



**Smart franchisors, franchisees and store groups use a PEO.**

**What's a PEO?**



## **A PEO is a Professional Employment Organisation – one of the fastest growing sectors in world business today.**

### **The reason?**

**A PEO performs all the functions in your business that take you unnecessary time and money, leaving you free to do the things that make a profit. It is the most powerful cost-cutting and business efficiency tool you can use.**

Working with us as your PEO creates a form of co-employment between you, your staff and us. We effectively become the employers of your staff, but only for the functions that you don't really want. You retain the right to direct, control and integrate the staff to do what you want.

As a result, and virtually seamlessly, most of your staff operational and management costs and responsibilities will disappear; dramatically improving your bottom line and leaving you clear to concentrate on improving the business itself.

As your PEO we will reduce your employment costs, reduce your unit labour cost, simplify rostering, virtually eliminate your payroll administration costs including staff, training, software and risk of fraud, and protect you from the potentially huge financial penalties for non-compliance or breaches of workplace arrangements and workplace health and safety regulations.

And it's something we've been doing in Australia for years.

### **Why this is so Important for Franchisors, Franchisees and Store Groups?**

For a start, these organisations, large and small, are at particular financial risk as a result of the Labour Government's new workplace regulations.

The Workplace Ombudsman, the chief compliance organisation, has clearly signalled it is targeting these types of business particularly after the successful prosecution of some franchisees in the Chili's Texas Grill Restaurant chain.

Other franchises have also felt the lash.

The Howard government introduced huge fines (up to \$33,000 a time) for what were mainly innocent mistakes made in the unnecessarily complex processes of doing workplace agreements. This made the process impossibly risky as hundreds of businesses who have already been prosecuted and even put out of business by the government's 'workplace police' can attest. It's not going to get any better.

## **What can be done? Develop a new way to work with your staff.**

Short of working strictly to the awards, (which does neither the employers nor employees any good), outsourcing to a PEO can relieve franchises of these frightening new legal obligations imposed by the legislation.

**On top of that, everyone who has done this under our advice has also achieved a reduction in their unit labour cost.**

So, even if the horrendous penalty regime did not exist, it would be worth doing just for the savings in the labour costs that come from utilising professional employment arrangements to rationalise workplace arrangements.

The removal of the threat of bankruptcy-level penalties is just an added bonus to the savings that can be made.

## **No penalty rates. No overtime.**

This also enables you to have a flexible workplace with no penalty rates or overtime but instead to pay flat rates to your employees.

Flat rates do not disadvantage the employee; in fact the opposite is true as employees can, if they wish, work more hours and receive more money.

## **Happier and longer-term employees.**

It's not a matter of removing penalty rates; it's about setting up a long term permanent arrangement with workers. You can give valued workers the hours they want and, as an added benefit, your rostering suddenly becomes simple.

Your workforce will love the continuity of hours AND the income and you will dramatically reduce or even eliminate the constant turnover of staff with the attendant costs of training.

This also enables you to easily manage cash flow in the business, and using our PEO services will also help reinforce your franchise agreement.

## **No unfair dismissal claims.**

Our PEO services and co-employment strategies means you retain ownership of the workplace but with total support from us for everything from recruitment to employment, payroll, rosters, performance management, industrial relations advice, workplace health & safety, and dealing immediately and effectively with the unexpected.

Nor do you risk an unfair dismissal claim in the unlikely event that a worker isn't suitable as we simply find a more suitable workplace for them.

And if you're thinking of selling, having no employees means no liabilities and that could mean a higher selling price.



## Full Compliance - Keeping the Workplace Ombudsman from your Door.

The other immediate effect is to take you out of the firing line of the Workplace Ombudsman's activities by ensuring full compliance with every aspect of employing people. We take on the responsibility of meeting all employee obligations for PAYG tax, superannuation, workers compensation, workplace health & safety, & employment law compliance.

This is a major factor. Failure to comply absolutely with these requirements can lead to extremely serious financial penalties.

For example, the owners of one Brumby's store were fined \$18,750 by the Federal Magistrates Court in NSW for Wages & Conditions breaches, and in the last 11 months alone companies and individuals have been fined around \$1.7million for breaches, with two companies each paying over \$170,000 in penalties.

Here's the link to the Workplace Ombudsman's website where you can see just what prosecutions have taken place. Believe us; you do not want to undergo the time and stress associated with an audit by the Workplace Ombudsman, let alone the penalties involved in even a minor breach.

[www.wo.gov.au/asp/index.asp?sid=7407&page=legal-action-view&cid=5369&id=73](http://www.wo.gov.au/asp/index.asp?sid=7407&page=legal-action-view&cid=5369&id=73)

## All services. One Invoice. Low rates.

Once we have established a working relationship and you are a client, it is as simple as sending us the hours worked each week for each person. We make all employee payments including Superannuation, Workcover, PAYG, payroll tax, and any other payments. You get one invoice and pay with one cheque.

Our rates are low because we have very tight credit controls. If your business can meet our realistic requirements then you will enjoy the benefits that so many firms across a range of industry sectors have done for years. Our clients can receive a range of services they could otherwise not afford or perhaps not even access.

## And there's more.

Haycroft Workplace Solutions, (at no extra cost for routine functions), offers you the expertise of:

- A Financial Controller/Business Manager
- A Human Resource Manager for recruitment
- Policy & Procedures writers
- Industrial Relations advisers
- A Payroll officer
- A Workplace Health & Safety Officer and Workplace Rehabilitation Coordinator
- Superannuation consultancy and
- A Manager of Information Services (which includes monitoring, storage and record-keeping audits)

## Common Myths & Misconceptions about using a Professional Employment Organisation to handle these aspects of your business.

**I will lose control of the business:  
False.**

You are responsible for actual business operations while we focus on employment-related tasks and issues.

A small to medium sized business simply doesn't have the available workforce to do both, so the owner either works around the clock or workplace resources are diverted at the cost of core operations and profit.

Outsourcing enables the business owner to concentrate on growing the business and outsourcing all the employment-related tasks actually increases your control.

Your management of the business also becomes more effective when you can consider the implications of decisions rather than the minutiae of the regulations. Management becomes more decisive.

**Employment relationship and control is lost:  
False.**

The client selects the workforce and controls worksite employees in the manufacturing, production, and delivery of its products and services. It provides the worksite, the tools, the instruments, and place of work and directs the workers what to do. These are the functions that most clients want to control.

Haycroft Workplace Solutions, as the employer, deposes its right to direct employees to you, however it retains responsibility for the functions that you definitely don't want, such as all matters of human resource management and compliance with employment laws. Haycroft Workplace Solutions ensure that worksite employees are provided with a worksite that is safe, conducive to productivity and operated in compliance with all laws and payment regulations.

**Using our PEO services is too costly:  
False.**

You actually reduce your business costs, so the investment you make results in an improved bottom line.

This is done through a flexible workplace with no penalty rates or overtime.

These arrangements do not disadvantage the employee; in fact the opposite is true.

You can give valued workers the hours they want and, as an added benefit, your rostering will suddenly become simple. And this employer/employee relationship is intended to be long-term, not temporary, reducing staff turnover and staff training costs.

There are reductions in your direct labour costs and in your operating costs too as Haycroft supplies all the services of a Payroll officer, a Workplace Health & Safety Officer and Workplace Rehabilitation Coordinator, Human Resource management for recruitment, Policies & Procedures writing, Industrial Relations advice, Superannuation consultancy, and a Manager of Information services (which includes monitoring, storage and record-keeping audits).

Our costs to supply all these services are low because we have very tight credit controls. If your business can meet our requirements then you will enjoy the financial and management benefits that so many firms across a range of industry sectors have done for years.



**My business is not big enough to use a PEO: False.**

As long as your business employs even one person you're better off using us. Haycroft serve businesses that have as few as one employee to companies with over 700.

This enables even small businesses to utilise the PEO services that they would not otherwise have access to. (We save small businesses large amounts of time just in the registration for PAYG or Super alone!)

**Payroll can be handled either by myself or my staff: True, but wouldn't you or your staff rather focus on what makes you money?**

You can eliminate the costs of finding and hiring payroll people, their training, the software, the liability for full legal compliance and internal fraud, and you'll save your own time managing this part of your business when you use our PEO payroll system.

This will achieve a significant reduction in costs, and we take on the full responsibility of meeting all employee obligations for PAYG tax, superannuation, workers compensation, workplace health & safety, & employment law compliance.

It's as simple as completing & returning our weekly timesheet. We ensure all entitlements are met and records are kept and that time and wages and pay slip requirements all fully comply with legislation.

We also keep your business immediately and fully informed about any legislative changes regarding pay and conditions and advise you on the practical interpretations of these.

**We haven't had an accident in our workplace for 4 years: Not yet.**

Every year 1 worker in every 12 is injured seriously enough to lodge a workers compensation claim and there are nearly three times more work-related deaths annually than there are road fatalities in Australia.

If you haven't taken the appropriate actions for areas of concern, you will be liable for BIG FINES and possibly crippling costs!

Nor does it make sense to assign responsibility to someone on your staff as a part of their job. The regulations are myriad and constantly changing, and full and proper compliance with these requires the services of a properly trained and up-to-the-minute WH&S expert, which we provide.

The end result is that you have greater security and achieve lower compliance costs..

**Our employees are happy so we don't have any worries: This is the best time to act.**

Of course your employees are happy. But is that because the workplace suits them at the expense of proper productivity for the employer?

Our consultants understand the importance of maintaining a happy workplace if change is going to occur. We also know from experience that the best time to make any type of change which we might suggest is when staff are happy.

But when all is calm, problems can still come along. We can assist you to foresee and plan for these, such as a change in the workplace laws which might directly affect your staff.

**Change can be painful, difficult and disruptive to business:  
Absolutely, but not if you do it the right way.**

It's about communication, planning and proper change management. Our consultants at Haycroft Workplace Solutions work closely with business owner clients to be certain that the change will bring about the best outcomes in the best possible way for all concerned.

They provide the tools and information to ensure communication is effective and inclusive of everyone involved.

If it is not done this way, or a business fails to plan for change, the rumour mill will work overtime and crisis management will override any positive ideas. If the workforce is unsettled then you may see absenteeism, conflict, poor performance or reduced productivity.

We work with you to ensure that this does not arise.

**My accountant may need to be involved:  
Absolutely!**

They're the best placed people to offer professional financial advice and it is their figures that determine, in most cases, the true benefits of using us as your PEO.

Haycroft Workplace Solutions already works with an extensive network of accountants. They often phone us to clarify issues for a business. They review our recommendations, analyse the financial ramifications and also identify business clients who may benefit from outsourcing.

We look forward to working with your accountant.

**What should a proactive franchisor, franchisee or store group manager do next?  
Make one phone call.**

**Contact Haycroft Workplace Solutions on 1300 766 380.**

A consultant will talk with you by phone, at no cost, and ask some key questions to decide whether your business suits our system - for example:

Q. What are your trading hours, & could they increase if the pay rates were easier to manage?

Q. What is your industry classification and what are the job classifications of your workforce?

***Call us now. It could be the most important step you take for the future growth and strength of your business.***

**Haycroft Workplace Solutions**  
*Australia's foremost workplace experts*



**Haycroft Workplace Solutions**

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