



## More Benefits, Fewer Hassles

Nearly a year and a half ago, Brian Lesk and Daniel Wheeler launched a company called Diversified Human Resources, or DHR. It's not an employment services firm; it has its own special niche. It's what is known as a professional employer organization, or PEO.

"We are a human resource organization for small and medium-sized companies," explains Lesk. "Most of our clients are companies with 500 or fewer employees."

The PEO concept gives smaller companies the opportunity to provide a level of benefits to their employees that until recently was reserved for large companies with thousands of employees and an internal human resources staff. "We can provide an entire human resources division for smaller companies—with health care benefits, retirement plans, unemployment benefits, worker's compensation and short- and long-term disability, in addition to employee handbooks, payroll administration, risk management, employee drug testing and back-to-work programs for injured

employees," Lesk says.

"But not every customer needs all of this. We have built flexibility into our program, and we pride ourselves on being the top customer service-oriented company in our industry. We can handle as many administrative duties as a client would like us to handle, giving the client company more time to concentrate on earnings."

DHR has about 17 people on staff managing benefits for about 3,000 workers at 175 client companies. Client sectors include restaurants, insurance companies, accountants, lawyers, physicians, construction industry subcontractors, security companies, financial institutions, publishing companies and retail organizations. Lesk estimates that DHR is the fourth largest PEO in Arizona.

"I believe that in five years the question for most businesses will not be, 'Should I use a PEO?' It will be, 'What PEO do I use?' Lesk says. "In order, to attract and keep good employees, companies have to offer more and better benefits. A PEO is the most economical way to offer those benefits."