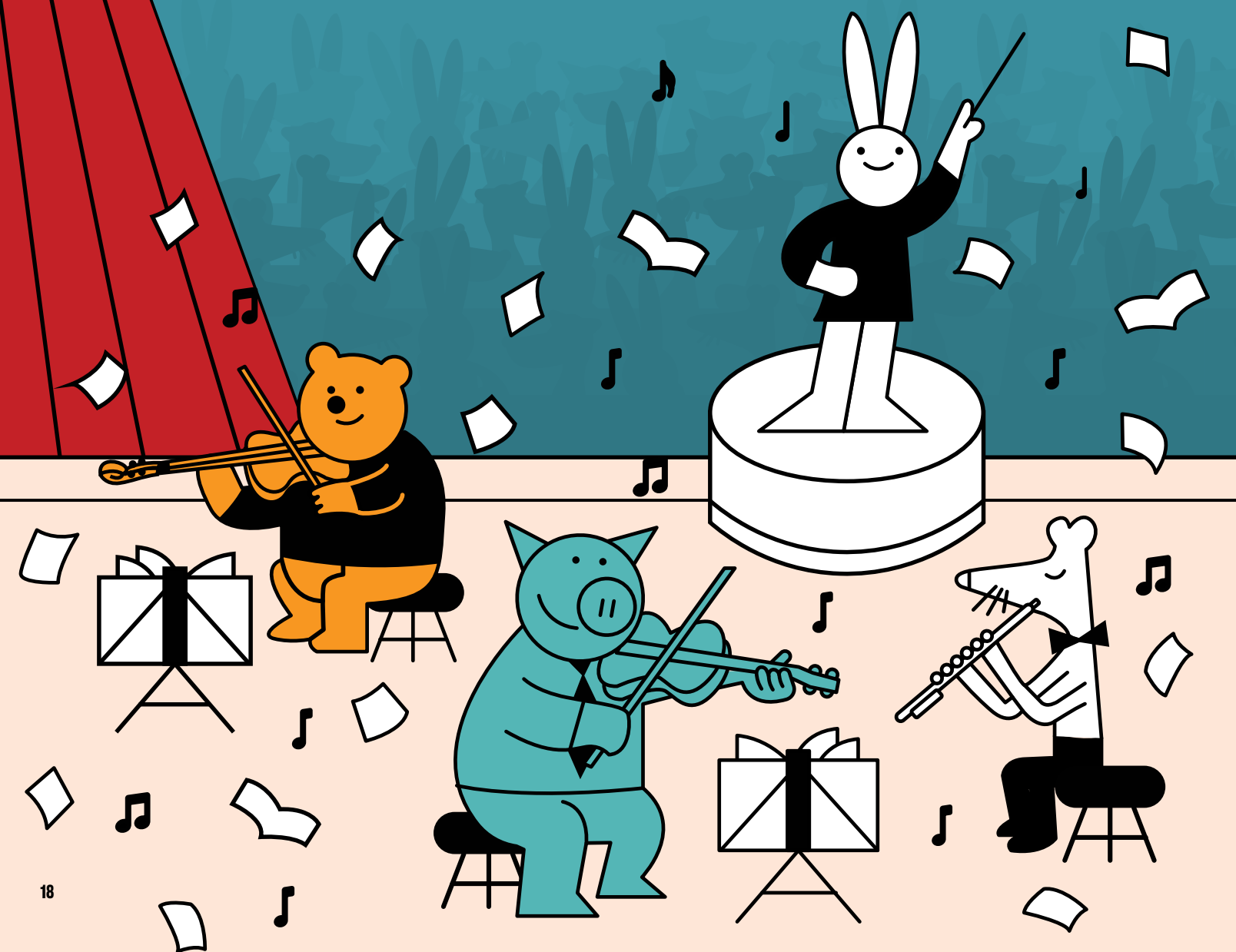
In a crowded market where service offerings are increasingly similar, thought leadership, content, and blogs are what differentiate successful PEOs. They build trust before your first meeting, educate prospects at scale, empower your sales team, and create a brand reputation that drives growth. You can start small if needed but stay consistent. Because the PEO that educates, guides, and supports their clients with expertise will always win against the one that simply sells. ■



### SAMANTHA REYNOLDS

Director of Marketing  
and Communications  
Helpside  
London, UT

# The Balance Inbound vs



# ncing Act . Outbound



# WORKING IN CONCERT BALANCING INBOUND AND OUTBOUND MARKETING STRATEGIES

BY ASHLEY PRATT

**K**nowing what marketing tactics to invest in is an ever-evolving discussion. There is no singular approach that will allow you to reach all of your audience in one fell swoop. That's why it's critical to know your core audience, what matters to them, and how they communicate so you can meet them where they are.

For those marketers out there, we know it's all about harmony. How can you combine your inbound and outbound

efforts to maximize your reach and drive efficiency? Let's first break down what we mean by inbound and outbound marketing and then dive into ways to blend these forces.

Inbound marketing was first coined by HubSpot to label the approach centered around value-rich content and experiences that draw your audience to you. Your brand presence, the quality of your content, and market reputation all drive your inbound efforts. Your customer isn't always ready to buy but being top of mind as the brand when they are, means you've reached peak levels of the inbound game.

Outbound marketing focuses on initiatives that help drive your products or services to spark interest or further drive your value in direct approaches where you go to your audience.

The core differences between inbound and outbound approaches are often referred to as attraction versus interruption. Inbound is centered around attraction, where you aim to build trust to be seen as an industry advisor and showcase your value through content. On the other hand, outbound is all about interruption. How can you capture your audience's attention and get them to understand the value for them or their business.

Now that we've gotten that out of the way, let's focus on how you can balance your inbound and outbound approaches for maximum impact.

## 5 WAYS TO BALANCE YOUR INBOUND AND OUTBOUND STRATEGIES

### 1. Leverage Your Inbound Content Through Outbound Motions

I'm all about repurposing content. A great way to combine your inbound and outbound strategies is by curating high-value content pieces and then sprinkling them throughout your deployment tactics.

Develop a library of long-form pieces that showcase your solution benefits and your product lines, and then make slight variations based on your personas.

Now that you have a suite of content, map out your distribution channels for options on where you can leverage that content in more digestible, snackable pieces.

As an example, you could take a whitepaper from your website's inbound form and repurpose it across multiple outbound channels in more short-form content pieces like a flipbook for your email communications, a printed infographic for an in-person event, and as a LinkedIn carousel with the option to download the full asset on social media.

A lot of effort goes into creating long-form content pieces, so repurposing that content in many forms and across multiple channels increases your chances of awareness and maximizes your investment.

### 2. Factor Retargeting Into Your Approach

Not all prospects are ready to purchase immediately; that's why it's your job to be top of mind when they are. Retargeting website visitors or those who have downloaded content with paid social ads can help keep your brand recognition at the forefront.

Understand your personas and where they visit for information, like associations they are members of or industry newsletters they interact with. Incorporating a subject matter expert (SME) from their trusted publications for information allows





you to continue building recognition. For example, host a webinar with an SME from a well-known association in your personas space. Repurpose the webinar content into an eBook and blog on a related topic that you then share in your follow-up email to registrants, across social media, and in your website resources, sprinkling a quote from the SME for added visibility.

### 3. Create Personalized Experiences Blending Your Strategies

Develop a push-pull strategy using your outbound tactics to generate awareness and interest and then drive further engagement through the funnel with curated inbound content specific to the industry, pain-point, or other targeted factor to create a more personalized experience in your prospect's journey.

Leveraging testimonials or success stories from customers whom your prospects can relate to adds an additional layer of comfort. Combining targeted positioning and messaging of their business challenges, alongside a proof point of someone who experienced their same difficulties, is a winning approach to continue earning trust.

### 4. Pair With A Complementary Solution

Partnering with other solutions that have the same target audience is a great way to expand your reach and continue building your market presence.

A great example of a way you could deploy this tactic within your marketing strategy could be to form an alliance group. Teaming up with solutions within your audience's space provides additional exposure and promotional reach from multiple databases and channels. For example, you could co-host a solution showcase with multiple vendors where all vendors are required to do promotional outreach. You could also pair up for a

special incentive if you bundle your offers together, leveraging paid and organic social and email marketing efforts.

### 5. Stay Authentic

Probably the most important thing to consider when crafting your inbound and outbound collaborative efforts is to remember to be authentic. Don't send mixed messages to your audience across your channels, or it will negatively impact how your brand is perceived and your value proposition. Stay true to your brand and what you stand for.

There is no perfect mix for a long-term marketing strategy. It should continue to evolve over time and be prepared to pivot based on your performance analysis of your programs and their generating efforts.

### MARKETING IS NOT A ONE-SIDED INTERACTION

Another key thing to consider when building out your tactical plans is to keep in mind that marketing should not be a one-sided interaction.

Marketing is a lot like Love is Blind (or really any reality dating show). There are 3 things that all marketers should remember when constructing their go-to-market plans.

First impressions matter: Your inbound marketing tactics have to cover a wide net of prospects, so make sure your content is easy to understand, conveys that you understand their problems or pain points, and doesn't overpromise on your solution value/delivery. If all you do is talk about yourself, there probably won't be a second date.

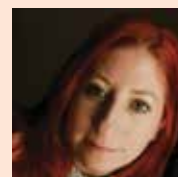
Not everyone is a match: You aren't going to be the right fit for everyone, and that's okay. Take the time to understand their pain points and ask relevant questions to see if you are a match. If not now, maybe their needs will change over time and when they



do, you want them to have a fond memory of your interaction.

Experiences are different for everyone: There is no one single journey for your prospects. This means not everyone is willing to read your 20-page document or be ready for a product demo. Customize your follow-up and approach to meet them where they are in their buying or learning journey.

For PEOs, having a marketing approach that factors in both your inbound and outbound efforts and how they can work in concert is critical. There should be shared goals and alignment with your marketing and sales teams for optimal success in securing new business and extending the relationships of your current client base. ■



#### ASHLEY PRATT

Director, Partner Marketing  
ZayZoon  
Scottsdale, AZ



# A SMARTER STRATEGY FOR PEO GROWTH BALANCING INBOUND & OUTBOUND MARKETING

BY JAY ZAMFT

In PEOs, marketing isn't just about brand visibility but trust, timing, and alignment with a complex buyer journey. Unlike traditional B2B organizations, PEOs must customize their approach to reach SMB owners and HR decision makers, each with distinct motivations and pain points.

Add in long sales cycles, intricate compliance needs, and shifting economic pressures, and it becomes clear that no single marketing approach can address all these issues.

That's why balancing inbound and outbound strategies isn't just ideal, it's essential. An integrated, data-driven approach strengthens demand generation, builds long-term trust, and helps move leads more efficiently through the sales funnel.

## HOW INBOUND AND OUTBOUND STRATEGIES EACH DRIVE RESULTS

Inbound marketing builds brand credibility and authority over time by positioning the PEO as a trusted thought leader. Through SEO-optimized blogs, informative webinars, newsletters, etc., inbound efforts aim to educate prospects and support their decision-making journey.

This strategy is particularly effective for PEOs looking to attract SMBs researching HR solutions, and who want to partner with organizations that demonstrate expertise and value before a sales conversation begins.

On the other hand, outbound marketing focuses on methods that drive awareness and action. Outbound efforts can help generate immediate results through cold emails, digital ads, or event invitations, especially when launching new services, entering new markets, or re-engaging leads. Outbound marketing

is particularly effective in moving prospects who are already aware of your brand further along in the funnel by giving them a reason to act now.

For example, a PEO campaign targeting employers might begin with outbound awareness tactics, such as targeted ads or email outreach, that promote an inbound resource, like a thought leadership webinar on compliance trends or benefits strategies. That webinar then acts as the mid-funnel engagement tool, helping to educate and qualify leads.

Outbound follow-ups, such as direct outreach, paid retargeting campaigns, or event invitations, can reinforce the message and prompt action to drive more conversions.

This layered approach ensures your brand educates, nurtures, and engages leads at every stage of the buyer journey; outbound to attract attention, inbound to build trust, and outbound again to inspire action.

## CREATING THE RIGHT MIX: KEY CONSIDERATIONS FOR PEOs

### Audience Segmentation

A one-size-fits-all marketing approach doesn't work in the PEO space. Success starts with understanding the unique needs of your core audience(s). For example, when working with brokers or benefit advisors, they're looking for tools that improve their ability to support clients, such as co-branded resources and simplified onboarding processes.

Meanwhile, SMB owners and HR leaders are motivated by cost-effective HR solutions, competitive employee benefits, and trusted support for navigating complex regulations. And for existing clients, the focus shifts to retention: continued education, service

updates, and showcasing added value beyond the initial sale.

### Sales Funnel Alignment

Mapping your marketing efforts to the buyer journey is equally important. Outbound efforts such as digital ads, cold email campaigns, and sponsored content are most effective at the top of the funnel to increase awareness and generate new interest.

As prospects enter the consideration phase, inbound content, such as whitepapers, blog posts, and webinars, helps build credibility, address common questions, and guide decision-making. A combined approach is key near the bottom of the funnel, using outbound tactics to trigger action while reinforcing inbound messaging that addresses objections and showcases results.

### Budget Allocation

Achieving the right balance between inbound and outbound also comes down to how you allocate resources. Paid channels like search engine marketing, display ads, and email sponsorships can drive quick wins. Still, they must be supported by long-term inbound strategies such as search-optimized blogs, eBooks, videos, and informative email newsletters.

Wise investment in marketing automation and reporting tools allows you to measure ROI across both fronts, improve performance, and make data-driven decisions.

### Sales and Marketing Collaboration

Too often, marketing efforts stop at the lead handoff. However, for PEOs, actual growth comes from collaboration beyond the MQL (Marketing Qualified Lead)

stage. Sales teams need visibility into active campaigns, timely access to marketing materials tailored to their prospects, and consistent messaging that aligns with what the lead has already engaged with.

When sales and marketing operate in sync, with shared goals, regular feedback loops, and coordinated outreach, the result is higher conversion rates, stronger client/partner relationships, and improved client retention.

### MAKING BOTH WORK TOGETHER

Think of campaigns as a sequence: outbound opens the door, inbound builds the relationship, and outbound can close the loop with targeted calls to action. This intentional flow ensures a smoother, more personalized buyer journey. This helps you understand exactly how each tactic influences different stages of the sales funnel. Combine that with a connected Mar-tech stack, linking your CRM and marketing automation tools, to monitor engagement, identify qualified leads, and dynamically tailor messaging in real time.

Equally important is focusing on the right key performance indicators (KPIs).

- Track MQL-to-SQL conversion rates to assess lead quality and handoff efficiency.
- Monitor content engagement metrics like click-through rates and time on page to understand what resonates with different audiences.
- Evaluate email open and click rates to optimize messaging and timing.
- Finally, the campaign ROI can be calculated by channel and audience segment to see where to invest more and where to pull back.

When measuring overall marketing performance, it becomes a strategic asset, not just a reporting function. These insights allow marketing and sales to adjust faster, engage smarter, and drive more consistent, high-quality conversions.



### AVOIDING MISSTEPS WHEN TRYING TO BALANCE STRATEGIES

Marketing plans can falter without the right balance. Over relying on outbound tactics without the support of effective and informative content can lead to audience fatigue, lower engagement, and diminished ROI.

On the other hand, expecting inbound strategies to perform without timely outbound promotion often results in lost momentum and missed opportunities.

One of the most common mistakes is a disconnect between sales and marketing. Essentially, without goal alignment, collaborative communication, and strong follow-up, leads can fall through the cracks.

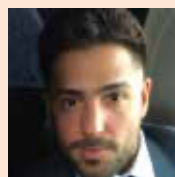
Additionally, failing to segment messaging by buyer type or stage in the sales funnel means you're not meeting prospects where they are, which reduces relevance and impact. Avoiding these pitfalls requires consistent collaboration, agility, and a strategic mix of inbound and outbound tuned to your audience's journey.

### NEXT STEPS FOR SMARTER PEO MARKETING

To drive, and maintain, growth in the PEO space, it's essential to view inbound and outbound marketing as complementary, not competing forces.

Begin by auditing your current marketing mix. Is it aligned with your unique buyer journey and the stakeholders involved, SMBs or HR leaders? From there, take a practical approach. Work on pairing every outbound initiative (like a cold email or event invite) with an inbound counterpart (like a blog, webinar, or guide) to build trust and drive deeper engagement.

Most importantly, remain agile. The marketing landscape and your audience's behavior are constantly shifting. Regularly test, measure, and optimize your strategies so your efforts remain relevant, effective, and tied to real business results. ■



**JAY ZAMFT**

Director of Marketing  
PrestigePEO  
Melville, NY

# Streamline comprehensive offerings with Equitable

**At Equitable, we offer tailored, competitive and scalable retirement plans and employee benefits to simplify PEO operations and enhance client satisfaction.**

**Seamless benefits and support for efficient scaling and a competitive edge are at your fingertips.**

Our innovative 401(k) platforms provide flexibility to meet your clients' needs, including multiple employer plans (MEPs), pooled employer plans (PEPs) and standalone 401(k) plans. In addition, our Powerfully Simple® employee benefits deliver comprehensive non-medical benefits powered by industry-leading technology. Whatever your needs, we have you covered.



**To learn more about Equitable and our retirement plans and employee benefits, scan this QR code.**



**EQUITABLE**

Advice • Protection • Retirement



Equitable is the brand name of the retirement and protection subsidiaries of Equitable Holdings, Inc., including Equitable Financial Life Insurance Company (Equitable Financial) (NY, NY); Equitable Financial Life Insurance Company of America (Equitable America), an AZ stock company with an administrative office located in Charlotte, NC; and Equitable Distributors, LLC. The obligations of Equitable Financial and Equitable America are backed solely by their claims-paying ability.

© 2025 Equitable Holdings, Inc. All rights reserved. GE-8189668.1 (7/25) (Exp. 7/29) | G3065778



**Check out our featured article inside this edition: An inside look at ‘PEPing’ a MEP**

Visit us at our booths **#716** and **#718** during NAPEO's 2025 Annual Conference & Marketplace Booth Crawl for a refreshing drink and great conversation — we'd love to see you!







# 10 IDEAS TO POWER UP YOUR SALES PIPELINE

BY DEAN MOOTHART

**F**or PEOs, consistent growth starts with a strong, active sales pipeline. But in today's market, it's not just about making more calls or sending more emails—it's about working smarter. That means aligning sales and marketing, leveraging technology, and targeting the right prospects. Here are 10 practical, proven strategies PEOs can use right now to power up their sales pipeline and accelerate growth.

## 1. DON'T TRY TO "BOIL THE OCEAN"

One of the biggest mistakes in sales prospecting is trying to reach everyone—and connecting with no one. Instead of spreading your efforts thin, study your existing clients to identify your ideal customer profile (ICP). Survey your best clients to zero in on the specific traits, needs, and behaviors that define your target persona. With that clarity, you can narrow your focus to the accounts that matter most and build messaging that speaks directly to them. Precision beats volume—every time.

## 2. OPTIMIZE YOUR WEBSITE FOR CONVERSION

Your website should be more than just a static digital brochure—it should be your

hardest-working sales asset. Regularly publish content that educates, informs, and guides prospects through their buyer's journey. Make sure your site is easy to find by search engines and AI tools like ChatGPT, clearly communicates how you help solve HR-related challenges and includes strong calls-to-action (CTAs). A conversion-focused website not only attracts the right traffic—it turns that traffic into leads.

## 3. ALIGN SALES AND MARKETING ON CONTENT STRATEGY


Sales knows the questions prospects are asking—and the objections they're raising. That frontline insight is invaluable to content creation. Marketing should work hand-in-hand with sales to create blog posts, videos, guides, and webinars that proactively address those questions and concerns. This ensures your content isn't just educational—it's practical, relevant, and effective at moving prospects through the funnel. When sales and marketing align on strategy and messaging, content becomes a powerful sales enablement tool.

## 4. MAKE YOUR CRM A SALES TOOL – NOT JUST A REPORTING TOOL

Too many companies treat their CRM like a dashboard for management rather than a tool for helping sales reps sell. A well-configured CRM should streamline outreach, surface high-priority leads, and make personalization easy. Use it to trigger timely follow-ups, track engagement, and provide reps with the insights they need to have smarter conversations. When your CRM actually helps salespeople sell more, everyone wins—from frontline reps to leadership.

## 5. LEAD GENERATION PLUS LEAD MANUFACTURING

Strong pipelines aren't built on inbound or outbound alone—you need both. Lead generation casts a wide net to attract interest, while lead manufacturing takes a more focused, account-based approach to proactively create opportunities with high-value prospects. Integrate your outbound prospecting with your inbound marketing efforts to ensure a synchronized, multi-channel strategy. When your sales and marketing teams are aligned on messaging, timing, and target accounts,



# Not every lead is ready to buy today—but that doesn't mean they won't be tomorrow.

you're not just chasing leads—you're engineering them.

## 6. DEVELOP "DON'T GIVE UP" SALES PLAYS

Most salespeople give up after just one or two attempts. They leave a voicemail, send a single email—and when there's no response, they stop. Not because the lead isn't qualified, but because they don't know what to do or say next. That's where "don't give up" sales plays come in. Build multi-touch, multi-channel sequences that guide reps step-by-step with messaging, timing, and tactics. Include phone, email, social media, video, and even direct mail to stay persistently present without being pushy. These plays give your team the structure and confidence to keep engaging until they break through.

## 7. LEVERAGE AUTOMATION TO NURTURE "NOT-READY-TO-BUY-YET" LEADS

Not every lead is ready to buy today—but that doesn't mean they won't be tomorrow. Instead of letting those opportunities go cold, use automation to stay in touch. Smart workflows can deliver relevant content, re-engage inactive leads, and guide prospects along their journey until they're ready to talk. With the right nurturing strategy, your pipeline stays warm—and your sales team stays focused on closing.

## 8. MOVE BEYOND "REFERRALS BY ACCIDENT"

Waiting for referrals to happen on their own is a missed opportunity. Instead, create a structured program to generate, foster, and nurture referral sources. This includes building communications workflows triggered by your client services team, launching campaigns that incentivize referrals, and developing content that helps your referral partners understand what makes a great prospect—and how your PEO delivers real value. A proactive referral strategy turns happy clients and partners into a reliable pipeline source. Don't forget to capture and showcase testimonials—they're powerful social

proof that can shorten sales cycles and build instant trust.

## 9. MINE CLOSED-LOST DEALS FOR FUTURE WINS

Just because a deal didn't close the first time doesn't mean it's gone for good. Prospects' needs, budgets, and priorities change—sometimes faster than you'd expect. Revisit closed-lost opportunities regularly (quarterly is a good cadence) and re-engage with thoughtful outreach. You already have some relationship equity—use it. Often, the easiest path to a new win is with a prospect you've already talked to.

## 10. MEASURE, ANALYZE AND ADJUST

Improving your pipeline starts with understanding what's working—and what's not. Track KPIs across every stage of your sales and marketing funnel, from email open rates to website conversions to closed deals. But don't stop there. Run A/B tests on subject lines, CTA placement, graphics, and messaging to optimize performance over time. Small tweaks can lead to big gains when you commit to ongoing experimentation and refinement. The goal? Smarter strategies, better results, and a consistently stronger pipeline.

## FINAL THOUGHTS

Building a healthy sales pipeline isn't about doing more—it's about doing what works. For PEOs, that means aligning sales and marketing, targeting the right prospects, using the right tools, and consistently nurturing relationships with value-driven outreach. Even implementing a few of these 10 ideas can put your sales team in a stronger position to create more opportunities, close more deals, and drive sustained growth. ■



**DEAN MOOTHART**

*Director, Client Solutions  
LeadG2  
Florence, AL*

# MARKETING METRICS THAT MATTER

## KPIS EVERY PEO SALES TEAM SHOULD TRACK

BY ERICA BRUNE

As our business has grown, we have focused on building out our leadership team. We spent a lot of time building out departmental KPIs to measure success and revenue projections. What was once easy to know how clients were performing day to day, we needed a broader picture of leading indicators to project future growth or potential service issues. As our business has grown, we rely on these metrics to not only recalibrate our strategy when numbers are off, but reward performance when key metrics are met.

For the sales and marketing department, that meant looking at what was going to drive our top goal: worksite employee growth. We identified that if we added 2% worksite employees month over month, we would meet our annual top line goals. From there, it was just a matter

of working backwards to outline the steps that would get us there.

### SALES KPIS WE TRACK

1. **Closed revenue per month.** This is our most direct measure of sales success, tracking the actual dollars closed each month. It helps us gauge performance against monthly goals and overall revenue targets.
2. **Number of WSE per closed deal.** Tracking the average number of worksite employees (WSE) per deal gives us insight into deal size and overall account value. It also helps forecast onboarding volume and future service needs.
3. **Number of deals submitted to underwriting.** Fully submitted deals are a strong leading indicator of pipeline strength. We treat this as a signal that a prospect is serious, and it allows us to project

how many deals may close in the next 30–60 days.

4. **Number of discovery calls per week.** Discovery calls reflect how effectively we're generating qualified interest. A consistent number of weekly calls keeps the pipeline active. We like to see two discovery calls set per week at a minimum.
5. **Number of outbound touches per week.** Continuing to work up the sales funnel, this is a key activity metric that ensures we're putting in the outreach necessary to generate conversations. It's a foundational behavior that supports all other KPIs in the funnel.

From our own analysis and understanding of how our business operates, we determined that the number of deals submitted to underwriting was a contributing factor to understanding our sales success. From there, we can safely presume the prospect is serious about services and our chances of winning the business are high. Allowing sales executives to work autonomously is important



for employee satisfaction so if valid deals are submitted, sales activity is clearly working and should be continued.

Alternatively, if a sales rep does not have at least two deals going into underwriting per month, we need to take a step back and look at other factors: how many discovery meetings have we set? How many phone calls are we making each week? All of our actions build upon the other, so if there is something not making the mark, we need to go back to the previous step.

The marketing KPIs we track are designed to measure how well we're fueling the sales pipeline and building brand trust over time. With the right insights, we can connect outreach efforts to real outcomes and support the team in hitting their revenue goals.

## MARKETING KPIS WE TRACK

### 1. **Lead tracking by source channel.**

Knowing where our leads come from whether it's advertising, referrals, social media, or email, helps us allocate time and budget to the channels that deliver the highest ROI. It also reveals which marketing efforts are generating the

most qualified prospects. For our team, we are looking to see that one-third of our leads come from client referrals, which indicates client satisfaction. The remainder of our leads should be a result of marketing efforts supported by sales outreach such as drop-ins, phone calls and networking opportunities.

2. **Conversion rates.** We track how many leads move from interest to action, whether that's scheduling a discovery call or signing a deal. Monitoring conversion rates helps us fine-tune messaging, target the right audience, and identify missing pieces in the funnel.

3. **Open rates for email marketing.** Open rates tell us how well our subject lines and timing are performing. High open rates indicate we're reaching the right audience with the right message. For our prospect emails, we look to achieve a 21% open rate while our client emails should be around a 30% or higher open rate. If our messaging is curated, then we should be able to achieve this, but again, we pay close attention to these results to fine-tune for future campaigns.

We've learned over the years that it will never be one thing that drives a sale, but a series of actions and touchpoints. Our marketing KPIs tie into our sales KPIs because the results lead to achieving our sales goals. While client referrals are a leading indicator of client satisfaction, the remainder

of our leads indicate that our message is on target and we are reaching people in the appropriate channel. Again, if we look at the data and see all of our referrals for a specific timeframe came from clients, then we can infer that we are meeting client expectations.

However, client referrals are not the only way we understand our client satisfaction. We've moved our client satisfaction surveys to quarterly with a different subset of clients each quarter. This enables us to have consistent data points to reveal what is going on with our clientele. By splitting the data into quarters, we have a continual flow coming in and can catch trends and plan accordingly based on the responses. Our client satisfaction should be increasing versus decreasing each quarter.

In the end, success in sales and marketing is driven by a combination of instinct and data. Ultimately, aligning our sales and marketing KPIs has allowed us to operate with greater clarity and confidence. We're measuring what's working, rather than guessing. With a consistent feedback loop and a disciplined approach to tracking performance, our teams are empowered to make informed decisions that drive meaningful results. When everyone knows what success looks like, it's a lot easier to get there together. ■



**ERICA BRUNE**

CEO  
Lever1  
Mission, KS

# Offer **Fortune 500-level solutions** not typically accessible to smaller businesses.

Give your clients comprehensive benefits powered by AI—including retirement plans—and simplify enrollment, client service, and backend administrative tasks.

## Grow your PEO with the **brightest** in the business.

Tell us what you need and we'll custom-build a plan that works for you — in a way that tips the balance sheet in your favor.

**It's that simple.**



[DaybrightSolutions.com](https://www.DaybrightSolutions.com)

Visit us at **Booth 317/319** at NAPEO for an AI demo and to receive a free gift!



Scan to learn more about Daybright Solutions.



NAPEO Gold  
Medallion  
Partner

Meet Daybright Broker Solutions. U.S. Enrollment Services is becoming Daybright Broker Solutions! Daybright combines national-scale resources with personalized, local expertise to extend your team's reach and capabilities. This bright new change highlights our ongoing commitment to help PEOs grow—on their terms—with better experience, broader coverage, and more choice. Learn more by visiting [www.DaybrightSolutions.com](https://www.DaybrightSolutions.com).



# NAPEO25: THE PEO INDUSTRY EVENT OF THE YEAR

**T**he PEO industry's annual flagship event is heading back to Austin! #NAPEO25 will be the industry hub this fall, THE place to be! You won't want to miss the classroom learning by PEO content area complemented by interactive discussion forums, a comprehensive trade show, and valuable networking events. It's a must-attend event for all PEO professionals and industry vendors.

Hopefully, you've already made plans to join us next month, but if not, there's still plenty of time to register. Just visit [www.napeo.org/conference](http://www.napeo.org/conference) to sign-up!

## HIGHLIGHTS

**CEO FORUM DINNER.** Network with other C-level PEO professionals and gain practical business advice! NAPEO's 2025 CEO Forum will be a chance to network with your c-level PEO peers in an informal setting during the Annual Conference & Marketplace. You will also have the chance to get some advice from practical thought leaders.

Sponsored by Aon, Fisher Phillips, Libertate Insurance Services, Payroll Funding Company LLC, Sentara, Silva Capital Solutions, Inc. and Slavic401k.

**WOMEN IN NAPEO.** Join us at the Women in NAPEO (WIN) Reception, an evening dedicated to celebrating and connecting leading women in the industry. Enjoy a delightful selection of food and drinks while you network with other PEO professionals. These events have become the staple to start off your conference experience. Women in NAPEO (WIN) is an initiative designed to provide education and networking focused on women in the PEO industry. You don't have to be a woman to participate; we encourage all NAPEO members, regardless of gender, to get involved in WIN. Sponsored by Slavic401k.

**NEXTGEN MIXER.** Don't miss the NextGen Mixer, a networking event designed exclusively for NAPEO members 45 and younger. Connect with peers, have fun and build relationships in a relaxed and engaging environment. This year, we will be outdoors at The Edge Rooftop, come enjoy great food, good drinks and even better networking. Sponsored by MetLife and Slavic401k.

## NAPEO CITY LIMITS

We are bringing Austin City Limits to NAPEO for a once in a lifetime NAPEO City

Limits! This year's Tuesday evening event will be bringing Austin's famous music festival into the Lonestar Ballroom at the JW Marriott Austin! Live music, tastes of Austin's world famous Food Trucks, creative cocktails (or mocktails) including the option for smoked cocktails, fun activities where you will be able to try your hand playing vintage guitars or be a part of a mural making, all while networking with the most PEO professionals under one roof all year long. You won't want to miss this fun evening, you never know what will be there, we always have some surprises up our sleeve! Sponsored by Citibank, N.A., Equitable, G-P (Globalization Partners), Guardian Life Insurance Company, isolved, PrismHR and Slavic401k.

## EDUCATION SESSIONS

PEO education sessions align with various tracks of PEO expertise to provide tailored sessions and deliver practical information you can use back in the office. There really is something for everyone.

- AI in Action: Practical & Tactical Applications for PEOs
- AI-Powered HR: Transforming PEO Service Delivery Through Automation

- AI-Powered Pipeline: Build a Business Development Engine in Real Time
- Ask Me Anything: Insider Building Cutting-Edge AI Solutions
- Avoiding the Commodity Trap: Preserving Value in a Changing PEO Landscape
- Best Practices in Finance
- Building & Scaling an Internal Sales Force: Strategies for Sustainable Growth
- Fringe Benefits Updates
- Future-Proof Your Team: Mastering Capacity Planning and KPI / Task Tracking
- M&A: The “Big Dirty Word” No One Wants to Talk About—But Everyone Should
- NAPEO Financial Ratio & Operating Statistics Survey Results
- Offshoring & Your PEO: Opportunities, Challenges, and Real-World Insights
- PEO Clients: Who They Are, Where They Are and What They Do
- PEO University: Benefits & Tax
- PEO University: Finance & Accounting
- PEO University: Legal Primer—Part 2
- PEO University: Legal Primer Part 1
- PEO University: Workers’ Compensation
- PEOs & The Economy: An Economic Update
- RFP Tug-of-War: Bridging the Gap Between PEOs and Referral Partners
- Sales, Unfiltered: Your Questions Answered by Industry Legend Clay Kelley
- Telling the PEO Story: What We Learned from Our Communications Audit of PEOs
- Understanding the Big Beautiful Bill: What It Means for Your PEO’s Finance Operations
- Maximizing the Value of Your PEO-Sponsored 401(k) MEP: Compliance, Operations & Risk Management
- Work Authorizations & Your PEO

## HOTEL INFO

NAPEO has reserved a block of rooms at the JW Marriott, Austin at the discounted rate of \$339/night. To make a reservation, please complete your registration and your event confirmation

email will include the hotel booking link. This room block is available until Friday, September 12, 2025, based on availability. For more information on the room block, please contact Maggie Freedy, [mfreedy@napeo.org](mailto:mfreedy@napeo.org). ■



## Choose an insurance partner wisely.



When choosing an insurance partner, it's wise to choose one that understands your business and is committed to the PEO industry. StaffPak has provided insurance products to the PEO industry for over 25 years.

### CUSTOMIZED PRODUCTS FOR PEOs

- Admitted Package Policy ("A" XV) that includes:
  - Property
  - Crime, including ERISA
  - Auto (Owned, Non-owned and Hired)
  - General Liability
  - Abuse
  - Employee Benefits Liability
  - Professional Liability
  - Excess Liability
- Master Employment Practices Liability policy
- Guaranteed Cost Workers' Compensation
- Large Deductible and Loss Sensitive Workers' Compensation

[igpspecialty.com/programs/staffing-and-peo-services](https://igpspecialty.com/programs/staffing-and-peo-services)

**The PEO industry relies upon the expertise of the StaffPak team. Have your insurance broker call us.**

**Jeffrey Hicks**, AIS, AU, CIC  
Program Manager  
(214) 443-3282  
[jeffrey.hicks@igpspecialty.com](mailto:jeffrey.hicks@igpspecialty.com)

**Annie Fowler**, AINS  
(469) 983-7217  
[annie.fowler@igpspecialty.com](mailto:annie.fowler@igpspecialty.com)

**Andreas Mantzoukas**  
(469) 983-7130  
[andreas.mantzoukas@igpspecialty.com](mailto:andreas.mantzoukas@igpspecialty.com)

**Liz Jones**  
(214) 443-3503  
[liz.jones@igpspecialty.com](mailto:liz.jones@igpspecialty.com)



Features listed here are available to qualifying PEOs.

StaffPak is a division of Innovation Growth Partners Specialty, LLC | [igpspecialty.com](https://igpspecialty.com)

REV 06.25

# STRIKING THE RIGHT CHORD: HOW NAPEO GIVES BACK WILL SUPPORT ANTHROPOS ARTS

BY JENNA MARCEAU

**E**very fall, the PEO community gathers for NAPEO's Annual Conference and Marketplace, a time to connect, learn, and collaborate. Beyond the sessions and networking, what makes this event especially meaningful to me is the chance to support a cause through NAPEO Gives Back.

What makes NAPEO Gives Back meaningful isn't just the cause we

support, it is the way we come together to support it. This initiative works because our industry believes in the power of many. Each year, members from across the country join forces to rally behind a nonprofit rooted in the city hosting our annual conference. When we combine our time, talents, and resources, we create something much bigger than any one company or individual could do alone.

This year, we are proud to support Anthropos Arts, an incredible organization based in Austin that is transforming lives through music. Their mission is rooted in the belief that every young person, regardless of zip code or income, deserves access to high-quality music education and mentorship.

This isn't the first time our paths have crossed. Anthropos Arts was actually the very first nonprofit selected for NAPEO Gives Back in 2019. The funds raised during that initial partnership helped them navigate the uncertainty of the COVID years, allowing them to continue serving students when in-person programming shut down and many arts organizations were forced to close their doors. To come full circle and partner with them again in 2025 feels especially rewarding.

Since its founding in 1998, Anthropos has served thousands of low-income students across Austin by providing free one-on-one instruction from professional musicians, opportunities to perform on major stages, and mentorship that extends far beyond the classroom. The organization partners directly with Title I schools, focusing on middle and high school students who are often underrepresented in traditional music programs.

Through weekly lessons, masterclasses, and collaborative performances, students gain more than technical skills. They develop confidence, discipline, and the kind of personal support that helps them thrive in school and in life. It's not just about playing an instrument. It's about unlocking potential, nurturing creativity, and building relationships with mentors who believe in them. The results speak for themselves. Every Anthropos senior graduates from high school, and most go on to pursue higher education. Many of them are the first in their families to do so.

## WHY THIS MISSION MATTERS AND HOW NAPEO WILL HELP

As a longtime supporter and now co-chair of NAPEO Gives Back, I've seen firsthand how powerful this initiative can be. Our industry



is built on people. We support businesses by empowering their employees. That same spirit of investing in human potential is what drives the mission of Anthropolos Arts.

Music is a universal language. It crosses backgrounds, barriers, and circumstances. For these students, it is a pathway to possibility. And as a parent, a professional, and someone who believes deeply in expanding opportunity, I cannot think of a better mission for our PEO community to rally behind.

Throughout the 2025 Annual Conference, NAPEO Gives Back will offer several ways

to support Anthropolos Arts. From our highly anticipated silent auction to direct donations and banner sponsorships, we are focused on raising both funds and awareness. Every contribution helps expand access to music education, purchase instruments, support teaching artists, and invest in the future of Austin's youth.

In addition to raising funds, we are committed to telling their story. Representatives from Anthropolos Arts will join us during the conference to share more about their students, their programs, and the impact of our collective efforts. We hope their presence and message will inspire attendees to take part and help amplify the difference we can make together.

Whether you are attending the conference or supporting from afar, there are meaningful ways to get involved. Donating to the silent auction, sponsoring a banner,

or simply sharing Anthropolos Arts' mission within your network can all make a lasting difference. The NAPEO Gives Back committee welcomes participation and new ideas, and we are always looking for ways to grow our impact.

Each year, NAPEO Gives Back reminds us that business success and community impact are not separate goals. They go hand in hand. As we look ahead to Austin, I invite every member of our community to join us in supporting Anthropolos Arts. Together, we can help these young musicians find their rhythm, discover their voice, and step into a future full of possibility. ■



**JENNA MARCEAU**

Chief Information Officer  
Syndeo  
Wichita, KS

# Transforming PEO Risk Management

## Empowering PEOs with Expert Solutions

With a deep understanding of the intricacies within the PEO landscape, Libertate Insurance Services offers comprehensive services that address the evolving challenges in workers' compensation, cyber insurance, EPLI, and more.

Our dedicated team brings unparalleled expertise and tailored solutions created to amplify your risk management strategies. Let's get started today with revolutionizing PEO risk management together.



For inquiries email [phughes@libertateins.com](mailto:phughes@libertateins.com) or visit [libertateins.com](https://libertateins.com)

# FROM THREAT TO PARTNERSHIP: HOW MY VIEW OF PEOs EVOLVED AS AN HR PROFESSIONAL

BY SHARLA ST. ROSE, DBA

**I** fell in love with human resources (HR) before ever stepping into a full-time career role. It began with a summer internship in the HR department at JPMorgan Chase when I was in high school. My days were spent updating records, filing paperwork and listening to how HR professionals supported employees during pivotal moments in their careers. HR wasn't just about processes. It was about people and being a consistent, trusted voice in the midst of change. I was hooked.

My first full-time role came right after college, when I joined a fast-growing tech firm in Dunwoody, Georgia in the fall of 2000. It was a startup through and through: meals and snacks delivered by Webvan, foosball tables in the break-room and free Costco memberships. It felt exciting and full of possibility.

The company was global, which brought a whole new level of complexity. Between international relocations, cultural nuances and compliance challenges, there was always something new to learn. Onboarding often meant sitting with employees to explain how U.S. benefits worked, especially for those who had recently relocated. It was real HR work in all its messy, meaningful glory.

I understood the importance of things like payroll, compliance and reporting, and there was a sense of pride felt in maintaining our HRIS platform, managing data and keeping the operation running smoothly. But what I loved most was the people. I took

genuine joy in helping employees navigate their jobs and experiences at work. Whether organizing a team offsite, coaching a new manager through their first review cycle or being the person someone confided in during a tough time, I believed deeply in the idea that if you take care of the people, they will take care of the clients.

Then the dot-com crash happened. Our team was reduced from three to two, but the workload didn't shrink. If anything, it got bigger, and everyone was stretched thin. That's when someone suggested we speak with a PEO to help relieve some of the administrative burden. I remember that meeting vividly. The rep, cheerful and confident, said, "With a PEO, you don't need HR." I was floored. Was he really suggesting that the very people who held the culture together, stayed late, handled the hard conversations and supported employees through one of the most uncertain times in their careers were no longer necessary? The very people he was presenting to? We politely declined. At the time, it felt like a threat to the work we performed than a resource.

For years, that experience shaped my perception of PEOs. I saw them as transactional and impersonal models that didn't understand the value of HR. But nearly two decades later, my perspective changed.

In 2017, I was brought in as a consultant to work with a large, national PEO that had recently acquired several other PEOs. My job was to help them streamline and strengthen their voluntary and

ancillary benefits offerings across the newly merged organization. As I worked with the PEO and their clients, I started seeing PEOs very differently.

The PEO wasn't replacing HR. It was supporting it. Their client-facing team worked directly with in-house HR contacts, and what I saw was a real partnership, which allowed the internal HR professionals to focus on higher-impact work while the PEO handled the heavy operational lift: payroll, benefits administration, tax filings, onboarding logistics, compliance tracking. The HR team was still very much in the driver's seat. They were empowered, not eclipsed, and now they had the capacity to focus on engagement, retention, development and culture—the work that really moved the needle for employees.

That project was a turning point. I saw how the PEO model had evolved. It wasn't about removing HR anymore; it was about reinforcing it. Then COVID hit and that evolution became even clearer. PEOs sprung into action to help clients navigate constantly shifting regulations, extend benefit coverage for furloughed workers and roll out mental health and caregiver support services during a time employees needed them most. Not only had the talk track evolved, but the functionality had also. The best PEOs today understand great HR teams don't need to be replaced, they need support. Partnering with a PEO gives those teams the tools and bandwidth to do their highest-value work.

# Why are industry trailblazers turning to PRO to stay ahead of the competition?

## PRO is Built for the Future.

"Implementing PRO Software has transformed our organization. The platform is far more modern, intuitive, and scalable than anything we used before, not to mention that their product is constantly evolving, adding new features and capabilities. What stands out the most though is PRO's commitment and culture of partnership—offering consistent support and collaboration from day one.

**We're confident that with PRO, we have a true partner equipped to push boundaries right along with us, developing technology that empowers and gives us a competitive edge in the marketplace as we continue growing our business."**

— Chris Bradford, President of Unique HR



Chris Bradford  
President, Unique HR



# TRAINING CAMP

Houston, TX | November 5 - 7, 2025

Marketing@prosoftware.com  
PROSoftware.com  
281.202.3648



**Ready, set,  
register!**



**Or get registered  
at Booth #501!**



*So today, when I hear someone say, “We already have HR,” my response is: Exactly. That’s why a PEO makes sense.*

When you’re no longer bogged down by time-consuming transactional tasks, you can do the work that makes people feel connected and supported in the workplace. You can build thoughtful training programs, create clear

development pathways and foster a sense of belonging. You can make onboarding feel like a genuine welcome instead of a compliance checklist. You can have the time to sit with someone going through a personal or professional challenge and really be present. These things matter because they shape the employee experience, and when the employee experience is strong, the organization thrives.

So today, when I hear someone say, “We already have HR,” my response is: Exactly. That’s why a PEO makes sense. Because having HR means they already have people who are passionate about supporting their workforce. A PEO doesn’t take this away, it gives HR

professionals the space to perform their tasks even better. It clears the deck so HR leaders can focus on people, not paperwork. Culture, not compliance. Impact, not just intake.

What started out as a threat has become a tool I now recommend often with confidence because HR is at its best when it’s given room to lead. If you take care of your people, they will take care of clients, the business. And the right PEO can help make this happen. ■



**SHARLA ST. ROSE, DBA**

*Managing Director, PEO & Staffing Practice Leader  
NFP, an Aon Company  
New York, NY*

**AON**

# The Time for Better Risk Decisions is Now

Using the results captured in Aon’s Casualty Laser™ database — the industry-standard approach for insights into KPIs that drive casualty cost of risk — Aon Spectrum Analytics® enables organizations to gain casualty program insight from their own data and analyze it against industry (and internal) benchmarks.

To learn more, contact John Harman, Aon Growth Leader:  
john.harman@aon.com  
+1 904 742 0887



# AN INSIDE LOOK AT 'PEP'ing' A MEP

BY JIM KAIS

**T**he retirement plan landscape continues to evolve rapidly.

Since the SECURE Act introduced pooled employer plans (PEPs) in 2021, further leveling the playing field for small and mid-sized businesses, we've seen a wave of innovation and adoption that's reshaping how retirement benefits are approached.

According to Planadviser.com, the number of PEPs registered with the DOL increased by 106% between 2021 and 2023. While multiple employer plans (MEPs) have long served as a valuable solution, particularly for PEOs and trade associations, this exponential growth in just over two years, allows a prudent PEO to ask the logical question, "Should we explore a PEP for our PEO?"

## A BRIEF HISTORY

MEPs have been around since before the establishment of ERISA in 1974, evolving from defined benefit to defined contribution structures. A MEP is a retirement plan for businesses that typically **share a commonality**, but are not commonly owned — such as belonging to the same association or PEO — to band together and leverage buying power.

Their growth accelerated in the late 1990s into the early 2000s (rev. proc

2002-21) with the rise of PEOs and gained further traction in 2012 when regulatory guidance clarified how unrelated employers could participate in pooled plans (2012-04A). All of this laid the groundwork for what we now know as PEPs.

A PEP is a defined contribution plan in which a group of **unrelated employers** participate as part of a single pooled plan. It is sponsored by a pooled plan provider ("PPP") named in the plan document as the sponsor, 3(16) plan administrator, named fiduciary, and person/entity responsible for performing all administrative duties.

## A NEW EFFICIENT FRONTIER FOR PEOs?

While both MEPs and PEPs offer scale, there are unique and distinct features of PEPs that are hard to ignore, prompting PEOs and trade associations, who were early adopters of MEPs, to examine how "PEP'ing" their plans—transitioning to a PEP structure — can be advantageous from a financial and legal perspective.

Here is the rationale for a PEP:

**1. Reduction of fiduciary risk to near zero.** PEPs are designed to streamline operations and reduce risk in a more standardized manner. PEPs can assume almost all fiduciary responsibility for PEOs and, on



*The PEP structure offers employers a high degree of fiduciary outsourcing, pricing scale achieved through asset aggregation, and administrative simplicity.*

behalf of adopting employers, with their integrated layers of fiduciaries.

- 2. Enhanced coverage for all employer types.** PEPs allow PEOs to "roll up" all client types into one plan (i.e., ASOs, client companies, and payroll clients). This expands the net while reducing the potential for multiple audits through multiple arrangements.
- 3. Online payroll integration.** In a PEO with a PEP, payroll can be completely outsourced with 360° integration, further reducing potential compliance risk and administrative burden.
- 4. The PPP.** A PEP is supported by a DOL-registered PPP who, when

enabled by modern technology, can offer cohesion and optimal risk management, as well as the offloading of burdensome administration that can tax even the most well-stocked retirement staff within a PEO. The PPP carries with it tremendous responsibility in managing the PEP, balancing the work and risk involved.

**5. Additional and required scrutiny.** The PEP comes with additional layers of scrutiny mandated by the SECURE Act that MEPs are exempt from. For example, the SECURE Act outlines that it is the responsibility of the PEP's trustee to ensure contributions are collected by the

plan for the participants' benefit in a timely manner, along with many requirements and stipulations.

**6. A powerful retention tool.** Pooled retirement plans, including PEPs, can be a fantastic retention tool for a PEO's financially cautious clients who may be pondering cost reductions or service downgrades.

Many CEOs (of PEOs) that I have spoken with have responded well to the idea of transitioning the fiduciary work to a registered PPP within a PEP, gaining comfort and additional clarity when adding their payroll or administrative outsourcing ("ASO") clients into the same pooled plan, and enjoying the

administrative scale that has come to the market with online payroll or HRIS integration with third parties.

The PEP structure offers employers a high degree of fiduciary outsourcing, pricing scale achieved through asset aggregation, and administrative simplicity, helping to overcome three of the biggest barriers to plan adoption in the small business market. Risk, cost, and administrative complexity.

### A BUSINESS PROPOSITION RARELY IMAGINED

PEOs with a current PEP (or those considering one) have an immense business-building opportunity to partner with trade associations. Trade

## Stronger than ever!



**As the largest and most experienced insurance advisor to the PEO industry, we support hundreds of PEO'S in maximizing long-term profitability of their commercial insurance programs.**

**Contact us today to find out how we can help with your insurance and risk management needs.**



**Jennifer Robinson**, Area President, PEO Practice Leader  
Gallagher  
Jennifer\_Robinson@ajg.com  
(407) 230-6953  
<https://risktransfer.com>



associations with MEPs often lack the “central nervous system” of common payroll remittance or integration, whereas PEOs naturally have this built into their ecosystem. Would it benefit your PEO to develop a referral fee arrangement on a per-worksite-employee basis for new business that comes from an association into the PEP?

The advantages to the trade association are four-fold; they do not have to set up their own MEP or PEP, can forgo administrative responsibilities, can gain access to a suite of benefits and services, and may demonstrate their value by offering a streamlined retirement plan solution (versus offering none at all). A win for all involved.

## WHAT'S AHEAD

Will PEPs replace MEPs entirely? Not likely, but they will continue to gain ground for the reasons outlined in this article. MEPs will remain relevant in specific verticals, particularly where existing structures and relationships are well-established. Ultimately, both models serve a common goal: expanding access to retirement plans and improving outcomes for American workers, which is at the core of Equitable’s mission and values.

The industry has witnessed numerous PEPs surpass \$1 billion in assets, underscoring the importance of selecting the right recordkeeping partner to support your retirement plan’s success.

With SECURE 3.0 being worked on in the background, offering new options to save, retirement planning will remain a core tenet in the national conversation. Enterprising PEOs who look to the future for growth can reap the rewards of evolving smartly. ■

▼ This article is designed to give general and timely information about the subjects covered. It is not intended as legal advice or assistance with individual problems. Readers should consult competent counsel of their own choosing about how the matters relate to their own affairs.



**JIM KAIS**

*Head of Group Retirement  
Equitable Financial Life  
Insurance Company  
New York, NY*



## Unlock the power of partnership to help worksites thrive

According to our latest research, **77% of employers who use a PEO agree** they place a higher priority on providing better benefits than employers who don't.<sup>1</sup>

Let Guardian guide you to the in-demand benefits that can help build happier, healthier worksites.

Behind every supportive PEO  
is a **Guardian**<sup>TM</sup>



Or visit  
**GuardianLife.**  
**com/peo**

The Guardian Life Insurance Company of America | [guardianlife.com](https://guardianlife.com)

<sup>1</sup> The Power of PEO Partnerships: How professional employer organizations can help their clients support employee well-being, Guardian's 13th Annual Workplace Benefits Study, 2024.

Guardian® is a registered trademark of The Guardian Life Insurance Company of America, New York, NY. Copyright© 2025 The Guardian Life Insurance Company of America. All rights reserved. Guardian will never ask you to provide sensitive personal information, including SSN/DOB, nor login via QR codes. 2025-7538341.1 (1/27) | New York, NY



# WHAT THE ONE BIG BEAUTIFUL BILL ACT MEANS FOR THE PEO INDUSTRY

BY PASQUALE PATRONE, CPA

**T**he *One Big Beautiful Bill Act* (H.R.1), signed into law July 4, 2025, marks a sweeping legislative package that touches nearly every corner of the U.S. economy. As a reconciliation bill, it consolidated provisions from over a dozen other bills, making it one of the most comprehensive fiscal measures in recent years. For the PEO industry, which supports businesses of all sizes with HR, payroll, benefits, and compliance, this legislation brings both opportunities and challenges.

## KEY HIGHLIGHTS OF THE BILL

The bill includes provisions that:

- Reduce federal taxes across multiple brackets
- Adjust federal spending – increasing funding for workforce development while trimming certain entitlement and administrative programs
- Raise the statutory debt ceiling, allowing for continued federal borrowing
- Incorporate major tax and workforce-related legislation, including: Paid Family and Medical Leave Tax Credit Extension and Enhancement Act; Freedom to Invest in Tomorrow's Workforce Act; Opportunity Zone enhancements; and the HITS Act and LIVE Beneficiaries Act.

## IMPLICATIONS FOR PEOs

### 1. Enhanced Workforce Development Incentives

The inclusion of the Freedom to Invest in Tomorrow's Workforce Act provides tax incentives for employers investing



*While the bill simplifies taxes in some areas, it also introduces new compliance requirements tied to workforce investments and tax credit eligibility.*

in employee training and upskilling. PEOs can leverage this to offer more robust learning and development programs to their clients, especially in industries facing talent shortages.

### 2. Paid Leave Tax Credits

The extension and enhancement of paid family and medical leave tax credits will be a boon for small businesses. PEOs can play a pivotal role in helping clients navigate eligibility, compliance, and administration of these credits.

### 3. Tax Simplification And Client Savings

With certain tax cuts aimed at individuals earning under \$500,000 and small businesses, PEO clients may see reduced tax burdens. This creates an opportunity for PEOs to offer strategic tax planning and payroll optimization services.

### 4. Compliance Complexity

While the bill simplifies taxes in some areas, it also introduces new compliance requirements tied to workforce investments

and tax credit eligibility. PEOs will need to update systems and train staff to make sure clients remain compliant.

### 5. Opportunity Zones And Economic Development

The renewal and expansion of Opportunity Zones could drive business growth in underserved areas. PEOs serving clients in these zones can help them capitalize on tax incentives and navigate regulatory requirements.

## TOP CHALLENGES FOR PEOs UNDER THE ONE BIG BEAUTIFUL BILL ACT

### 1. Increased Compliance Complexity

The bill bundles over a dozen legislative initiatives, including tax credits, workforce development incentives, and immigration-related provisions. For PEOs, this means:

- More administrative overhead to track eligibility and reporting requirements for new tax credits (e.g., paid leave, training).
- Frequent updates to payroll and HR systems to reflect changing tax rates, benefit thresholds, and compliance rules.
- Client education becomes more critical and time-consuming, as small businesses rely on PEOs to interpret and implement these changes.

### 2. Immigration And Work Authorization Pressures

The bill allocates over \$170 billion to immigration enforcement, with a focus on increasing deportations and

# Music Shapes Our Youth

Children and teens who study music are 24% more likely to graduate from high school.<sup>1</sup>

NAPEO Gives Back is proudly partnering with Anthropos Arts, an Austin-based organization that connects low-income youth with professional musicians for free to cultivate confidence and life skills.



**Open your heart to a deserving child's future by donating today.**

Contact Chris Miller, NAPEO Gives Back committee member and Ameritas director of national sales, specialized markets for retirement plans at (818) 299-0087 or visit Ameritas at Booth #700 at the NAPEO Annual Conference & Marketplace, October 5-8, 2025.

*"We started NAPEO Gives Back to leave the communities that host our conferences and meetings a little better off than they were before we arrived."*

-- Barron Guss, NAPEO's former chair and founder of NAPEO Gives Back.



Silent auction opportunities are available

<sup>1</sup> <https://meritmusic.org/benefits-music-education/>

Unless otherwise specified, any entity referenced in any article in this publication is not an affiliate of Ameritas or any of its affiliates.

Fulfilling life® is a registered service mark of affiliate Ameritas Holding Company. © 2025 Ameritas Mutual Holding Company.

## LEGAL, LEGISLATIVE, & REGULATORY

tightening work authorization. This could lead to:

- Stricter I-9 audits and E-Verify enforcement, increasing the risk of penalties for clients.
- Delays or denials in work permits for foreign-born employees, affecting staffing and onboarding.
- Higher legal and administrative costs for PEOs managing diverse workforces across multiple states.

### 3. Workforce Development Mandates

While the bill includes incentives for workforce training, it also introduces performance-based conditions for receiving those benefits. PEOs may face:

- Pressure to demonstrate ROI on training programs to qualify for tax credits.
- Increased documentation and tracking of employee progress, certifications, and outcomes.

- Client pushback if the administrative burden outweighs perceived benefits.

### 4. Tax Code Volatility

Although the bill simplifies some tax brackets, it also introduces temporary provisions and sunset clauses. For PEOs, this creates:

- Uncertainty in long-term planning for payroll and benefits administration.
- Frequent recalibration of systems to accommodate shifting thresholds and deductions.
- Client confusion, requiring more proactive communication and advisory services.

### 5. Technology And Infrastructure Demands

To stay compliant and competitive, PEOs should:

- Invest in automation and AI tools to manage complex compliance workflows.

- Upgrade cybersecurity protocols, especially with increased data sharing for tax and immigration reporting.
- Train internal teams to interpret and implement new rules quickly and accurately.

### STRATEGIC TAKEAWAY FOR PEOs

The One Big Beautiful Bill Act is a game-changer for the business services landscape. PEOs that proactively adapt to the new provisions—especially around tax credits, workforce development, and compliance—will be well-positioned to deliver enhanced value to their clients. ■



**PASQUALE PATRONE, CPA**

Partner  
CohnReznick LLP  
New York, NY

There's a Reason More  
PEOs Use PrismHR Than  
Any Other Provider.

It's Called  
**Customer Service.**

At PrismHR, high-tech innovative solutions come with exceptional customer service. We go above and beyond to ensure you always have the answers and support you need.



“What I value the most about our relationship with PrismHR is that they're truly only an email or in some cases a text away.”

— Lauren Jones, Director of Operations, My HR Pros



“We value our partnership with PrismHR because we know that they have our best interests in mind and they want to help us and our clients succeed.”

— Jenna Marceau, CIO, Syndeo



**Innovation isn't just what we do—it's who we are.** With over 40 years of HR tech leadership, PrismHR isn't just keeping pace—we're redefining the industry. Join us at the NAEPO Annual Conference booth 301 to see the future of HR outsourcing in action. Scan the code to learn more. [prismhr.com/new](https://prismhr.com/new)

©2025 PrismHR



**PRISMHR**

# KEY EMPLOYMENT LAW DECISIONS FROM THE US SUPREME COURT

BY GORDON M. BERGER, ESQ.

**T**he 2024–2025 term of the Supreme Court has produced some notable decisions impacting employment law, with several significant cases still pending. This term’s docket contained several high-stakes cases addressing issues ranging from employee classification to disability rights and drug testing liability.

PEOs need to stay on top of these decisions, as they impact guidance that they provide to their clients. Here’s a summary of the key rulings.

## AMES V. OHIO DEPARTMENT OF YOUTH SERVICES

**Issue:** The applicability of the “background circumstances” rule to Title VII discrimination claims.

In a unanimous decision on June 5, 2025, the Court addressed the issue of discrimination claims brought by individuals in majority groups under Title VII of the Civil Rights Act. The Court rejected the “background circumstances” test, which previously required majority-group plaintiffs to demonstrate unusual circumstances suggesting their employer was predisposed to discriminate against them. This ruling clarifies that Title VII’s protections apply equally to all individuals regardless of their group status, ensuring they are subject to the same standard when alleging workplace discrimination.

**Impact:** This decision has the potential to lower the threshold for proving discrimination claims, making

it easier for individuals to bring such claims. The ruling emphasizes that Title VII’s protection is focused on individuals, and does not impose a higher evidentiary burden on majority-group plaintiffs. This change may have broader implications for corporate diversity, equity, and inclusion (DEI) practices, as employers may now face a different standard for demonstrating discrimination against their majority group.

## E.M.D. V. CARRERA

**Issue:** What is the appropriate burden of proof for employers under the Fair Labor Standards Act (FLSA) when classifying employees as exempt?

This case centered on the Fair Labor Standards Act’s (FLSA) overtime

requirements, and the Court determined that employers do not need “clear and convincing evidence” to demonstrate a worker is exempt from those requirements. Instead, the standard of a “preponderance of the evidence” applies, meaning employers only need to show it’s “more likely than not” that the exemption applies. This decision could simplify the defense against misclassification and unpaid overtime lawsuits, but employers should still maintain robust documentation and adhere to salary and duty requirements under both FLSA and state laws.

**Impact:** The Supreme Court ruled that the “preponderance of the evidence” standard is sufficient, aligning with the majority of circuits. This decision eases the evidentiary burden on employers and provides greater clarity for FLSA exemption disputes

### STANLEY V. CITY OF SANFORD

**Issue:** Does the Americans with Disabilities Act (ADA) protect retirees from discriminatory changes to health benefits?

A retired firefighter with Parkinson’s disease challenged a city policy that reduced health insurance coverage for disabled retirees. The Eleventh Circuit ruled that the ADA applies only to current employees and job applicants. The Court ruled that the ADA does not extend its protection to former employees seeking post-employment benefits discrimination based on their disability. The ADA’s employment provisions are limited to individuals who currently hold or are seeking an employment position and can perform its essential functions with or without accommodation.

**Impact:** The Supreme Court declined to overturn the Eleventh Circuit, effectively

limiting ADA protections to active employment relationships. This leaves a circuit split unresolved and may prompt future legislative or judicial clarification.



*PEOs need to stay on top of these decisions, as they impact guidance that they provide to their clients.*

### LACKEY V. STINNIE

**Issue:** Can plaintiffs be considered “prevailing parties” eligible for attorney’s fees based on a preliminary injunction?

**Summary:** Although not a traditional employment case, this decision has implications for employment discrimination lawsuits under 42 U.S.C. § 1981. The plaintiffs received a preliminary injunction after a court found they were likely to succeed on the merits, but the case became moot when the law in question was repealed.

**Impact:** The Court held that a preliminary injunction alone does not confer prevailing party status unless it results in a material alteration of the legal relationship. This ruling may limit fee recovery in employment discrimination cases that are resolved before final judgment

### MEDICAL MARIJUANA, INC. V. HORN

**Issue:** Can CBD companies be held liable under RICO for economic harm caused by failed drug tests?

**Summary:** A truck driver sued a CBD company after losing his job due to a

failed THC drug test, despite using a product marketed as THC-free. The case raised the question of whether economic harm from personal injury (job loss) qualifies as an injury to “business or property” under the Racketeer Influenced and Corrupt Organizations Act (RICO).

**Impact:** The Supreme Court ruled that economic losses stemming from personal injuries do not qualify under RICO, limiting the scope of civil liability for CBD and similar product manufacturers in employment contexts

### OTHER DEVELOPMENTS

#### M&K Employee Solutions v. Trustees of the IAM Pension:

The Court has agreed to hear a technical question under the Employee Retirement Income Security Act (ERISA) regarding the calculation method for an employer’s withdrawal liability from a multiemployer pension fund. The ruling will resolve a circuit split over when assumptions used to determine withdrawal liability must be adopted. The Court will address whether 29 U.S.C. § 1391’s instruction to compute withdrawal liability “as of the end of the plan year” requires the plan to base the computation on the actuarial assumptions most recently adopted before the end of the year, or allows the plan to use different actuarial assumptions that were adopted after, but based on information available as of, the end of the year.

#### CASA, INC.

**Issue:** whether federal district courts have the equitable authority to issue universal (nationwide) injunctions—orders that block a federal policy from being enforced against anyone, not just the plaintiffs in a case.

The case consolidated three lawsuits challenging Executive Order 14160 (EO), which sought to restrict birthright citizenship by redefining who is “subject to the jurisdiction” of the U.S. under the 14th Amendment.

District courts issued universal injunctions halting enforcement of the EO nationwide. The Trump administration appealed, not to defend the EO’s constitutionality, but to challenge the scope of the injunctions.

In a 6–3 decision authored by Justice Barrett, the Court held that universal injunctions likely exceed the equitable authority granted to federal courts under

the Judiciary Act of 1789. The Court granted a partial stay, limiting the injunctions to only those plaintiffs with standing, rather than applying them nationwide.

**Impact:** The Court’s ruling in this case, often associated with birthright citizenship, also impacts employment law by limiting the use of nationwide injunctions in district courts.

### CONCLUSION

The 2024–2025 Supreme Court term has clarified several key areas of employment law, particularly around evidentiary standards, fee recovery, and the scope of

federal protections. PEOs should take note of these decisions, as they will influence litigation strategies, compliance policies, and workplace rights. ■

▼  
This article is designed to give general and timely information about the subjects covered. It is not intended as legal advice or assistance with individual problems. Readers should consult competent counsel of their own choosing about how the matters relate to their own affairs.



**GORDON M. BERGER, ESQ.**

*Founding Partner  
Pierson Ferdinand  
Greensboro, GA*



## We know PEO.

For over a decade, we’ve had a proud relationship with NAPEO. Which means you can count on our expertise, thought leadership, and ongoing support.

Choose MetLife for a wide range of products—Life, Dental, Vision, Disability, and more—that can help grow your existing accounts. To learn more, visit [metlife.com/PEO](https://metlife.com/PEO).

Visit us at booth 505 during the NAPEO Annual Conference and Marketplace.



Availability of products and services is based on MetLife’s guidelines, group size, underwriting, and state requirements. Like most insurance policies and benefit programs, insurance policies and benefit programs offered by Metropolitan Life Insurance Company and its affiliates contain certain exclusions, exceptions, waiting periods, reductions of benefits, limitations, and terms for keeping them in force. Please contact MetLife for complete details.

© 2025 MetLife Services and Solutions, LLC. L0124037846[exp0126][All States][DC, GU, MP, PR, VI]



# KEY PROVISIONS OF H.R.1: THE ONE BIG BEAUTIFUL BILL ACT

BY ALEX MILLIKEN

**P**resident Trump signed The One Big Beautiful Bill Act (OBBA) into law on July 4, 2025. The legislation is an extensive tax bill that includes hundreds of provisions. For many of these provisions, we are still awaiting further regulatory guidance that agencies will issue as part of the implementation phase.

However, there are some provisions that have a clear and immediate impact on PEOs and their clients. I wanted to provide a brief overview of some of the most pertinent sections that NAPEO is tracking. This is not a comprehensive list of every OBBA provision you should monitor, but the most relevant to PEOs. For more information and a

deeper dive on the OBBA, check out the webinar recording we held in June. You can access NAPEO's members-only webinar archive at [napeo.org/events/virtual-events-education/](https://napeo.org/events/virtual-events-education/)

## EMPLOYEE RETENTION TAX CREDIT (ERTC)

The final language in the OBBA does not include changes to the ERTC for 2020 or



NAPEO members visited Capitol Hill in May during PEO Advocacy Day to ensure our industry's voice was heard.

quarters 1 and 2 of 2021. However, the language **does include changes** to the ERTC for quarters 3 and 4 of 2021 that may impact PEO claims.

The bill accelerates the deadline for claims for quarters 3 and 4 of 2021 to January 31, 2024. Meaning claims filed for these quarters after January 31, 2024, will not be paid. If, however, a PEO made a claim after January 31, 2024, and the IRS has already sent a refund check, then the accelerated deadline does not apply to that claim.

The bill also extends the statute of limitations for IRS assessments for quarters 3 and 4 of 2021. The new expiration for assessments has changed to April 15, 2028, or six years after the

date on which the ERTC claim was made, whichever is later.

### NO TAX ON TIPS

The OBBB eliminates tax on tips. PEOs will likely need to address this issue with their clients. The no tax on tips provision is for occupations which customarily received tips prior to 2025 such as restaurants, salons and food delivery drivers. In the coming months additional guidance will be released by the IRS and Treasury including a list of industries to clarify eligibility. The deduction is limited to \$25,000 per year in qualified tips and is subject to an income limitation which phases out for taxpayers with modified adjusted gross income (MAGI) exceeding



*One provision that might be of benefit to PEOs as a potential service to offer their clients is the newly created savings accounts provided in the OBBB.*

\$150,000 (\$300,000 for joint filers). Tipped workers are still required to report their tips to their employers and tips will still be subject to Social Security and Medicare taxes. The deduction is a

# Enjoy the ride

live your  
best life

Helping employees navigate winding roads is a breeze when you know the route. With nearly 25 years of experience working with PEOs, Transamerica provides solutions to help keep you on cruise control.

Visit Transamerica at **Booth #409** during NAPEO's 2025 Annual Conference & Marketplace, October 6-8 at the JW Marriott in Austin, Texas.

**Schedule a no-obligation retirement plan evaluation and learn how Transamerica can help you enjoy the journey.**

✉ [pooledplansales@transamerica.com](mailto:pooledplansales@transamerica.com)

RS3 4283150R1 S 07/25  
© 2025 Transamerica Corporation.  
All Rights Reserved.

 **Transamerica**<sup>SM</sup>

temporary provision and applies to tax years 2025 through 2028.

### NO TAX ON OVERTIME

The bill allows individuals to deduct up to \$12,500 and joint filers \$25,000 in qualified overtime compensation. Qualified overtime is defined as required by the Fair Labor and Standards Act (FLSA) definition and does not include overtime not required by the FLSA such as mandated by state law or in a collective bargaining agreement. Similar to the No Tax on Tips provision there is a phaseout for high earners. The deduction begins to phase out for single filers with a modified adjusted gross income over \$150,000 (\$300,000 for joint filers) and includes

the same effective dates, tax years 2025–2028. This deduction only affects federal income tax, not payroll taxes (Social Security and Medicare/FICA), which will still be withheld as usual from all overtime pay.

### TRUMP ACCOUNTS

One provision that might be of benefit to PEOs as a potential service to offer their clients is the newly created savings accounts provided in the OBBA. Trump Accounts were created to encourage savings on behalf of children born between 2025 and 2028 by providing tax free growth. Each account will receive a one-time payment of \$1,000 in seed money from the federal government while allowing up to \$5,000 in

annual after-tax contributions including up to \$2,500 by the taxpayer's employer. If an employer chooses to provide an employee with up to \$2,500 for a Trump Account, it will not count towards their gross income and thus is not subject to tax at the employee or employer levels. The account grows tax-deferred until account owners make withdrawals, which can only start at age 18, and the account at that point essentially follows the rules in place for individual retirement accounts (IRAs). ■



**ALEX MILLIKEN**

*Director,  
Federal Government Affairs  
NAPEO  
Alexandria, VA*

# MAKE MORE. KEEP MORE.

Backed by Data. Validated by our Clients.

- Mergers and Acquisitions
- Business Advisory
- Profitability Improvement
- PEO Recruiting
- Technology, API, AI Development
- Client Retention Management



**McHenry Consulting**

[www.mchenryconsulting.net](http://www.mchenryconsulting.net)

Ask Us How  
Matt Claus: 678-793-6693  
Dan McHenry: 813-363-2270



Come See us at  
NAPEO MarketPlace  
**Booth 416/418**

# Kick off Day 1 at NAPEO with **PEO** Power Plays

**OCTOBER 6**  
**9:30-11:30 A.M.**

JW MARRIOTT, AUSTIN, TEXAS

Join Compliance Compass for a high-impact seminar where PEO pros share winning strategies, cutting-edge trends, and compliance moves that fuel growth and performance.

Get insider insights from top industry leaders on how they're boosting efficiency and staying ahead of the game.



**Register Now!**

Limited seating available.  
Scan now to save your  
place!



Compliance Compass

*Chart Your Course with Confidence*

swipeclock



syncstream

POWERED BY SELERIX

POSTERElite



ZayZoon

CBIZ



# VALUE-BASED CARE: A WIN-WIN

BY DAVID IACINO

**A** strong health benefits package can be a valuable component of the services that PEOs sell to small and mid-size businesses. Designing a health benefits program with your health care partners that is focused on driving cost-effective access to quality care can result in stronger businesses and healthier employees.

Value-based care has been a hot topic in the health care industry for many years. But what is it, and why is it still trending? While health care companies often agree on how to define value-based care, they don't always implement it in similar ways.

## UNDERSTANDING VALUE-BASED CARE

Value-based care is a health care delivery model that focuses on providing high-quality care while controlling costs. Traditionally, health care has operated on a fee-for-service basis, where providers are paid for each service they perform. In contrast, value-based care rewards health care providers for achieving better health outcomes for their patients. This model emphasizes preventive care, care coordination among health care providers, and personalized treatment plans based on individual health goals.

## ADDRESSING QUALITY AND COST ISSUES

Two significant issues facing the American health care system are high costs and varying quality of care. The United States spends over \$4 trillion on health care, fast approaching \$5 trillion.<sup>1</sup> This represents nearly \$1 out of every \$5 spent in the economy.<sup>1</sup> Despite this high spending, the U.S. does not achieve the same quality outcomes, mortality benefits, and reduction in morbidity seen in some countries that spend less. The momentum behind value-based care is driven by its potential to improve outcomes, reduce health care costs, and enhance patient experience.

## CHALLENGES IN IMPLEMENTING VALUE-BASED CARE

Implementing value-based care comes with several challenges:

**Data Requirements:** Value-based care requires extensive data to understand patients' clinical conditions, risks and needs. Health care providers must collect and analyze this data to deliver personalized care effectively.

**Care Coordination:** Value-based care more often involves a team-based approach, than do traditional fee-for-service models. This team may include physicians, nurses, pharmacists, care coordinators, social workers and mental health professionals.

Coordinating care among these providers is crucial for success.

**Financial Risk:** Providers are paid based on outcomes, and poor outcomes can result in financial penalties. Managing these risks can be complex and requires careful planning and execution.

## BENEFITS OF VALUE-BASED CARE

Despite the challenges, the benefits of value-based care are significant. This model encourages preventive care, early intervention and chronic disease management—leading to better health outcomes for patients.

## Example: Heart Failure Patient

Consider a patient discharged from the hospital after heart failure. In a value-based care model, the patient would be seen by a care team within a few days of discharge. The nurse would review discharge instructions and ensure the patient understands their diet and medication regimen. The nurse might identify the need for medication optimization and collaborate with the physician and pharmacist to reconcile medications. The patient would also be seen by a cardiologist and receive support from social workers and care coordinators to navigate appointments and understand the treatment plan. This comprehensive approach contrasts with some traditional fee-for-service care, where the patient might not receive such thorough follow-up.

## BENEFITS FOR THE HEALTH CARE SYSTEM

Value-based care also benefits the health care system. By providing coordinated and personalized care, health care providers can help patients stay healthy at home, avoid unnecessary emergency room visits, and prevent rehospitalization. This approach reduces costs by eliminating unnecessary services, creating a win-win situation for both patients and the health care system.

## THE FUTURE OF VALUE-BASED CARE

Value-based care represents a promising shift in the health care industry. By focusing on quality and cost control, this model has the potential to improve health outcomes, reduce expenses and enhance patient experience. Overcoming the challenges of data management, care coordination and financial risk is essential to realizing the full benefits of value-based care. As health care continues to evolve, value-based care will likely play a crucial role in shaping a more efficient and effective system.

Health care organizations that are poised to continue leadership in value-based care focus on key areas including: primary care, home services and technology.

**Primary Care:** Primary care is central to improving health care outcomes. By investing in primary care, health care

organizations can enhance patient health while reducing the need for emergency room visits and hospitalizations.

**Home Services:** With an increasing number of people seeking health care services at home, more health care organizations now offer in-home support. This approach is crucial for maintaining patient health and ensuring continuity of care.

**Technology:** The power of technology improves patient engagement and outcomes. Through telehealth services, digital applications and data analytics, organizations like CVS Health® and Aetna® help create personalized care plans and provide tools that empower patients and care teams to achieve better health outcomes.

Health care organizations that demonstrate a commitment to value-based care are transforming the health

care landscape. By focusing on preventive care, personalized treatment plans and better coordination among providers, we can create a more sustainable health care system that prioritizes patient health and well-being. It's imperative that we all continue to innovate and focus on expanding services to deliver superior care and value to patients, customers, and the American health care system. ■

<sup>1</sup> According to the Centers for Medicare & Medicaid Services (CMS), U.S. health care spending reached \$4.9 trillion in 2023, which accounted for 17.6% of the Gross Domestic Product (GDP).



**DAVID IACINO**

*Aetna PEO President  
Aetna, a CVS Health Company  
Hartford, CT*



| a Berkley Company

## Workers Compensation that Works for You.

With expert knowledge of the PEO industry, we deliver industry-leading results through:

- **Specialized Underwriting**
- **Claims Excellence**
- **Exceptional Responsiveness**

We provide a seamless insurance experience so you can do what you do best.

**Expertise | Excellence | Exceeding Expectations**

### CONNECT WITH US AND LEARN MORE!

**Tammy Eakins**  
Director, Staffing &  
PEO Programs  
teakins@keyrisk.com

**Travis Moose**  
SVP & Chief  
Marketing Officer  
tmoose@keyrisk.com



Key Risk is a member company of W. R. Berkley Corporation. Products and services are provided by one or more insurance company subsidiaries of W. R. Berkley Corporation. Not all products and services are available in every jurisdiction, and the precise coverage afforded by any insurer is subject to the actual terms and conditions of the policies as issued.

## Experience the Key Risk Difference.

Visit us at the  
**2025 Annual Conference & Marketplace**  
Booth 313

[keyrisk.com](https://keyrisk.com) | 800.942.0225



# 5 FRESH AND PRACTICAL STRATEGIES TO SHRINK RISING COMMERCIAL HEALTHCARE COSTS

BY GARY ROBINSON

**K**eeping employees happy and healthy is critical for organizational success. But with healthcare costs projected to grow by 8% in 2025, finding ways to manage budgets while maintaining high-quality benefits has become more challenging than ever for benefits leaders.<sup>1</sup> Commercial healthcare spending is on track for its fastest growth in 13 years, leaving companies searching for strategies that tackle these rising costs head-on.

The good news? It's not all doom and gloom. Industry-leading benefits teams are already changing how they deliver Health Savings Account (HSA)-centric benefits to dramatically reduce costs while delivering significantly improved employee outcomes.

Curious? Here are five practical, data-backed, industry-leading strategies your peers are already using.

## 1. SET A BENCHMARK FOR SUCCESS

How can you know where you're going without knowing where you're starting? Benchmarking your HSA contribution strategy plan is a critical first step. Comparing your program's performance against similar organizations in your industry ensures your plan isn't just

competitive but also aligns with employee happiness and affordability. The unfortunate reality is that many benefit teams have taken a "set it and forget it" approach to their HSA contribution strategy and lived with unintentionally mediocre impact. There is a valuable opportunity to revisit your strategy for even better results.

### How to benchmark effectively:

- Assess your HSA plan contribution levels. With the average annual employer contribution<sup>2</sup> at \$650 (single) and \$1,300 (family), are you keeping pace? What new strategies are being deployed? What strategies drive superior engagement with employees?
- Take a deep look at your current contribution strategy. When was the last time you adjusted this to meet evolving employee needs and better engage your workforce?

**Impact:** Organizations that consistently assess the performance of their HSA benefits can uncover disparities early and offer better value while controlling costs. Thoughtful organizations are using benchmarking to deeply engage employees and enable the average family to build a safety net for

healthcare costs that exceeds \$10,000 within three years—all while reducing healthcare costs for the organization by millions of dollars each year. Intelligent benchmarking is a definite game changer.

## 2. IMPLEMENT DEFAULT HSA CONTRIBUTIONS

Most employees readily understand the impact of an employer contribution but miss the second contribution that employers make into their HSA—premium savings. Helping employees capture and build on these savings can increase the average HSA balance by as much as \$1,200 per year. *Only 20-30% employees are tapping into and capturing these savings today.*<sup>3</sup> Here's how it works. If a high-deductible health plan (HDHP) premium costs employees \$100 less per month than a PPO plan, employers can set employees up to automatically contribute that \$100 savings into their HSA. This automatic contribution comes straight from the employee's paycheck, ensuring seamless execution without impacting their take-home pay.

**Why it works:** Employees don't miss what's never in their pocket, but they certainly notice the long-term impact. This strategy builds peace of mind and aligns with behavioral economics

principles proven to encourage financial wellness. The best part of this is that 90% of employees will keep this default contribution—and will increase it by 25% every year as they see their HSA balances build.<sup>4</sup>

### 3. CREATE A DEDUCTIBLE SAFETY NET WITH INTEREST-FREE HPAS

What happens when employees face (or even see) big deductibles? Stress. Even the most affordable plans leave employees with thousands of dollars of exposure annually, which can lead to skipped care or intensifying financial pressure.<sup>5</sup>

Enter the Health Payment Account (HPA): Essentially, an interest-free, fee-free loan used for health, dental and vision expenses. Employers can offer an



*The strength of your benefits package isn't just what you offer; it's how well your employees understand and use it.*

HPA as a safety net for all employees, and those who haven't hit their deductible will have an extra way to manage costs without financial strain.

**Benefits for employers:** Increased confidence in high-deductible plans, making it easier to shift employees to lower-cost HDHPs, and peace of mind for employees, reducing the hesitation to enroll.

**Real-life impact:** Typically, only 10-15% of employees hit their deductible each year, but every employee fears that they will be among this unlucky group. Offering a deductible safety net dramatically improves enrollment rates in HDHPs by taking away this fear factor,

while maintaining a positive experience for employees. The result is a win-win: employers save more as HDHP enrollment accelerates. Employees get peace of mind by confidently getting the care they need and seeing their HSA balances rise faster than ever.

### 4. DEFAULT EMPLOYEES INTO HSA PLANS

When it comes to major decisions like healthcare, most employees rely on passive defaults after the initial decision is made. By defaulting new hires (and ideally current employees) into HSA-qualified HDHP plans, you can achieve dramatic cost savings.

**Why this works for companies and employees alike:** 70-80% of employees stick with the default option,<sup>4</sup> ensuring strong adoption without heavy-handed mandates. HSA plans can typically be 9-15% less expensive than PPO alternatives.<sup>2</sup> Over time, savings generated from increased adoption can go toward funding richer employee benefits.<sup>4</sup>

**Pro Tip:** Remember to combine this strategy with Health Payment Account support for employees facing higher deductibles to ensure retention of those in high-deductible plans.

### 5. ENHANCE EMPLOYEE EDUCATION AND ENGAGEMENT

The strength of your benefits package isn't just what you offer; it's how well your employees understand and use it. Education plays a pivotal role in empowering employees to take full advantage of their benefits. Thoughtful education combined with the structural changes we recommend earlier can make your benefits unbeatable.

**Actionable tactics to boost education:**

- Year-round engagement—not just during enrollment periods—fosters continuous awareness.
- Personalized tools can provide real-time nudges that align with employees'

lifestyle choices and healthcare use.

These nudges, like preventive care reminders and chronic care alerts, help reduce costs for both the employer and employee.

- Clear, engaging content promoting benefits utilization has been shown to boost overall enrollment satisfaction, as research-backed nudges often “move the needle” in employee behavior.

**Case in point:** An eCommerce company leveraging default employee HSA contributions and targeted education campaigns saw a 104% boost in HSA adoption and achieved a significant 11% in savings compared to PPO plan holders.<sup>4</sup>

### HOW YOUR ORGANIZATION CAN TAKE THE NEXT STEP

Rising healthcare costs don't have to be an unsolvable problem. With these innovative approaches, you can reduce expenses while improving employee satisfaction and engagement. These strategies not only help your business's bottom line but also build goodwill with employees by offering financial security and healthcare affordability.

As I close, my main message is: start today. Benchmark your contribution strategy, help employees make smart HSA contributions, and educate your employees. You have the tools, data, and insights to lead the way in creating smarter, more cost-effective healthcare solutions. ■

<sup>1</sup> PWC, Medical cost trend: Behind the numbers 2025

<sup>2</sup> KFF Employer Health Benefits Survey, 2024

<sup>3</sup> Based on analysis of 2024 Plan Year HealthEquity Contribution and Distribution Report data for clients with at least 100 HSAs

<sup>4</sup> Based on HealthEquity Client Key Study, May 2025

<sup>5</sup> KFF Health Care Debt Report



**GARY ROBINSON**

Practice Leader,  
Strategic Plan Design  
HealthEquity  
Redwood City, CA



**VISIT US AT BOOTH 517**  
For a complimentary glass of wine  
And a cigar to take with you.

*Good company, great wine,  
and a cigar to go.*



**PayPlus.com | 601.427.0677 | info@PayPlus.com**

# AI IS HERE: ARE PEOs READY FOR THE NEXT ERA OF HEALTH BENEFITS?

BY BEN CALLAGHAN

**H**ealth benefits are getting harder to manage—and more expensive. As employers grow frustrated with rising premiums and rigid insurance models, many are turning to PEOs for a better way forward. In response, PEOs are expanding their offerings, bundling in health plans with flexibility, savings, and support for growing businesses.

But with that opportunity comes exposure.

For PEOs sponsoring self-funded health plans or operating Multiple Employer Welfare Arrangements (MEWAs), the stakes are high. These models offer greater control and margin potential—but they also transfer financial risk to the PEO. Every claim filed, every member misunderstanding, and every out-of-network surprise bill hits closer to home.

It's no longer enough to administer benefits. PEOs must own performance—which means controlling utilization, minimizing leakage, and engaging

members in real time. In this environment, AI isn't futuristic. It's foundational.

## THE SELF-FUNDED BALANCING ACT

When you hold the financial risk, it's not the catastrophic claims that wear you down—it's the accumulation of small, preventable costs. A member chooses the wrong site of care. A high-cost provider goes unchecked. A bill gets ignored because the EOB didn't make sense. These are the margins you lose silently, one interaction at a time.

And they're not solved with more education or longer PDFs. PEOs need real-time, embedded infrastructure that nudges members toward better decisions as they navigate care—not after the claim hits. Without that kind of proactive engagement, managing cost becomes guesswork.

## THE COST OF CONFUSION

Member confusion is expensive. A lack of clarity around coverage, providers, and billing can result in:

- Unnecessary procedures at high-cost facilities
- Delayed care that leads to worse outcomes
- High call volumes that drain internal teams

In self-funded arrangements, these aren't just operational inefficiencies—they're direct financial liabilities. PEOs can't afford to treat service as a call center function. It must be reframed as a cost-containment strategy.

## HOW AI CHANGES THE ECONOMICS

Artificial intelligence offers a new model for supporting members and managing plan risk. Not as a bolt-on chatbot or flashy gimmick, but as an integrated engine that drives every interaction—proactively and intelligently.

Here's where AI is reshaping the economics for risk-bearing PEOs:

### 1. Real-Time Member Support.

AI-powered voice and chat agents resolve routine questions 24/7—without adding headcount. They can guide members through coverage, costs, and next steps with consistent accuracy. That translates into fewer calls, faster resolution, and less strain on your team. More importantly, it keeps members in-network and on-plan—before small issues become big claims.

### 2. Smarter Navigation, Lower Spend.

AI-driven cost comparison tools allow members to search for providers, estimate out-of-pocket costs, and choose high-value care based on their exact benefits and location. When members understand their options, they make smarter choices. And when they do, you pay less.

### 3. Streamlined Prior Authorizations.

AI automates and accelerates the PA process, identifying low-risk requests for instant approval and flagging those that need attention. By reducing delays and friction for both members and

providers, PEOs can reduce unnecessary escalations, avoid care abandonment, and lower overall costs.

#### 4. Proactive, Personalized Advocacy.

Traditional advocacy is resource-intensive—and often reserved for

high-dollar claimants. AI flips that model, offering personalized prompts, plan guidance, and preventive care reminders across your entire population. It's scalable care navigation that works behind the

scenes, improving outcomes without increasing overhead.

#### 5. Back-End Automation and

**Visibility.** AI can also streamline administrative processes—eligibility, billing reconciliation, error detection—while surfacing real-time insights on plan performance across your client base. That means fewer manual touchpoints and clearer visibility into what's driving costs.

#### PEOs AT A CROSSROADS

PEOs are uniquely positioned right now. As employers move away from traditional insurance models, they're looking for something better—something more flexible, more transparent, and more supportive for their teams. That puts PEOs in the driver's seat.

Offering self-funded and MEWA-based plans gives PEOs the chance to deepen client relationships, and build long-term value. But growth brings complexity—and with it, risk.

That's where AI comes in. Not as an overlay, but as core infrastructure. The right AI-powered systems can automate the manual, reduce claim leakage, surface real-time insights, and support every member without overloading your team. It's how you scale high-touch service without scaling cost. And it's how you confidently expand your offerings while keeping risk in check.

This isn't just about cutting costs or streamlining operations. It's about equipping your business to grow—smarter, faster, and with more control.

The future favors the PEOs that move first. Not just to meet the moment—but to lead it. ■



**BEN CALLAGHAN**

Chief Experience Officer  
Empara  
Collinsville, CT

## BROKERS and AGENTS JOIN US



**EnterpriseHR** works ONLY with brokers and agents. We make difficult prospects easy to place in Employee Leasing.

#### We make earning commissions easy:

- Small businesses, as little as one employee.
- Construction-related businesses.
- Hard to place businesses.
- Companies with previous bad losses.
- Startup companies.
- Our average commission is 2.13% of PAYROLL!
- Certs as fast as 1 day!
- 20 years in business with over 13,000 added in 2019

Contact:

**Tim Russell**

727.520.7676, ext. 206  
888.770.7676  
trussell@encorehr.com

700 Central Avenue, St. Petersburg, FL 33701  
**www.enterprisehr.com**

# BENEFIT SMARTER

BY ROSS FIELDS

**R**ising healthcare costs are eating into operating budgets, and many employers are demanding more from their PEO relationships. No longer is it enough to simply handle payroll and compliance, PEOs are now expected to act as strategic partners, offering insights that can help employers make smarter decisions when it comes to benefits. The challenge: most PEOs are flying blind.

Even as they aggregate risk across hundreds of clients, many PEOs—especially those operating under fully insured models—lack meaningful visibility into what’s driving healthcare and pharmacy costs. This blind spot leads to a range of downstream issues including one-size-fits-all plan designs that don’t reflect the unique needs of different client segments, under-leveraged pharmacy data where rising prescription drug costs can quietly balloon without oversight, limited insight into utilization or gaps in care making it hard to manage high-risk populations proactively, and compliance vulnerabilities, particularly in the wake of enhanced fiduciary obligations under the Consolidated Appropriations Act (CAA).

What PEOs need is not more data, it’s actionable data. With the right insights in hand, PEOs can identify top cost drivers in

both medical and pharmacy claims, spot high-risk or high-cost populations early to avoid costly procedures and prescriptions, analyze utilization patterns and surface gaps in care. Additionally, using predictive analytics and risk scoring can help model scenarios accurately.

Without access to sophisticated data and analytics capabilities, PEOs will often struggle to balance client needs with their own operational requirements and limit their consultative capabilities. However, when data is used holistically across virtual care, wellness, point solutions and chronic condition management, it enables smarter, more efficient benefit strategies.

## 7 WAYS DATA TRANSFORMS PEO OPERATIONS

### 1. Improved risk management.

Actionable data helps to identify high-cost claimants early. This enables PEOs to engage in preventive action and smarter stop-loss purchasing. Flagging rising-risk members, such as individuals who need cancer treatments, dialysis, or NICU services, can prevent huge claims and negative outcomes. Predictive modeling is also an effective way to forecast costs and establish reserves.

### 2. Better cost containment and plan optimization.

With health plan utilization, certain factors are known to be significant cost drivers—these include unnecessary ER visits, out-of-network claims, specialty prescription usage, and more. Access to data and analytics helps PEOs identify these cost drivers, as well as compare utilization patterns across client companies. Based on this information, they can design tiered plans or steerage strategies based on member behavior which will reduce medical costs and lead to better renewal performance.

### 3. More effective vendor and network performance monitoring.


With visibility into vendor and network performance data, PEOs can evaluate TPA, PBM, and network partners based on their outcomes and cost efficiency. For instance, PEOs may want to monitor whether care navigation, telehealth, or wellness programs are working. Data makes it easier to hold vendors accountable with measurable KPIs. The result—stronger contract leverage and better vendor alignment.

### 4. Robust client-specific reporting.

By providing each client with greater transparency into their own claims via a utilization dashboard, PEOs are more likely to see higher levels of client retention and consultative credibility. These dashboards demonstrate how employer workforce health trends stack up to benchmarks, compare network options for groups, and identify potential cost savings for individual groups—such as migrating to a different prescription drug formulary or targeting musculoskeletal claims.

### 5. More informed product and plan design.

Data-informed benefit plans can be a source of true competitive differentiation and innovation. Leading PEOs tailor benefit design to unique industry, regional, or demographic needs. They also leverage utilization data to introduce innovative plan features like virtual primary care, diabetes management, and more.

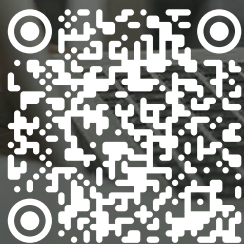
 Trusted by PEOs nationwide since 2003

# Ready. Set. Fund.

Fast funding to solve urgent cash flow challenges for PEO clients.

☒ Payroll ☒ Equipment ☒ Growth

Visit us at NAPEO: Booth 414  
**[readytofund.com](https://readytofund.com)**



 **Payroll Funding**  
COMPANY

is now

**Ready**   
*to Fund*

With analytics, PEOs can optimize contribution strategies to influence member behavior in ways that improve outcomes and reduce costs.

**6. Stronger stop-loss and underwriting strategy.** Data from actual claims is essential for negotiating stop-loss terms or captives. Data-driven insights empower PEOs, enabling them to bundle low-risk groups together, adjust attachment points based on trends, and spot anomalies or under-performing groups early. Greater visibility into analytics is also critical for reducing premiums, smoothing volatility, and improving margin control.

**7. Improved regulatory reporting and compliance.** Data is the key to supporting compliance with the ACA, Transparency in Coverage regulations,

Prescription Drug Data Collection (RxDC) reporting, and more. With analytics, PEOs can validate plan performance against federal benchmarks and easily respond to audits, as well as client-level reporting needs. This helps reduce legal risks and smooths operations.


In today's disruptive business climate, PEOs recognize the importance of financial resilience. Deep, data-driven insights can help these businesses identify the best next step to avoid financial risk and reduce non-essential spending. Access to robust claims data and analytics empowers PEOs to optimize plan performance, proactively manage health risks and improve employee well-being for clients and make decisions that enhance their overall operational efficiency and drive strategic growth.

Moving toward a more data-driven benefits strategy does not require starting from scratch, the right partners are out there. The key is integrating medical and pharmacy claims data across carriers and sources for a unified view of population health, selecting data partners that provide prescriptive analysis rather than raw data, and establishing KPIs that align with client goals and internal success metrics. Not all solutions are created equal, choose one that acts as a partner rather than just a vendor—helping you cut through complexity, deliver what matters most to your clients, and increase profitability. ■



**ROSS FIELDS**

RVP, Sales  
Claritec Inc.  
McLean, VA

## AI. Benefits. You.

- AI optimizing coverage for you
- AI building confidence for you
- AI eliminating confusion for you
- AI connecting health and wealth for you

Learn how Nayya partners with forward-thinking PEOs to deliver the first complete agentic benefits experience that drives measurable outcomes.



Schedule time to visit us at Booth 113



# BRIDGING THE CYBERSECURITY GAP: HOW PEOs CAN PROTECT SMBS AND THEIR PEOPLE

BY JUSTIN NORBY

**C**ybersecurity is no longer just a concern for big business or IT departments—it's become a deeply personal issue that touches the lives of employees everywhere. Small and mid-sized businesses (SMBs) are increasingly finding themselves caught in the crosshairs of cybercriminals, not just because of the data they hold, but also due to the vulnerabilities of their people.

Many SMB employees use the same devices and networks for work and personal tasks. Without the right identity and digital protection in place, a simple phishing email or exposed password can lead to devastating identity theft. When employees are affected, the emotional and financial toll quickly spills into the workplace, affecting performance, morale, and even retention. This is where PEOs have a powerful opportunity—by providing identity protection and cybersecurity as a benefit, they can help safeguard employees in their personal lives, while also creating a more resilient workplace.

## THE HIGH COST OF CYBER RISK FOR SMBS

While headlines often highlight the organizational impact of cyberattacks, it's the personal consequences for individuals

that are often most damaging—and most overlooked. For example, 46% of all cyberattacks target businesses with fewer than 1,000 employees. Yet, 47% of businesses with fewer than 50 employees don't allocate any budget to cybersecurity or identity protection.

What does this mean for employees? It means that when an SMB experiences a breach, it's often the employee's sensitive personal information that's put at risk. And with limited infrastructure to detect or respond to breaches quickly, employees may not find out until the damage is done.

In 2024 alone, the IRS flagged over \$16.5 billion in tax refunds for suspected identity fraud—much of it stemming from exposed personal data. For an SMB, one employee's identity theft can cause weeks of missed work, HR involvement, and distraction. Multiply that across a team, and the organizational ripple effect becomes clear.

## THE HUMAN COST OF IDENTITY THEFT

Identity theft is not just an inconvenience—it's a life-altering experience. In the U.S., one in three consumers has been a victim. And after a data breach, victims are 38 times more likely to experience identity theft.

For employees, the fallout includes hours of phone calls, legal disputes, credit damage, and emotional stress. It often affects their ability to focus, take time off work, or handle financial responsibilities.

SMBs are often unequipped to help manage the recovery process, leaving employees to navigate the chaos alone. This adds strain not just to the individual, but to managers and HR teams. Identity protection as a benefit can significantly reduce this burden by providing employees with expert help and resources before, during, and after an incident.

## WHY SMBS ARE ESPECIALLY VULNERABLE

Quite often, an SMB's risk of cyberattack lies in the everyday digital habits of their workforce. Employees may reuse passwords across work and personal accounts, click on phishing emails, or use unsecured Wi-Fi without thinking twice. And many use a single device for both work and personal life, making their device an easy target for cybercriminals.

What amplifies this risk is a general lack of formal training or awareness programs on cyber hygiene. Without structured guidance, employees are left to their own devices—literally and

figuratively. And without identity protection benefits, they have no safety net if (or when) something goes wrong.

Personal cybersecurity might seem like a distant concern to many SMB leaders—but when their employees suffer, so does the business. Lost productivity, personal emergencies, and low morale are just some of the hidden costs that can impact employees, build over time, and cause business disruptions.

### PEOs: BRIDGING THE GAP WITH PROACTIVE PROTECTION

This is where PEOs can play a transformative role. By including cybersecurity and identity protection as part of a comprehensive benefits package, PEOs are addressing one of today's most pressing personal security issues.

For employees, this means peace of mind. For SMBs, it means a more focused, supported, and loyal workforce. PEOs adding identity and digital protection allows them to extend that support into employees' personal lives in a meaningful, practical way. This positions the PEO not just as a service provider, but as a partner in well-being.

### UNIVERSAL PROTECTION FOR A DIVERSE WORKFORCE

Cybercriminals don't care about demographics—identity theft and other cyberthreats affect employees from all walks of life. In this sense, identity protection is a truly universal benefit.

Remote workers, hourly staff, parents, and recent graduates are all vulnerable in different ways. By offering a benefit

that helps protect them outside of work, employers show that they value their people as whole individuals—not just workers. This can improve retention, reduce burnout, and enhance employer branding across the board.

Especially in today's climate, where employee experience matters more than ever, offering identity protection can make a big difference in attracting and retaining top talent.

### PRACTICAL TIPS FOR SAFER ONLINE PRACTICES

While identity protection services are valuable, education is just as important. Here are a few simple practices PEOs can help SMBs promote among their employees:

- **Use a password manager** to create and store strong, unique passwords
- **Enable two-factor authentication (2FA)** on email, banking, and key business platforms
- **Avoid using public Wi-Fi** for checking personal accounts or financial tasks
- **Pause and verify emails** before clicking links or downloading attachments

By combining education with access to identity protection tools, PEOs empower employees to take charge of their own security.

### IDENTITY PROTECTION AND CYBERSECURITY AS A CORE BENEFIT OF THE FUTURE

The line between work life and personal life continues to blur—and so does the

responsibility to protect employees in both. While large companies may have the luxury of cybersecurity departments, SMBs often rely on trusted partners to deliver critical services. That's why PEOs are in a perfect position to lead the way.



*Cybercriminals don't care about demographics—identity theft and other cyberthreats affect employees from all walks of life. In this sense, identity protection is a truly universal benefit.*

By offering identity protection as a core benefit, PEOs help shield employees from the rising tide of digital threats and offer a sense of control in an increasingly unpredictable online world. The result? A more resilient workforce, a more attractive benefits package, and a stronger, more supportive business environment for all. ■



#### JUSTIN NORBY

Director, Specialty Markets  
Norton LifeLock Benefit  
Solutions  
Minnetonka, MN

# A VALUE-ADDED SERVICE:

## HOW TO POSITION THE EMPLOYEE HANDBOOK IN YOUR PEO SALES AND MARKETING STRATEGY

BY KRISTEN FRADIANI

**E**mployee handbooks are often seen as routine compliance documents. But if you're a professional employer organization (PEO), the handbook is one of the most overlooked marketing tools at your disposal. A clear, customized handbook shows off your expertise, builds trust with clients, and improves the employee experience across the board. When used strategically, the handbook becomes a practical tool in your sales approach and not just a policy requirement.

Small businesses, in particular, face growing pressure to keep policies current with evolving federal, state, and local laws. According to Regulatory Watch, their compliance costs are 36% higher than those of large businesses. This is where your PEO can shine.

Most small business owners don't have the time or resources to manage policy updates on their own. When you deliver handbooks that are accurate, up to date, and tailored to each client's culture, you solve a real problem. You help reduce legal risk, build consistency, and let leaders focus on growing their teams instead of worrying about policies.

### WHY EVERY PEO SHOULD TREAT HANDBOOKS AS STRATEGIC ASSETS

Many PEOs offer bundled HR services that include payroll, benefits, risk management, and compliance. Others take a modular approach, tailoring services to each client's size or industry.

No matter the model, the handbook makes your expertise visible and useful to employees. A compliant, well-maintained handbook communicates:

- Your knowledge of HR laws and regulations
- Your ability to customize content by industry and location
- Your commitment to clear, consistent communication
- Your role in reducing risk and improving workforce alignment

### WHAT CLIENTS WANT IN AN EFFECTIVE HANDBOOK

Handbooks do more than list policies. When done well, they: Define expectations clearly for employees and managers; Protect the business by documenting policies and compliance notices; Support workplace consistency by outlining fair processes; and Build trust by promoting transparency and shared standards.

While not legally required, a clear and up-to-date handbook is one of the most effective ways to protect your clients, reduce liability, and promote consistency across the workplace. Without one, employers are more vulnerable to disputes, inconsistent practices, and costly compliance failures.

### HERE'S WHAT EVERY MODERN HANDBOOK SHOULD INCLUDE:

- Company overview that reflects mission, values, and culture
- Clear expectations around the employment relationship and job classifications
- All required legal notices, including EEO, harassment prevention, FMLA, COBRA, and workplace safety
- Practical workplace policies covering time off, compensation, remote work, conduct, social media, and performance reviews
- Policy intent and context so employees understand the "why," not just the "what"

This structure gives clients a tool that protects them and strengthens their culture.

### MAKE THE HANDBOOK A CENTRAL PART OF YOUR SALES STORY

The employee handbook is one of the most relatable and practical ways to show the value your PEO brings to clients. It's a resource teams use, managers trust, and leaders value.

Here are simple, effective ways to bring the handbook into your sales conversations:

1. Share anonymized handbooks tailored to different industries or regions to help clients envision what's possible.
2. Explain how your team keeps policies aligned with changing laws, so clients can feel confident and protected.
3. Show how the handbook reflects each client's voice, values, and workplace environment.

4. Highlight how the handbook sets a welcoming tone for new hires and supports manager consistency from day one.
5. Let clients know your handbook service includes legal guidance without adding the cost of outside counsel.

When thoughtfully presented, the handbook becomes a working example of your value. It shows clients how you turn complex legal requirements into clear, usable tools that support their managers, engage their employees, and strengthen their operations.

### TURN YOUR HANDBOOK SERVICES INTO MARKETING FUEL

Handbooks are a powerful way to educate clients, deepen engagement, and build lasting connections with both current and prospective partners.

By sharing your knowledge and insights, your marketing team can turn this everyday resource into a meaningful part of your brand story. Here are a few ways to do that:

- Share blog posts with policy tips or regulatory updates.
- Host webinars that show how handbooks support culture and consistency.
- Create simple, useful downloads like a “Top 10 handbook policies every employer needs” checklist or a year-end policy review guide.
- Share stories that show how your handbook service helped clients launch a new policy, improve onboarding, or create clarity across teams.
- Demonstrate your understanding of local compliance needs, especially for multi-state employers.

These efforts show prospective clients that you’re not just delivering services. You’re a trusted partner, offering guidance and practical tools that help them lead with clarity and confidence.

### SUPPORTING YOUR CLIENTS THROUGH THOUGHTFUL DELIVERY

A handbook’s value depends on how it’s delivered. A well-executed rollout helps clients feel informed, supported, and confident in their policies from the very beginning.

### Tips For A Strong Implementation Process

- Meet with the client to confirm values, tone, and policy priorities.
- Write in plain, inclusive language that reflects the company’s culture.
- Align with leadership and review the draft with decision-makers to ensure accuracy and buy-in.

## Simplify Labor Law Poster Compliance



Ensuring comprehensive compliance for all of your clients is critical. It doesn't have to be complicated or time consuming. PosterElite simplifies it all.

Managing poster compliance across clients and states is complex—and risky.

We help PEOs eliminate the complexity and administrative hassle of poster compliance.

- Automate fulfillment and updates
- Ensure 50-state compliance—onsite and remote employees
- Seamless experience that reinforces your brand

We offer turnkey, white-labeled labor law poster programs that:

- Automate fulfillment and updates
- Ensure 50-state compliance—onsite and remote
- Reinforce your brand, not a vendor's

**Trusted by 800+ HR, payroll, and PEO partners.**



Join us in Austin! Visit our booth at NAPEO's 2025 Annual Conference & Marketplace (October 6–8) and discover how forward-thinking PEOs are turning compliance into a powerful growth engine.

**PosterElite**  
Compliance Made Easy

[posterelite.com/peo](https://posterelite.com/peo)

- Provide quick-reference guides or talking points so they can reinforce policies with confidence.
- Introduce the handbook during onboarding or team meetings and explain its value.
- Upload digitally and use tools to track employee review and sign-off.

This hands-on approach ensures the handbook is more than a document. It becomes a tool employees can rely on and leadership can trust.

### KEEP IT CURRENT: MAINTENANCE IS PART OF THE VALUE

An effective handbook reflects the workplace as it grows and changes. Staying current shows your clients that you're with them every step of the way.

Incorporate ongoing support into your service model with:

**Timely policy updates.** Proactively share when new laws or regulations may impact handbook content.

**Scheduled reviews.** Offer annual or quarterly check-ins to keep content aligned with evolving goals.

**Version tracking.** Maintain clear records of updates to support transparency and consistency.

**Strategic enhancements.** Recommend updates that reflect shifts in the workplace, such as hybrid work, mental health, or inclusion initiatives.

These regular touchpoints reinforce your role as a long-term partner and help clients feel confident that their policies are always aligned, current, and thoughtful.

### Why handbooks give your PEO a competitive edge

In a crowded market where services often sound the same, your approach to

handbooks can be a true differentiator. It shows clients that you deliver clarity, consistency, and meaningful support for their teams.

Clients may not need to know every compliance detail, but they understand the value of clear and consistent policies. A strong handbook supports better hiring, smoother onboarding, stronger leadership alignment, and confident daily decision-making.

A well-crafted, updated, and customized handbook becomes a lasting reflection of your support. ■



**KRISTEN FRADIANI**

Content Marketing Manager  
BLR  
Branford, CT

## Banking Forward: Payment Solutions for PEOs

Our Professional Employer Organization team is dedicated to supporting the PEO industry by providing customized treasury management solutions, advanced payment capabilities and corporate banking products specifically tailored for our nationwide portfolio of PEO clients.

### Move Your PEO forward with SouthState

- Experienced bankers that understand the PEO industry
- ACH Lines of Credit that promote flexibility and speed
- Extended processing deadlines – ACH (9 p.m. Eastern) Wire (6 p.m. Eastern)
- Dedicated "white glove" payroll processing support team
- Access to Same Day ACH, reverse wires, and Instant Payments on both networks



Member FDIC



LEARN MORE



**Matt Roberts**

404.995.6262

Matthew.Roberts@SouthStateBank.com



# GROWING A **PEO** IS A **FULL CONTACT SPORT.**

Your **401(k)** partner should embrace contact, not avoid it.



**Who's in the ring with you?**

## **2025 YTD Servicing Stats**

- ✓ **3 hours 53 minutes** – Avg. email response time
- ✓ **Under 60 sec** – 98% of calls answered



[www.nesteggs401k.com/PEOs](http://www.nesteggs401k.com/PEOs)



## **Visit booth #507 in Austin!**

Join us for a cocktail and conversation at Booth #507  
at the NAPEO Annual Conference and Marketplace in Austin!

# MANAGING SALES PERFORMANCE:

## IT'S EASY WHEN YOU HAVE A PLAN

BY CLAY M. KELLEY, SHRM-SCP

0

ur discussion today has one focus: helping you create and execute a plan to manage sales performance.

When expectations are created, communicated and monitored - managing performance is simple. Selling PEO is hard, let's make managing performance easy and most importantly - effective by establishing a sales culture of accountability and performance.

Over the years, the question that I have been asked the most is "What should my sales team's production/numbers/expectations be?" The answer is always the same; "No idea." This is not a cookie cutter process, there are a number of factors to consider.

### FACTORS TO CONSIDER WHEN DEVELOPING REALISTIC EXPECTATIONS

When developing realistic expectations, a number of factors come into consideration. These are just a few:

1. What is the effectiveness of the recruitment and selection process?
2. What is the tenure of the sales team (how many new team members and

how many experienced team members)?

3. What training does the company conduct for sales team members, especially new, inexperienced team members?
4. What is the ramp up time for new team members?
5. What is the sales leadership/management style?
6. What is the company's marketing plan?
7. How does the company generate sales opportunities/leads for the team?
8. Do or should expectations vary by quarter?

### 5 RECOMMENDATIONS FOR MANAGING PERFORMANCE

#### One: Minimum Expectations Should Be Set and Clearly Communicated

Let's establish the vocabulary first. I recommend using the word "expectations" as opposed to budget or quota - I hate the word quota.

Goals should be developed by each sales team member, but expectations...



*Weekly or bi-weekly one-on-one meetings should never last more than 20 minutes. Your sales team members should be well prepared to discuss their sales results, expectations and pipeline.*

well are exactly that...what is expected of a sales team member. Consider establishing minimum expectations for measurement. Meeting minimum expectations means you get to keep your job. When sales team members exceed minimum expectations, they earn bonuses. More on bonuses shortly.

Specific expectations should be set for new client sales, revenue or fee income, number of meetings with clients;

proposal (closing), discovery, gaining documents for proposals, client care, prospecting calls and training.

When establishing expectations, take into consideration the experience and the tenure of the sales team members.

Expectations for the first year would obviously be much less than expectations for the third year.

When recruiting new sales team members, be sure to communicate the expectations by which they are going to be measured. Then communicate expectations upon hire by requiring new sales team members to sign an expectations agreement.

Lastly, it is imperative that you have rock-solid onboarding and training for new sales team members. More importantly, if a new team member deviates from the training plan – quickly course correct and remind them of the

expectation. Establishing a firm, but fair approach from the outset will save you a lot of future issues.

## **Two: Establish Rewards and Consequences**

When minimum revenue expectations are established as the performance baseline, managing performance is much easier. When sales team members exceed the minimum quarterly revenue expectation by at least 10% they should earn a bonus. When they exceed it by 20% a larger bonus, when they exceed by 30% a larger bonus and so on.

When sales team members meet minimum expectations, they get to keep their job.

Let's face it, you are going to have sales team members who don't meet minimum expectations. Failure to meet minimum expectations in a quarter

should automatically trigger a performance improvement plan. Failure to meet minimum expectations two quarters in a row, likely triggers the "short conversation."

## **Three: Sales Team Members Should Know Where They Stand**

You want a sales culture of accountability and performance. Regardless of the technology or method you use to track results, every salesperson should know where they stand in meeting expectations, week by week, month by month, quarter by quarter. Don't wait for a quarterly or an annual review; you must monitor sales performance and activity weekly.

## **Four: Schedule Meeting Dates for Conducting Performance Reviews**

Weekly or bi-weekly one-on-one meetings



## **A trusted health plan in Virginia**

Sentara Health Plans is a full-service health plan for businesses of all sizes. Based in Virginia, our mission is to *improve health every day* and our vision is to be the health plan of choice in the communities we serve. Contact us today to discover our comprehensive health plan solutions.

**Learn more at [sentarahealthplans.com/employers](https://sentarahealthplans.com/employers)**  
**Phone #: 1-844-842-4314**

*Sentara Health Plans is the trade name for Sentara Health Plans, Sentara Health Insurance Company, Sentara Behavioral Health Services, Inc., and Sentara Health Administration, Inc. Sentara Vantage (HMO), Point of Service (POS), Direct, and Select plans are issued and underwritten by Sentara Health Plans. Sentara Plus (PPO) products are issued and underwritten by Sentara Health Insurance Company. Self-funded employer group health plans and BusinessEDGE® level-funded plans are administered, but not underwritten, by Sentara Health Administration, Inc. Stop Loss products are issued and underwritten by Sentara Health Insurance Company. All plans have benefit exclusions and limitations and terms under which the policy may be continued in force or discontinued. Wellness and rewards programs are administered by Sentara Health Administration, Inc. and are not covered benefits under any of our health plans. Value-added services are not covered benefits under any of our health plans. For costs and complete details of coverage, please call your broker or Sentara Health Plans at 1-844-842-4314 or visit [sentarahealthplans.com/employer](https://sentarahealthplans.com/employer).*



with each of your sales team members are a must.

Monday is the least productive sales day; no one wants to see a salesperson first thing on Monday morning. We don't have 40 selling hours in a week, so don't waste productive sales time for meetings on other days of the week. Kicking off the week with sales meetings and one-on-one meetings gets your team ready and motivated for the week.

Weekly or bi-weekly one-on-one meetings should never last more than 20 minutes. Your sales team members should be well prepared to discuss their sales results, expectations and pipeline.

Quarterly performance appraisals should be scheduled for the entire year, the second Wednesday following the end of a quarter. The second Wednesday is plenty of time for you and members of your team to prepare for a quarterly

review. Quarterly reviews don't need to be long either, 30 minutes is sufficient.

### Five: Sales Team Members Should Present Their Performance

Whether it is a weekly discussion, a formal quarterly or annual performance review, sales team members should "present" what they accomplished along with other activity. Weekly discussions may focus more on the daily activities and results for the previous week.

Each quarter require each sales team member to put together a short presentation in the following format.

First, the presentation begins with one of the following statements:

- I met minimum expectations, and I commit to do doing the following in order to reach a bonus next quarter.
- I exceeded minimum expectations by X% and I earned a bonus of \$X.

- I did not meet minimum expectations by X%.

Second, the team member should review their pipeline and the probability of gaining clients in the pipeline.

Third, the team member should list specific commitments and activities of what they will do to improve their performance in the next quarter.

Implement these recommendations and you will create a culture of accountability and managing sales performance will be much easier. ■



**CLAY M. KELLEY,**  
**SHRM-SCP**

Chief Revenue Officer  
Stratus HR  
Arlington, Texas

### PROACTIVE ACA COMPLIANCE

## Complete ACA Solutions, Backed by Exceptional Support

SyncStream is now Selerix! Together, we form one of the largest ACA solution providers in the industry, offering deep expertise and a highly experienced strategic advisory team. Our comprehensive ACA services—tracking, filing, auditing, and past-year compliance—give your PEO everything needed for total peace of mind.



**1.7M+**  
Companies Filed



**650M+**  
Mitigated Penalties



**97%**  
Customer Retention Rate

**selerix**

[SELERIX.COM](https://selerix.com)

Come see us at NAPEO Annual Conference, Booth # 315

# AD INDEX

Ameritas Retirement Plans .....	45	McHenry Consulting .....	52	Sentara Health Plans .....	71
AmWINS Specialty Casualty Solutions, LLC .....	6	MetLife .....	49	Slavic401k .....	2&3
Aon .....	40	Nayya .....	63	SouthState Bank NA .....	68
Enterprise HR .....	60	NestEggs 401(k) .....	69	SyncStream Solutions, LLC .....	72
Equitable .....	24&25	PayPlus Software, Inc. ....	58	SyncStream Solutions, LLC .....	53
Gallagher .....	42	PEO Velocity by Compass/PRM .....	9	Tabulera, Inc. ....	73
G-P (Globalization Partners) .....	8	PosterElite .....	67	ThinkWare Corporation .....	75
Guardian Life Insurance Company .....	43	Poster Guard Plus .....	76	Transamerica .....	51
Innovation Growth Partners Specialty, LLC .....	35	PrismHR .....	46	US Enrollment Services - Daybright Broker Solutions .....	32&33
Key Risk (a Berkley Company) .....	55	PRO Software, LLC .....	39	Worklio .....	11
Libertate Insurance Services .....	37	Ready to Fund .....	62		

**Boldface type** indicates NAPEO Medallion Partner

 **tabulera**

## BENEFITS RECONCILIATION SOFTWARE

- ▶ **TRUSTED BY 70+ PEOs**
- ▶ **SAVES TIME**
- ▶ **PREVENTS WRITE-OFFS**
- ▶ **INTEGRATED WITH**



 **tabulera**

## EDI CONNECTIVITY FOR PEOs

- ▶ **GO-LIVE – 4 WEEKS**
- ▶ **NO CHARGE UNTIL DONE**
- ▶ **PORTAL VISIBILITY**
- ▶ **MERGE DATA FROM  
MULTIPLE SYSTEMS**

[Learn more at tabulera.com](https://www.tabulera.com) ↗

# FULL SPEED INTO FALL

BY CASEY M. CLARK

**A**s summer draws to a close, I hope you had a chance to rest and recharge as we head into Fall. As always, it's shaping up to be a fast-paced season for all of us at NAPEO and across the PEO community. We've got a full plate, but I'm optimistic about the opportunities ahead.

Our Annual Conference & Marketplace in Austin is coming up fast (October 6–8), and it's shaping up to be an attendee record-breaker with an expanded, sold-out exhibit hall. As we put the final touches on the programming, there's still time to register and join us. Just visit [napeo.org/conference](https://napeo.org/conference). I also encourage you to learn more about our 2025 NAPEO Gives Back initiative supporting Anthropos Arts by reading Jenna Marceau's article on page 36. It's a worthy cause that I'm excited to be a part of.

On the policy front, it's been a busy summer—even with Congress on recess. We continue gaining traction on H.R. 3223, our PEO liability bill, the first

pro-PEO bill in Congress since the SBEA. We've added new bill cosponsors, Reps. Panetta and Sewell, and are actively working toward a Senate companion bill.



*I appreciate everyone who has contributed to NAPEO PAC so far this year, but we still need more support if we're going to reach our annual goal.*

NAPEO PAC remains active, with several of us attending fundraisers and events with key lawmakers to make sure our message is heard and our industry's impact is well understood. I appreciate everyone who has contributed to NAPEO

PAC so far this year, but we still need more support if we're going to reach our annual goal. I encourage everyone to visit [napeo.org/pac](https://napeo.org/pac) to learn how to get involved with our efforts.

At the state level, there's been no summer slowdown either. We've made real progress in California with our model act bill advancing through a key committee, though we're still working with legislators to iron out some details and keep the bill moving forward. In New Jersey, our bill to amend separation notice requirements was signed by Governor Murphy on August 21. In Massachusetts, we successfully convinced Gov. Maura Healey (D) to send the state's proposed budget back to the state legislature. The proposed version included a Secure Choice Savings program that did not contain important PEO and client clarifications. Gov. Healey has requested that the legislature strike the Secure Choice language from the budget and consider a two-year study instead.

Operationally, we've added some new members to NAPEO HQ to further strengthen our team. I hope you'll get a chance to meet Elizabeth-Burton Jones, Jonathon Bridgeman, Maggie Freedy, Jake Levine and Brett Logsdon at the conference. They're great additions that will help us better serve our members and drive meaningful results—I hope you'll say hi to the new members of the team in Austin!

See you soon in Austin! ■



**CASEY M. CLARK**

President & CEO  
NAPEO  
Alexandria, VA



A NEW DAY IN SOFTWARE INNOVATION

A NEW FUTURE FOR YOU





# IMAGINE Compliance *without* Complexity

Poster Guard *Plus*™ simplifies the process  
of ensuring labor law compliance for  
your clients with our suite of solutions:

Posters

Digital Postings

Employee Handouts

HR Policies

We do the heavy lifting.  
You get the credit.

Visit us at the NAPEO Marketplace next month — **Booth #601**

*We make labor law compliance easy with customized solutions for PEOs.*



Learn more at [PosterGuardPlus.com/PEO](https://PosterGuardPlus.com/PEO) or call us today at 954-970-5611.

