



HOW A CONSTRUCTION FIRM REDUCED WORKERS' COMP COSTS, STRENGTHENED SAFETY, AND SCALED WITHOUT HR STRAIN

INDUSTRY

CONSTRUCTION



COMPANY PROFILE

Industry:

Commercial Construction & Contracting

Operations:

Multi-state projects, seasonal labor requirements

Employees: 112 employees

(field labor, project supervisors, admin staff)

Ownership:

Founder-led with growing project pipeline

The Challenge



A mid-sized construction company was navigating a perfect storm of workforce challenges:

1. Steep Workers' Compensation Costs

Because construction is inherently high-risk, the firm's workers' comp premiums continued to increase year after year, eating into project margins and making bids less competitive.

2. Administrative Burden Hampering Growth

Office staff and operations leaders were overwhelmed handling:

- Payroll processing
- Compliance with multi-state wage laws
- OSHA and safety documentation
- Benefits enrollment and HR requests

This administrative load was distracting leadership from estimating, managing projects, and securing new work.

3. Hiring & Retention Pressure

Skilled labor was hard to recruit and retain, especially when competitors were offering better benefits and more robust HR support programs.

4. Compliance & Risk Exposure

With crews working across state lines and on varying job sites, compliance risk – from payroll taxes to safety reporting – was increasing. The owner knew one audit or claim could be a significant financial disruption.



The PEO Blueprint Solution



Rather than a generic PEO recommendation, PEO Blueprint took a **three-phase approach** that combined industry insight with tailored solutions.

Phase 1: Comprehensive HR & Cost Assessment

● PEO Blueprint began with a deep diagnostic of financials, compliance exposure, and HR operations:

- Baseline of workers' comp cost curves
- Payroll burden (time and error rates)
- Benefits strategy compared to regional benchmarks
- Safety documentation and OSHA reporting workflows
- Multi-state compliance challenges

This ensured that any solution addressed real, measurable business issues – not just surface symptoms.

Phase 2: Best-Fit PEO Selection for Construction

● Instead of a one-size-fits-all approach, PEO Blueprint curated a shortlist of PEOs with proven construction expertise, known for:

- Expertise in high-risk industries
- Strong safety support and risk management programs
- Competitive workers' comp pricing aligned to actual risk
- Multi-state compliance capabilities
- HR technology that supports field crews and back-office staff

Only PEOs with experience in construction risk, OSHA standards, and field workforce dynamics were evaluated.

Phase 3: Pricing & Contract Optimization

● With deep underwriting knowledge and construction experience, PEO Blueprint negotiated:

- Lower workers' compensation exposure levels
- Safety-driven premium adjustments
- Fee structures tied to actual payroll and risk profiles
- Transparent HR admin fees
- Benefits that improved recruiting and retention

Terms were structured to protect the firm's autonomy while bringing predictability to costs.

The Results



Financial Impact

- **Immediate reduction in workers' comp premiums** tied to risk classification and safety programs
- **Lower total cost** of risk across multiple job sites
- **Predictable budgeting** without year-over-year premium spikes



Operational Impact

- **Eliminated** most manual payroll, benefits enrollment, and compliance reporting
- **Freeing** the operations team to focus on project delivery, not paperwork
- **Centralized** HRIS to manage time tracking, certifications, and field crew payroll



Talent & Safety Impact

- **Attractive** benefits packages helped reduce turnover
- **OSHA and safety** workflows integrated with HR compliance
- **Reduced** administrative friction for field and office staff
- **Improved** morale because crews had clearer support and benefits access



Overall, the company regained operational focus
– and positioned itself for scalable growth without increased HR burden.



Why This Matters for Construction Companies



Construction firms operate in a uniquely **high-risk, margin-tight environment** where workers' comp, safety, and compliance performance directly impact profitability and competitive bidding. Traditional in-house HR cannot manage this complexity at scale without diverting leadership time from core business functions.

- **Reduce** risk and workers' comp volatility
- **Improve** benefits for field and office teams
- **Centralize** compliance workflows
- **Reduce** administrative overhead
- **Help** with recruiting and retention

This is not outsourcing HR work – it's **elevating your operational foundation** so you can bid larger jobs, enter new states, and retain skilled talent.

Key Takeaways



1

Construction risk without the right partner costs far more than premiums.

Strategic safety and risk management reduce long-term workers' comp exposure.

2

Not all PEOs are qualified for field-heavy, high-risk industries.

Construction requires specialized underwriting and compliance understanding.

3

Administrative relief lets leaders focus on core operations.

Payroll, compliance, and benefits no longer consume leadership bandwidth.

4

A PEO broker leverages experience to select & negotiate correctly.

Objective vetting and negotiation powers save time and money and avoid misalignment.



PEO BLUEPRINT

PEO Blueprint is an independent PEO brokerage and advisory firm helping construction and other high-risk employers evaluate, select, and optimize PEO relationships.

Unlike direct PEO sales reps, PEO Blueprint:

- Works across hundreds of PEOs
- Matches firms to the right partner (not the newest sales rep)
- Negotiates with inside knowledge of pricing, underwriting, risk, and service
- Acts as a long-term advisor and fiduciary resource

Ready to See What a PEO Could Do for Your Construction Company?

PEO Blueprint offers a confidential PEO assessment that identifies risk, costs, and opportunities – so you can decide with confidence.

