



How an employee cost analysis can make buying companies easier - Evaluating Human Capital Cost in M&A Activity

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Today's Presenters



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Insperity®

About Insperity®

YEAR ESTABLISHED

1986

SERVICE TEAM AVERAGE

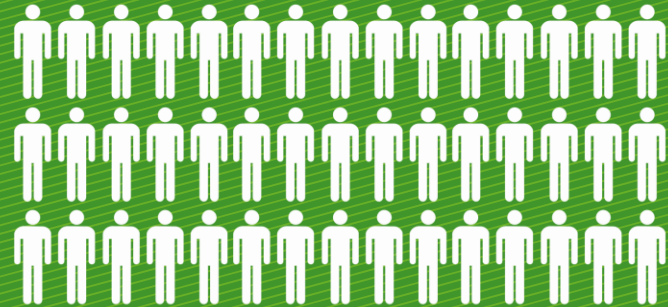
12+ YEARS
of experience
in their fields

WE SERVE BUSINESSES WITH EMPLOYEES FROM

5 TO 5,000

2016 REVENUE

\$2.9 BILLION



PUBLICLY TRADED ON NYSE
UNDER TICKER SYMBOL NSP

NSP
LISTED
NYSE

CLIENTS/EMPLOYEES

Insperity serves more than 100,000 businesses
with more than 2 million employees.

The image shows a modern office interior with large windows. Silhouettes of four business professionals are visible: two standing in the center, one sitting at a desk in the foreground, and another standing on the right. The background shows a city skyline through the windows. The entire image has a green tint.

Our mission is to help businesses
succeed so communities prosper

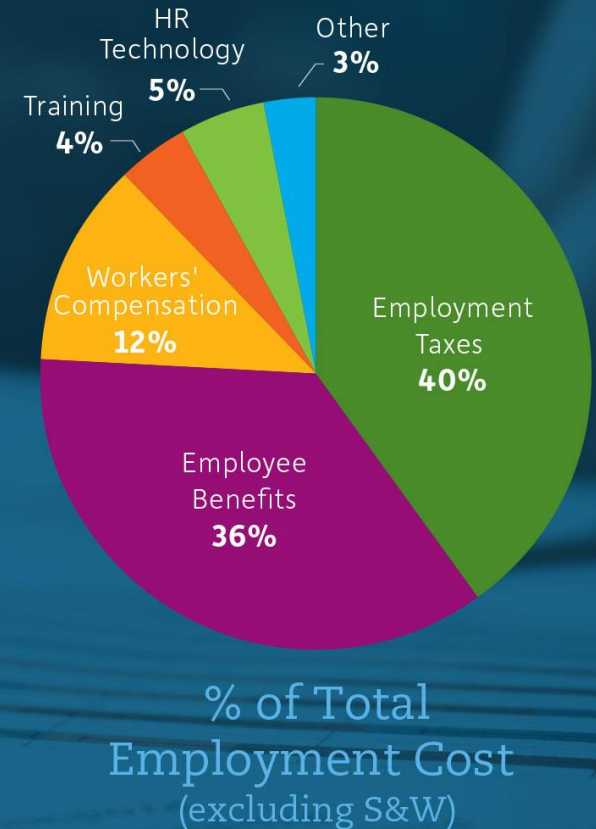
Today's agenda

- Employment and HR costs defined
- Identifying employment and HR costs
- Complexity of HR costs
- How to evaluate organizational structures
- The impact to employees post-transaction

Employment costs defined

- Salaries and wages
- Employment taxes
- Employee benefits
- Workers' compensation
- HR technology
- Regulatory compliance
- Training
- Recruiting
- Strategic initiatives
- Other

Example



Identifying Employment and HR costs

- General ledger
- Vendor reports
- Headcount reports
- Payroll reports
- Benefit reports



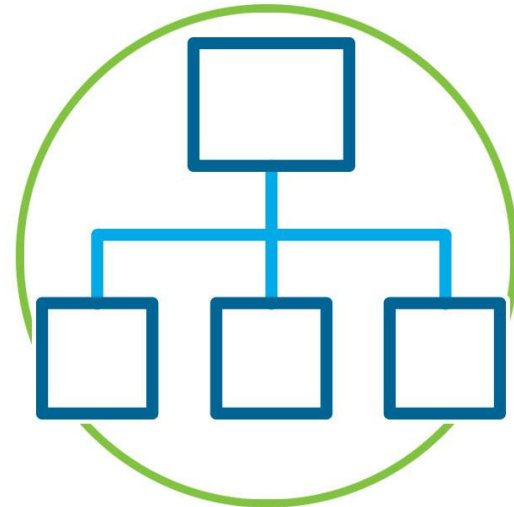
Complexity of Employment costs

- HR systems
- Health and welfare plans
- Compensation plans
- Savings plans
- Employment risks



Organizational structure evaluation

- Critical employees
- Identification of roles and responsibilities
- Redundant positions



Impact to employees post-transaction

Impact to acquired employees

- Health and welfare
- Retirement
- Compensation plans
- Relocation
- PTO, Vacation, Holiday, Sick Pay



Summary

- HR costs are often complex
- HR costs can be found in various components of the P&L
- Organizational charts provide visibility into the infrastructure
- Manage culture and employee engagement

Insperty® HR outsourcing services



Benefits Plan Sponsorship
and Administration



Employer Liability
Management



Employment and
Payroll Administration



Performance Management
Support



Online Training
and Development



Recruiting and
Outplacement Support



HR-Related
Government Compliance



Culture and
Leadership Development

Insperty® business performance solutions



Employment Screening



Expense Management



Financial Solutions



Human Capital Solutions



Recruiting Services



Retirement Services



Time and Attendance



Insurance Services



Organizational Planning



Payroll Software



Performance Management



Questions?



Thank you for joining us

**For more information, or to speak with an
Insperity® business performance advisor, visit
insperity.com/acg or call 866-814-6817.**