

People Lease continues to grow with its clients

By WALLY NORTHWAY
MBJ Staff Writer

RIDGELAND — People Lease Inc. didn't actually predate the employee leasing industry, though it may seem otherwise. Indeed, founder Larry Lewis is something of a pioneer. Not only did he establish People Lease in 1984 when the industry was still in its infancy here in the Magnolia State, he was also a founding father of the National Association of Professional Employer Organizations, the industry's trade association representing more than 325 professional employer organizations and 70% of the industry's revenues nationwide.

Sole owner Larry Lewis is still active at People Lease, though he has handed the title of operations manager to his son, Ken Lewis. Other than this, the company's make-up and its business strategy and philosophy remain little changed after 21 years of operations.

"We over-service our clients," said Ken, a native of Jackson who joined his father's business after a stint in the U.S. Navy.

People Lease's reputation and long history means a heavy dose of referrals and word-of-mouth advertising. "We've been in the Jackson market so long that we jump to the top of the list when companies need the type services we offer," he said.

These services are varied and comprehensive. Ken said People Lease refers to itself as an "administrative services organization" to emphasize that it provides more than payroll services and other services traditionally offered by its peers.

People Lease provides more than 50 solutions in the areas of human resources, employee benefits, workers' compensation, payroll services and tax compliance. Just a few of the services under these categories include human resource consultation, COBRA administration, risk management assessments, direct deposit processing and proactive tax management. It also provides access to credit union and direct deposit, mediation and arbitration services, background checks and drug testing services.

Due to its depth of services and expertise, People Lease can provide services tailor-made for its client-companies. These include customized handbook, policy and procedures, customized retirement plans, including 401(k), 403(b), Simple IRA and Safe Harbor, and customized payroll reports.

"No one company is going to need every service offered. All of them have individual needs," Ken said.

Another unique aspect of People Lease is its insurance services. The company founded Account Services Insurance Agency 10 years ago, and the agency offers both personal and commercial insurance policies.

"We can offer those services, and customize them to meet the client's needs."

Another unique aspect of People Lease is its insurance services. The company founded Account Services Insurance Agency 10 years ago, and the agency offers both personal and commercial insurance policies. The agency offers more than 25 coverage options including dental, mobile home, hunting club liability, fire, farm tractor, workers' compensation and hospital indemnity. It represents such insurance companies as Blue Cross Blue Shield, Kemper, Travelers, Trustmark and the Mississippi Restaurant Association.

Having an insurance agency in-house offers many advantages to People Lease and its client-companies. Not the least of these is meeting participation requirements. Instead of small- or mid-sized business worrying whether enough of its workers will sign on, People Lease's co-employees (workers for its client-customers) provide the necessary pool, allowing People Lease to offer, say, just two co-employees a dental or vision plan. And as People Lease is quick to point out, this helps its client-customers recruit and keep its workers.

How deep is this pool of co-employees at People Lease? Ken said his company currently has several hundred client-companies, representing an estimated 3,600-4,000 co-employees. People Lease's bread-and-butter accounts remain small- and mid-sized companies predominantly here in Mississippi, though today it can count client-companies in nine states. This is even more impressive considering the company does little market-

ing, particularly out of state where efforts are solely phonebook listings.

Ken said a lot of People Lease's success can be attributed to a simple philosophy of delivering what is promised on time. Hurricane Katrina put that strategy to a tough test. As with most business in the metro Jackson area, People Lease lost power in the wake of the storm. With its co-employees needing and expecting a check, the company brought in a generator and People Lease's 15 employees passed the crisis.

"We didn't miss one payroll," Lewis said. "When the big ice storm hit in the 1990s, we got the payroll out by sending it Western Union because FedEx in Memphis was shut down. We did the same thing because of Katrina. We never have missed a payroll — ever."

While People Lease is a mid-sized firm by industry standards, it is a major and large player in the Jackson area and in Mississippi as a whole. It entertains on average approximately two acquisition offers per year, but has always turned them down. Ken stopped short of saying People Lease would never sell; however, there is absolutely no interest in selling anytime soon, as being mid-sized offers advantages.

"It gives us more flexibility," he said. "And local ownership is important. Other larger, out-of-state companies have come into the Jackson market by acquiring firms, but generally speaking they just don't make it. They don't understand the market. Mississippi is still a 'handshake state.'

"I could go round up a few of our employees who could tell you every one of our clients — by first name. People in Mississippi want to know who you are. They want a face and a name."

That is not to say People Lease is not interested in growth, but it wants to ensure that growth is managed. Ken said he does not foresee People Lease changing much in the future.

"There's no plan to be 'X' size by this date, or go public on this date," he said. "We plan to grow with our clients."

Contact MBJ staff writer Wally Northway at northway@msbusiness.com.