

# Auxis' HR Shared Services Solution in LATAM Boosts Employee Satisfaction and Solves Offshore Challenges for Fortune 50 Retailer

## Client Profile

Our client is a publicly traded, Fortune 50 retail home improvement corporation. Since it was founded nearly 80 years ago, it has grown into one of the largest home improvement retailers globally, with about 2,000 stores and more than 350,000 employees.

## Business Challenge

### Asian-based location challenges impact HR services

Amid unprecedented turnover and labor shortages, a high-performing Human Resources (HR) department that contributes to a happy and effective workforce is vital to business success across industries. [Turnover](#) jumps 43% for organizations with low employee engagement, according to a 2023 Gallup survey.

But managing a workforce is never easy – and the challenge intensifies for large retail companies with hundreds of thousands of employees scattered across thousands of store locations. The National Retail Federation counted more than [4 million](#) job openings in the U.S. alone in 2023 – a trend it doesn't expect to ease this year.

Our client had moved transactional HR operations to the HR shared services center it operated in India. But the challenges of managing high-touch HR tasks at the other end of the world caused employee service quality to suffer:

- > North American HR processes are not a main processing service in Asian-based offshore markets, including India, which can impact service quality. The client **struggled to find HR support familiar with the nuances and complexities of managing U.S. HR functions** like payroll processing, benefits, employee relations, compensation, and leaves and accommodations.
- > **Faraway time zones impacted real-time communication**, causing frustrating delays for employees.
- > **Thick accents confused communication**; some employees did not think callers were part of their corporate HR team.



- > The overnight shifts that align with U.S. business hours in India led to **high turnover and sub-standard service quality**. In India's saturated job market, top-tier talent prefers roles with more "normal" work schedules. The constant need to train new staff also chipped away at the client's service quality and cost savings.
- > **Face-to-face meetings were challenging and expensive**. Travel consumed an entire day each way, making short business trips impossible and necessitating business-class fares that cost an average of \$10,000+ per ticket.

Unfortunately, high labor costs in the U.S. made it too expensive for the client to perform all its administrative HR processes in-house. The client wanted a nearshore partner who could solve Asian-based outsourcing challenges and deliver cost savings while **enhancing HR service experiences** for its employees.





## Solution & Approach

Impressed with Auxis' HR strategy and talent, retail client adds higher-value processes to HR scope

Auxis was initially hired to create an [HR help desk outsourcing solution](#) for the retail client from its [Global Delivery Center in Costa Rica](#).

From previous experience in Costa Rica, the client's executive team understood the market's unique ability to deliver high-level talent with deep, hands-on experience performing HR processes for U.S. companies.

Ranked among the top shared services destinations worldwide on Deloitte's 2023 Global Shared Services and Outsourcing Survey, Costa Rica stands out as the [most mature shared services market](#) in Latin America. North America represents [84%](#) of shared services delivery, with more than 350 multinational organizations maintaining business operations within its borders, according to data from CINDE, Costa Rica's investment promotion agency.

HR is a top shared services function in the market, delivered by more than a third of Costa Rican shared services centers, CINDE reports.

The home improvement retailer was impressed by Auxis' proven track record of delivering [HR help desk excellence](#) for similar global operations and its robust, well-established delivery center in San José, Costa Rica. As nearshore outsourcing pioneers, Auxis is honored annually as a top outsourcing provider worldwide on the elite Global Outsourcing 100 list – one of the only true nearshore players recognized.

But Auxis' shared services approach to outsourcing is what sealed the partnership. Its teams move beyond simple transactional support to function as strategic business partners for customers - driving process excellence, accelerating digital transformation, delivering more complex functions, and providing actionable insights that drive continuous improvement and business success.



Impressed with Auxis' high-level talent and capabilities, the client quickly expanded its HR outsourcing scope to include a second tier of more complex, higher-value, judgment-intensive processes that were not previously moved to India.



Key HR services that Auxis delivers for the home improvement retailer include:

<b>Tier 1 Human Resources Service Desk</b> A dedicated help desk team provides daily support across multiple channels for administrative HR-related inquiries, requests, and transaction-processing. Activities include but are not limited to:	<b>Tier 2 Human Resources Operational Support</b> Dedicated personnel provide daily support across multiple channels for more complex HR-related inquiries, requests, and transactions that require analysis and decision-making. That includes escalated Level 2 help desk tickets and additional HR operational support. These service areas include but are not limited to:
General employee onboarding & orientation inquiries & coordination	Pre-employment
Employee HR information system, access, & administration inquiries & support	Onboarding & terminations
General benefits inquiries & benefits form requests	Compensation & benefits
General vacation, PTO, sick leave, leave of absence, & return to work inquiries	Status changes
Employment & compensation verification letter requests	Planned & unplanned leaves of absence
General payroll & compensation inquiries & change requests	
General retiree & retirement plan inquiries & information updates	
Termination inquiries	
Worker's compensation & general liability inquiries & support	

Key components of Auxis' solution and approach included:

- 
**Addressing documentation gaps.** A critical first step for optimizing operations, the Auxis team performed high-level process walk-throughs to understand the client's HR technology, operations, processes, and systems in their current state. Existing process documentation was reviewed for accuracy and completeness, with the Auxis team updating and filling documentation gaps.
- 
**Optimizing operations.** While Asian-based outsourcing models driven by labor arbitrage necessitate a cookie-cutter approach, Auxis demonstrated the flexibility to customize its HR shared services model to the client's specific needs. Auxis worked closely with the retailer to recommend and design process improvements aimed at driving additional functionality, efficiencies, and best practices – drawing on more than 25 years of business transformation expertise, extensive HR operational knowledge, and real-world experience as industry veterans, shared services operators, and experienced advisors. Future-state process documentation was converted into HR help desk scripts and training materials designed to support the migration and ongoing operations.





**Supporting omni-channel communication.** Auxis ensures convenient HR service experiences by "meeting employees where they live," providing a range of communication options that include phone, email, chat, SMS, and more. The Auxis team also handles inquiries from related third parties, such as banks seeking employment verifications.



**Optimizing service desk structure.** Auxis built a leveled team structure that supplements junior agents with senior agents and team leads, ensuring appropriate experience levels and span of control to deliver quality service across the full range of HR activities. Tier 2 staff are aligned by functional expertise, ensuring more complex inquiries and requests are routed to resources with the knowledge and capabilities to handle them quickly and efficiently.



**Improving performance visibility.** Auxis implemented robust service-level agreements (SLAs), advanced performance analytics, and weekly meetings with client teams to drive transparency and continuous improvement. Real-time, accurate data and visibility into key performance indicators (KPIs) support agile decisions and course corrections as needed. Auxis also conducts monthly service-level review meetings and yearly reviews with the client.



**Implementing quality assurance.** To ensure peak performance, Auxis expanded upon the client's initial classroom-style training with a dedicated trainer and quality assurance (QA) team. Metrics monitoring, evaluation and performance reporting, and ongoing training combine to proactively identify and address areas that require additional focus or support.



## Results

### Auxis' nearshore HR outsourcing solution beats high SLA targets

Auxis created a turnkey, high-performing Tier 1 and 2 HR outsourcing operation for the home improvement retailer, hitting the ground running with a proven migration methodology that mitigated transition risk and led to an enhanced HR service experience for employees.

Pleased with Auxis' talent and service delivery, the client recently added even greater complexity – piloting a Tier 3 HR service in Costa Rica. While the retailer previously moved administrative talent acquisition processes offshore, Auxis now owns the end-to-end recruiting process for the retailer's supervisory and managerial roles - capitalizing on Auxis' bilingual capabilities to also recruit Spanish-speaking candidates for stores in heavily Spanish-speaking markets.

Key benefits the client achieved by outsourcing HR functions to Auxis:



#### Nearshore advantages solve offshore challenges

Auxis' global delivery platform in Costa Rica combines significant labor arbitrage with cultural alignment, outstanding English proficiency, and time zone compatibility – driving the real-time communication and collaboration essential to supporting high-touch HR processes.



#### Top-tier talent performs complex processes successfully

Costa Rica's high-quality HR talent pool offers the critical-thinking skills and hands-on experience to successfully deliver more advanced, judgment-intensive tiers of HR processes. Two months into its pilot, Auxis' Tier 3 service is already beating client goals.



#### Auxis HR service metrics significantly beat client targets

The Auxis team's performance has continuously surpassed the high service-level targets the client set; for example, beating the client's Compensation Average Resolution Times goals by 63%.



#### Significant improvements to customer satisfaction rates

Auxis significantly improved customer satisfaction for the HR processes it performs. Experienced HR talent, improved communication, and optimized operations ensure better service quality, faster response and resolution rates, and defined protocols for follow-ups. Improving customer satisfaction does more than improve the reputation of HR. It also improves employee engagement, which is critical to reducing turnover in a red-hot job market.



#### No learning curve

With Auxis' HR talent offering the same or more experience than the client's internal HR teams, Auxis ramped up operations quickly – almost instantly hitting agreed-upon SLAs.



#### Low attrition

While HR continues to generate one of the highest **turnover** rates of any profession globally, Auxis' HR outsourcing team has experienced little rotation. Auxis' robust retention practices keep turnover below industry averages; for instance, offering better career paths than captive shared services in Costa Rica. Costa Rican workers also consider HR shared services to be prestigious work, taking pride in working for large global corporations.







### Repeatable processes support quality service

Complete, detailed documentation of standard operating procedures and flowcharts for in-scope processes mitigates turnover impacts and improves training - creating a consistent, standardized, repeatable process roadmap that anyone can follow.



### Bilingual employee support

The outstanding English proficiency and neutral accents in Costa Rica drive easy communication with the client's North American employees. The client is also capitalizing on Costa Rica's bilingual capabilities to support U.S. employees and recruit supervisors and managers in heavily Spanish-speaking markets.



### Continuous improvement mindset

Robust SLAs keep Auxis focused on continuous improvement, with HR teams combining performance analytics and deep operational knowledge to continuously provide feedback and innovate service enhancements.



### Internal teams free to focus on more important work

With daily HR processes running smoothly across the value chain, the client's internal HR staff is free to focus on what matters most to business success: the people.

Want to learn more about the benefits of HR Outsourcing?  
**Schedule a consultation with our HR experts today!**

Or, visit our **resource center** for more HR tips, strategies, and success stories!

