



Insperity is a professional employer organization (PEO): it becomes the co-employer of small and mid-sized businesses' staff, runs their payroll, payroll taxes, health benefits, workers' comp and HR compliance, and bills each payroll as the payroll itself plus a markup set as a percentage of payroll. Only the markup counts as revenue. FY2025 (year ended Dec 31, 2025) revenue was \$6.81B (+4%) on \$45.6B of gross billings and 310,089 average worksite employees; rising health costs cut gross profit 14% and produced a FY2025 net loss of \$7M.

BUSINESS MODEL CANVAS

Insperity

Research date: Oct 13, 2026

Evidence-backed · sources in companion brief

KEY PARTNERS

- **UnitedHealthcare** — ~85% of health participants (FACT).
- United contract through Dec 31, 2028 (FACT).
- Chubb workers' comp program since 2007 (FACT).
- Workday co-developed HRScale (FACT).
- **Regional carriers** — Kaiser, Blue Shield CA, others (FACT).
- Channel programs, referrals, alliances (FACT).

KEY ACTIVITIES

- Risk underwriting + census-based bids (FACT).
- Payroll and payroll-tax processing (FACT).
- Benefit-plan sponsorship and administration (FACT).
- Workers' comp claims and safety programs (FACT).
- **HR advice** — recruiting, training, policies (FACT).
- Annual repricing vs. direct-cost trends (FACT).

KEY RESOURCES

- 310,089 avg. WSEEs in FY2025 (FACT).
- CPEO certification for two primary subsidiaries (FACT).
- Insperity Premier HCM platform (FACT).
- ~4,200 corporate employees (FACT).
- 612 avg. BPAs in 2025 (vs 769) (FACT).
- 4 regional service centers; 44 markets (FACT).

VALUE PROPOSITIONS

- Co-employment shares employer liabilities (FACT).
- Big-company health + 401(k) for SMBs (FACT).
- Payroll, tax and compliance handled (FACT).
- HR360 / Select Edition / HRScale tiers (FACT).
- High-touch HR advisors + Premier tech (FACT).
- HR Core for non-PEO payroll/HCM (FACT).

CUSTOMER RELATIONSHIPS

- Client Service Agreement for every PEO client (FACT).
- One-year pricing; 30-day termination (most HR360) (FACT).
- Two-year pricing for middle market (FACT).
- ~83% client retention in 2025 (FACT).
- Premier self-service for owners and employees (FACT).
- Dedicated HR specialists (FACT).

CHANNELS

- ~612 avg. BPAs in 2025 (FACT).
- 90 sales offices in 44 markets (FACT).
- Digital + TV/radio/print advertising (FACT).
- Referrals, channel programs, alliances (FACT).
- Insperity Invitational; Tiger Woods partnership (FACT).
- Dual PEO / HR Core sales motion (FACT).

CUSTOMER SEGMENTS

- U.S. businesses with ~10–5,000 employees (FACT).
- ~10% of SMB WSEEs seen as 'good fit' (FACT).
- Middle market ~26% of avg. paid WSEEs (FACT).
- Clients >1,000 WSEEs ~2% of WSEEs (FACT).
- Diverse industries; risk-screened (FACT).
- ~310K worksite employees as end users (FACT).

COST STRUCTURE

- Direct costs \$5.91B, +7% (FACT).
- Benefits cost per covered employee +9.2% (FACT).
- Payroll taxes ~7% of payroll (FACT).
- Operating expenses \$910M, ~3% (FACT).
- Workday partnership \$48M in FY2025 (FACT).
- FY2025 operating loss \$10M (FACT).

REVENUE STREAMS

- FY2025 revenues \$6.81B, +4% (FACT).
- Gross billings \$45.6B; payroll \$38.8B excluded (FACT).
- Markup = % of WSEE payroll cost (FACT).
- Revenue per WSEE per month \$1,831, +3% (FACT).
- Gross profit \$900M, ~14% (FACT).
- FY2025 net loss \$7M; adj. EBITDA \$131M (FACT).