

Teaming With a Professional Employer Organization (PEO)

How Does a PEO Work?

A Professional Employer Organization serves as an outsourced human resources department providing comprehensive employment services such as payroll and benefits administration, HR management, and assistance with employer compliance. A PEO serves as your strategic HR partner that can help:

- Attract and retain talent
- Contain rising HR costs
- Create efficiency
- Minimize liability and exposure to risk

A Shared Employer Relationship

When working with a PEO, your company enters into a shared employment relationship. The PEO becomes the “Employer of Record” and is responsible for payroll and payroll tax compliance, benefits administration, workers’ compensation, processing unemployment claims, and other HR-related administrative tasks. Your company remains the “Worksite Employer” and continues to retain day-to-day control and direction of the worksite employees.



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TriNet's Total HR Solutions

	Your Company is Responsible	TriNet is Responsible
Conducts business operations	✓	
Day-to-day employee activities	✓	
Delivery of services or product development	✓	
Processes payroll & payment of employment taxes		✓
Sponsors & administers benefits		✓
Provides HR management & consulting services		✓
Manages workers' compensation issues & processes unemployment claims		✓
Compliance & other employee-related liabilities	TriNet joins with your company to oversee other selected areas of employer compliance & liabilities	

This shared relationship allows you to transfer many of the time-consuming administrative tasks to the PEO, and more importantly, allows you more time to focus on making core business decisions.

Due Diligence When Considering a PEO

Selecting the right PEO is a critical decision for your business. Here are some things to consider when deciding which service provider is right for you:

- Check customer and professional references
- Ask whether the service provider is a member of National Association of Professional Employer Organizations (NAPEO) and accredited by the Employee Services Assurance Corporation (ESAC)

- Understand how the employee benefits are funded and insured
- Verify that the employee risk pool matches the employer's profile
- Confirm that participating employees can receive first-day coverage for benefits
- Ensure that the service provider meets all state regulatory requirements

As a leading PEO for more than two decades, TriNet works with more than 8,000 customers representing 205,000+ worksite employees in the United States and Canada. Our total HR services allow small- to mid-sized businesses to operate more efficiently and cost-effectively.