

HEXAWARE

Shared Services Transformation for an HR Solutions Provider

Centralizing, standardizing, and transforming services across the HR value chain through a multi-geo service delivery model.

Case study



Client

| Client

- Challenge
- Solution
- Benefits
- Summary

The client is a North American HR outsourcing provider, specializing in comprehensive workforce solutions in various sectors, including technology, healthcare, retail, and professional services. Focused on medium to small-sized businesses looking to streamline HR functions and enhance employee experience, the company offers payroll processing, employee benefits, risk management, and compliance assistance services. The company sought a partner that would help implement an HR transformation process.



Challenge

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The client faced growing operational complexity across its HR services as it scaled to support over 22,000 SMB clients across North America. With over 160 disparate sub-processes managed in siloed environments, the organization struggled with inefficiencies, inconsistent service delivery, and rising operational costs. Key challenges included:

Fragmented Process Landscape: Lack of standardization led to redundant tasks, delays, and inconsistent employee experiences across regions.

Limited Process Visibility and Control: Managing hundreds of sub-processes without centralized oversight made it difficult to measure performance or identify areas for improvement.

Inconsistent Support Levels: Variability in service delivery impacted customer satisfaction and led to a high volume of unresolved support requests.

Rising Costs: Maintaining HR operations entirely onshore resulted in high fixed costs without the flexibility to scale up or down efficiently.

Need for Transformation: The client lacked the in-house capabilities and capacity to implement transformation initiatives that could drive continuous improvement.



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To meet the client’s requirements, we implemented a robust solution encompassing process management, operational excellence, and enhancement of key performance indicators (KPIs):

Tailored Target Operating Model: We enabled an HR transformation process for the client by leveraging back-office competencies from our India HR services center of excellence (CoE) and language and voice capabilities from our teams in the Philippines and Mexico to develop a customized operating model.

Real-time Support: We provided real-time assistance during US daytime hours to ensure the timely resolution of queries and issues.

Business Continuity Planning: We established four delivery centers with active business continuity planning to guarantee uninterrupted service.

Process Excellence and Transformation: We applied Lean Six Sigma methods, robust capacity management, and digital transformation initiatives to drive operational excellence and continuous improvement.

Enhanced Request Tracking: We implemented advanced tracking systems that improved visibility and facilitated quicker access to reports.

HR KPIs Reporting and Analytics: We delivered detailed reporting and analytics on key operational and HR performance indicators to drive continuous improvement.

Comprehensive Support Across the Hire-to-retire Lifecycle

We provided comprehensive support to the client throughout the hire-to-retire lifecycle, managing over 160 processes—from recruitment to exit. This support included:

Recruitment and Onboarding:

- Setting up new hires for both US hourly and salaried employees
- Conducting new hire audits for Canadian employees

Employee Data and Records Management:

- Processing various employee data management tasks
- Managing job data changes such as pay rate, pay group, and employee status in accordance with the Fair Labor Standards Act (FLSA) guidelines

Payroll Administration:

- Initiating payroll audit requests
- Calculating and entering PTO accruals
- Processing recurring payments

Benefits Administration:

- Enrolling employees in benefit programs and sending benefit notices
- Managing open enrollment
- Processing flexible spending account (FSA) and health savings account (HSA) tasks

Compliance and Tax Management:

- Issuing minimum wage compliance notices
- Sending annual notifications regarding voluntary contributions
- Handling payroll tax compliance for both active and departing clients

Leave and Absence Management:

- Processing leave balance adjustments
- Updating COBRA enrollments, payments, and terminations
- Informing employees about COBRA coverage details and payment updates

Retirement:

- Managing 401K loan entries and administering employee-sponsored plans
- Entering deferral contributions
- Assigning and handling retirement case communications via email

Solution

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Multi-geo Service Delivery Model

As a workforce solutions provider, Hexaware deployed a multi-geo service delivery model leveraging geo-specific competencies and language capabilities:

India: 90 FTEs handling employee data management, payroll services, benefits and COBRA (health insurance) administration and chat support in English, payroll, tax, compliance services, and terminations/exit processes.

The Philippines: 40 FTEs providing specialized support in payroll services and contact center operations, providing voice support for benefit and COBRA (health insurance)-related queries in English and Spanish.

Mexico: 30 FTEs focused on compliance services and contact center support, providing voice support for benefit and COBRA (health insurance)-related queries in English and Spanish.



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The implementation of Hexaware’s solutions resulted in significant improvements for the client, including:

Quality and Customer Satisfaction:

- Quality assurance (QA) scores improved from 90% to 95.55%.
- CSAT scores increased from 90% to 97.28%.

Efficiency Improvements:

- After-call work (ACW) improved by 36%.
- Adherence increased from 90% to 93.18%.
- Turnaround time (TAT) improved from 98% to 99.97%.

Cost Savings and Operational Benefits:

- Achieved a 50% annualized run rate savings through a right-fit shared services model and transformation efforts.
- Provided 24/7 flexible support with cross-trained expertise.
- Seamlessly supported volume peaks and troughs.



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The client, a North American HR outsourcing provider, partnered with Hexaware for shared services transformation and centralized and standardized over 160 HR processes—from recruitment to retirement. By leveraging a tailored target operating model, real-time support, and a multi-geo delivery framework spanning India, the Philippines, and Mexico, the client achieved HR operational excellence, significant improvements in quality, efficiency, and cost savings. These enhancements included notable gains in quality assurance and customer satisfaction metrics, streamlined payroll and benefits administration, and robust business continuity planning, ultimately enabling the client to support over 22,000 SMBs with increased operational resilience and reduced costs.



Ready to transform your HR shared services?

Connect with Hexaware's GBS transformation experts today. Reach out to marketing@hexaware.com and discover how our tailored solutions can accelerate your HR operational excellence journey.

About Hexaware

Hexaware is a global technology and business process services company. Every day, Hexawarians wake up with a singular purpose: to create smiles through great people and technology. With this purpose gaining momentum, we are well on our way to realizing our vision of being the most loved digital transformation partner in the world. We also seek to protect the planet and build a better tomorrow for our customers, employees, partners, investors, and the communities in which we operate.

With offices across the world, we empower enterprises to realize digital transformation at scale and speed by partnering with them to build, transform, run, and optimize their technology and business processes.

Learn more about Hexaware at <https://www.hexaware.com>.

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