

Human Resource services may offer more than you know

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Human Resource Agency
McCloskey Partners

Last week, I exchanged emails with Heather McCloskey of **McCloskey Partners**. The Human Resource agency handles a variety of HR-related tasks for small to large businesses in the greater Philadelphia region. In exchanging information with McCloskey, I was surprised to find that Human Resource services address more business needs than most may know.

Pensabene: Human Resource services can envelope many matters related to a business. What are some not-so-obvious business matters, which an HR person or service addresses for businesses.

McCloskey Partners:

- a. Participating in the annual budget process. (I.e. Staffing Budgets)
- b. Day to day management of the operation of a facility
- c. Mergers and Acquisitions
- d. Benefits Analysis (Analyzing the current benefits offering in comparison to industry averages.)
- e. Compensation industry standards
- f. Industry trends

Pensabene: Many people choose to outsource their Human Resource services because laws, regulations, healthcare options, etc. constantly change. Can you speak a little more about the importance of staying abreast on HR issues?

McCloskey Partners: As a consultant, to various industries, I need to be aware of the constantly changing laws that affect the work environment. Someone in the same industry for a long period of time may not be aware of the constantly changing laws and regulations and how these changes can affect their business. Non compliance can be costly. My job is to ensure that the decisions our clients are making, from an HR standpoint, are legally defensible.

Pensabene: McCloskey Partners also works with other, outside entities, such as NBC 10, as an expert source. Would you encourage presidents and other members of companies in your industry and others to do the same? What is the benefit?

McCloskey Partners: Working with agencies such as Kane Partners and NBC10 has helped to bring credibility to the services our team offers. Like many of our clients, we too are a small employer competing in a "big business" world. Having the privilege of working with groups like Kane Partners and NBC10 has been invaluable to us.

We highly recommend that others in our industry try to do the same. We are interested in being known as the HR Firm of Choice when it comes to Career Coaching and Personal Branding. Our involvement with these incredible agencies is helping to establish our niche in the marketplace.

Pensabene: What advice could you provide a small business in regards to hiring an in-house Human Resources representative vs. outsourcing to an outside service provider?

McCloskey Partners: We are asked this question often. When determining the need to bring someone in house or outsource HR- the first place for a Company to do their due diligence process is to determine if their needs are full time or part time.

Often times we find that companies will hire someone full time and be forced to pay a full time salary plus offer full time benefits when their need is really part time. Going with an outsourcing relationship allows an employer to only pay for services when they are used.

Other Advantages to Outsourcing

- a) Reduce cost compared to hiring someone full time
- b) Company's risks are minimized because risks are shared between Outside HR firm and Company (Referring to Employment liability related risks)
- c) Able to get Fortune 500 experience at a reduced cost
- d) No employment arrangement. If there is not a good fit most outsourcing contracts just include a 30 day out clause and then the agreement ends. Companies don't have to deal with going through the "warning" process and being concerned with wrongful termination claims.

Example of Financial Savings if HR is outsourced

- Assumption made that \$45,000 will be paid to full time employee. (Average salary for HR Generalist)
- Annual Compensation \$ 45,000.00
- Annual Health Insurance \$ 4,200.00 Estimated monthly premium of \$350. Assumed 100% of single cost paid by Company
- Payroll Taxes \$ 5,400.00 12% payroll taxes estimated x \$45,000
- Workers Compensation \$ 225.00 .50% work comp estimated x \$45,000

Estimate if EMPLOYEE \$ 54,825.00

Actual if CONTRACTOR \$ 45,000.00

POTENTIAL SAVINGS \$ 9,825.00

Pensabene: The playing field is constantly moving towards equilibrium; yet, at present, many business owners are men. What words of advice and encouragement could you provide to other women thinking about beginning their own business?

McCloskey Partners: If you have the talent and the desire to succeed you need to follow your dreams and have the confidence in yourself to make your dreams a reality. Dreaming is great and much needed when someone is getting a concept or idea off of the ground. Dream big - put a plan in place of how you can realize your goals and the future will be yours.

I often meet women that have incredible business ideas. When I ask them why they are not pursuing their dreams and marketing their product or service, many times I hear that the thought is just too overwhelming. I can relate. I have had many a night where I could not sleep as I thought about my future. Then, what I try to do and what I recommend that others do is stop thinking about 12 months from now, write a list of what you want to accomplish and each time you accomplish one thing on your list celebrate your milestones. Women need to celebrate themselves more. We all have a story to tell about where we were and where we are going. Women need to focus on where they want to go and every day take one step in the right direction. Most importantly, women need to celebrate their successes. Celebrate each milestone of success along the way.