

# PEO Leader Leverages Nearshore HR Outsourcing with Auxis to Scale & Reduce Costs

## Client Profile

Our U.S.-based client is a leading Professional Employer Organization (PEO) offering a range of high-value, cost-effective HR services spanning payroll, healthcare benefits, tax administration, and more. Serving employers in all 50 states for more than 30 years, the company was recently acquired by a private equity firm, bringing greater emphasis on growth, costs, and efficiencies.

## Business Challenge

### PEO turns to nearshoring to access talent and control costs

The PEO business was expanding rapidly, with multiple acquisitions in recent years and continued growth on the horizon. To support this accelerated expansion, the client was interested in nearshoring to Latin America to **control costs** and expand access to HR professionals.

Nearly **60% of PEO and enterprise HR organizations are currently outsourcing HR processes** as new demands exceed their capacity to deliver (Deloitte Global Outsourcing Survey 2024). HR talent shortages are a significant concern in the U.S., with **88% of HR and PEO hiring managers struggling to find skilled talent – causing salaries to rise**, states Robert Half's 2025 Demand for Skilled Talent report.

Over the past five years, **Latin America has emerged as the #1 destination for HR outsourcing**, with 80% of **LATAM shared services** successfully delivering HR processes vs. 43% of shared services globally, according to the 2024 State of the GBS & Outsourcing Industry in Latin America report by SSON Research & Analytics and Auxis. Leading Fortune 500 companies in the U.S. have operated captive HR shared services in **Costa Rica** for more than a decade, creating the deepest pool of HR talent outside the U.S. with the same level of experience – all at a fraction of the cost.



Nearshoring further offers the cultural alignment, strong English proficiency, and real-time communication that are non-negotiable for keeping employees engaged and retained in a tough job market.

The client had a current headcount of 250+ FTEs, mostly based in the U.S. By leveraging HR outsourcing, the PEO expected nearshoring to represent a growing percentage of its overall organization.

However, an initial pilot program delivering client care services with a different provider didn't perform as the client hoped, and the company was **looking for a new Latin America partner** capable of taking its nearshore program to the next level in a more organized, scalable, and reliable way, prioritizing:



Better communication, transparency, and a partnership characterized by agility and flexibility



Improved recruiting, requiring a partner with deeper understanding of roles/requirements and openness to feedback



A more cohesive day-to-day management structure to improve governance and quality assurance



Metrics tracking to measure success and drive continuous improvement

## Solution & Approach

### First-time metrics tracking and an optimized team structure improve governance and performance

The PEO partnered with Auxis to replace the previous provider and deliver client care operations incorporating Level 1 call center support to customers and worksite employees. Besides a **proven track record of successful service delivery for PEO organizations and large-scale HR clients**, the PEO recognized that Auxis brought the **flexibility, customization, best practices, and 25+ years of business transformation experience** to optimize operations and keep pace with its rapid growth.

Auxis' **multi-functional expertise was also a selection factor**, with an eye toward expanding the partnership to include Tier 2 and 3 HR activities, accounting, and IT help desk.



As a **nearshore pioneer and Employer-of-Choice in Latin America's top destinations**, Costa Rica and Colombia, Auxis further offered an exceptional ability to attract and retain the best talent – a top priority for the PEO to outsource HR. Besides its recognized brand, Auxis' consistent year-over-year growth provides employees with faster career progression opportunities than other captive shared services and outsourcing providers in its markets.

Auxis was recently recognized as a **top customer experience management** (CXM) outsourcing provider globally on Everest Group's CXM Services PEAK Matrix Assessment 2024. Auxis is also celebrating a decade as a top outsourcing company on IAOP's elite Global Outsourcing 100, ranking as a **Leader and All Star Company in 2025**.

**Key role responsibilities** for Auxis' client care solution for the PEO involved handling all Tier 1 inquiries, including:



Check stub reprints



W2 form reprints



Employee portal support



Reassignments



941 tax reports



Employee information changes



General employee benefits and payroll information



Verification of employment



Reviewing direct deposit changes



Completing wage audits



Handling client case inquiries





Key solution steps included:

### > **Creating a quality framework**

Combining best-practice industry processes and an assessment of the client's unique needs, the Auxis team created process maps and standardized training documentation, which did not exist before, to set the new service up for success. This included mapping out crucial aspects of the structure Auxis planned to build, capturing the client's top priorities like outstanding English proficiency, ensuring compliance across state regulations, and ensuring consistent service delivery.



### > **Supporting quality service with an HR Center of Excellence**

Auxis' HR Center of Excellence is a key differentiator in ensuring the white-glove HR service that drives employee engagement and satisfaction, designed to support continuous improvement and performance consistency. For the PEO, CoE services are focused on quality, training, and workforce management, including:



**Robust training.** After creating standardized training documentation with realistic best practices that support consistent service delivery, Auxis deployed a rigorous training methodology focused on ensuring nearshore staff become a seamless extension of the client's internal HR department. That includes initial onboarding and nesting for new hires, as well as spot training for skills and process refreshes/changes based on input from the Quality Assurance team.







**Quality Assurance (QA).** After working with the client to define quality standards, Auxis' QA specialists maintain high-quality performance aligned with customer expectations and requirements through services such as call monitoring, evaluation, reporting, and continuous coaching of agents. This helps team members understand how they're being measured and what it takes to achieve high performance, empowering talent to consistently deliver high-quality responses to end users.



**Knowledge Management.** The Auxis CoE creates and maintains all processes and procedural documentation for trainers, agents, and end users. It also publishes curated knowledge management articles to the self-help portal to speed resolution and increase end-user satisfaction.



**Workforce Management.** The Auxis CoE is tasked with establishing and managing workforce schedules to adjust to changes in call arrival patterns and types, including real-time monitoring to manage daily spikes in volume.



**Insights and Operational Reporting.** The Auxis CoE analyzes operational metrics to ensure quality service and continuous improvement for the client, building customized PowerBI dashboards that provide real-time visibility into KPIs and SLAs to drive informed decision-making.



### > **Optimizing team structure to ensure white-glove service delivery**

With improving team governance and performance a top client priority, Auxis implemented a new and robust team structure that includes client care specialists led by a highly experienced team lead – all supported by the HR CoE. The team is also governed by additional supervisory layers focused on performance quality, industry best practices, opportunities for improvement/optimization, and addressing any escalation of challenges and concerns from the client. In addition, Auxis created a robust account management structure to provide ongoing strategic guidance to the client, monitor team performance, lead monthly service level reviews, and serve as a primary contact and escalation point.

### > **Establishing metrics for tracking performance**

A significant and immediate improvement Auxis made was establishing, tracking, and reporting key client care metrics for the first time such as First Call Resolution, Average Speed of Answer, and Chat Reassignment Rate – gaining visibility into performance the client never had access to before. This enabled Auxis to provide success criteria, identify opportunities for improvement, create a source of truth for addressing quality concerns, and continuously increase performance.



### > **Implementing incident management to identify and correct the root cause of issues**

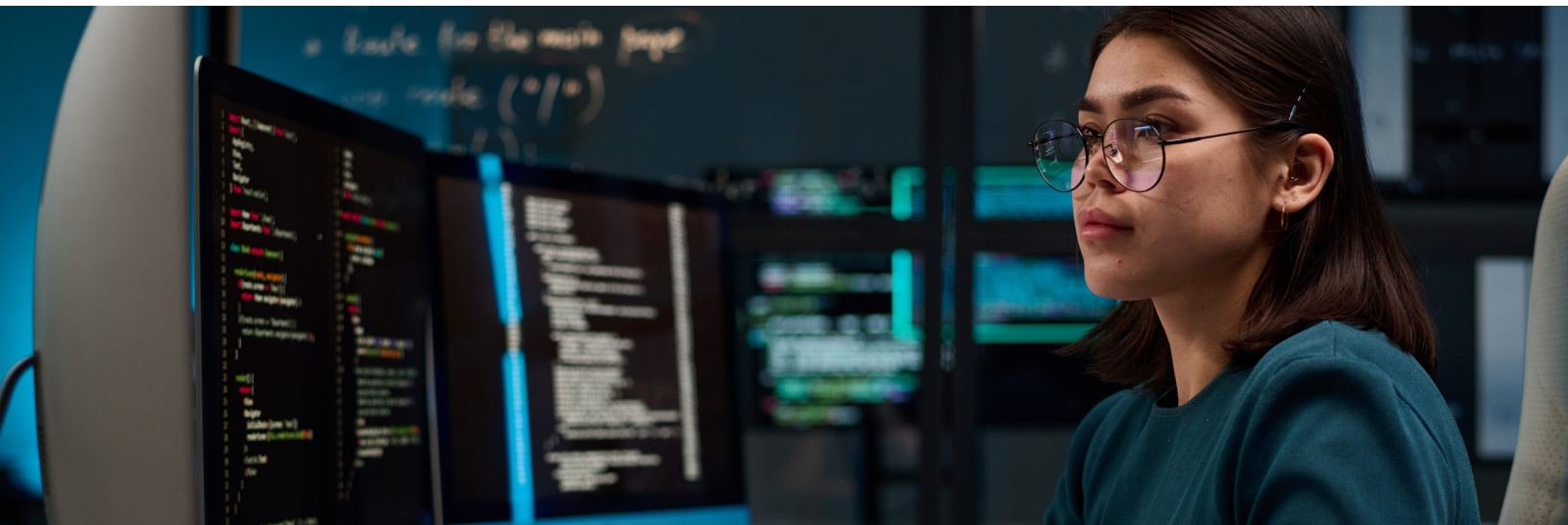
Auxis' structured incident management process takes performance improvement to the next level with team leads trained to quickly identify issues and perform root-cause analysis aimed at preventing repeat occurrences. For example, Auxis worked with the client to correct a confusing knowledge management article after identifying it had been misunderstood by an agent, and then coached its team to ensure the correct information was absorbed.

### > Attracting top-tier talent

With nearly 30 years of experience doing business in Latin America and a respected brand in the market, Auxis has developed proven and well-structured recruiting practices for attracting top talent. This includes multi-sourcing channel management to find the best candidates, rigorous English testing and other assessments, and more.

### > Protecting sensitive data with stringent security

Auxis deploys strict security measures to ensure sensitive employee information is protected. That includes directly connecting to client systems using secure VPNs and ensuring hardware and software assigned to team members is configured to meet the client's security standards so team members can navigate effectively but safely.



## Results

### Auxis' HR outsourcing operations exceed PEO's quality expectations


Auxis created a high-performing client care operation for the PEO that **quickly exceeded the client's service-level expectations**. The client is so pleased with the service quality, it recently **expanded the scope to include benefits administration services**. Included in the new scope:

- > Managing reconciliation cases
- > Running eligibility criteria
- > Providing client-facing benefit support







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

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**93% QA scores beat service quality targets**

Quality assurance scores evaluate the overall performance of agents based on adherence to call flow, procedures, and compliance with company policies. With robust training, governance, and best practices in place, Auxis' client care team has achieved average 93% QA scores over the past five months – **exceeding the client expectation of 85% QA scores.**
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**Rapid issue resolution boosts end-user satisfaction**

Once again surpassing the client's goals, the Auxis team is **resolving 86% of inquiries in the first call – and many agents are achieving a 100% First Call Resolution Rate.** By comparison, **high-performance service desks typically are expected to resolve 80% of issues** at Level 1.
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**30-40% cost savings**

Nearshore outsourcing with Auxis allowed our client to **lower its costs without sacrificing service quality**, accessing top-tier HR talent at a labor arbitrage of 30-40% compared to hiring similar roles in the U.S.
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**New insights into team performance**

With performance metrics tracked for the first time, the PEO gained deep visibility into the performance of its client care operations. Auxis is also able to react quickly to performance trends and issues to drive continuous improvement of the service. The client is so pleased with the results that it **adopted Auxis' metrics for its internal client care team.**
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**Maximizing ROI by capturing the value of LATAM's top markets**

Auxis' integrated nearshore platform enabled the client to maximize ROI by capturing the value of the top nearshore markets. Auxis leverages the **extensive HR expertise in Costa Rica** for more complex work and performs more transactional HR responsibilities in **Colombia, which combines skilled talent with the largest labor arbitrage in Latin America.**
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**Seamless extension of the client's HR team**

With a rigorous training methodology tailored to the client's unique needs, optimized operations, and robust QA processes driving quality service delivery, Auxis functions as a seamless extension of the client's team – replicating team culture and exceeding service expectations through **outstanding English proficiency, real-time communication and collaboration, and extensive knowledge of U.S. business and HR practices.**





### Low attrition

While HR continues to generate one of the highest turnover rates of any profession globally, the Auxis team has experienced little rotation. Auxis' **robust retention practices and career progression opportunities** keep turnover below industry averages. Latin American workers also consider client care to be prestigious work, taking pride in working for respected brands.



### Flexibility and scalability to keep pace with business growth

With optimized operations and repeatable processes in place, Auxis' client care operations can **react quickly to surging call volumes and business growth**.

An aerial night photograph of a city. In the center, there is a large, circular stadium with a tiered seating area. To the left of the stadium is a tall, modern skyscraper with a glass facade. The city is densely packed with buildings, and the streets are illuminated with lights. The overall scene is a vibrant urban landscape at night.

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