

Reducing Opex for a Global Bank



Jonathan Moffat assisted a major global bank with its headquarters in Europe to reduce a substantial external spend of €5 billion distributed across multiple countries and business units.

Overview

The organisation had grown by acquisition leaving in place the local management teams and with a corporate culture of devolved management across the Group. However, it became clear that the Group was inefficient in utilising its buying power and there was a corporate challenge to reduce operating costs.

The Challenge

To identify and then implement a programme of efficiency and procurement initiatives to reduce annual operating costs by €215 million over a 2 year time period.

The Solution

1. Established European wide analytics which gave us the data we needed to establish a clear baseline on costs by category, supplier data and key contract.
2. Established a virtual and cross functional European wide delivery team from the various procurement and internal client functions to work on the initiatives.
3. Identified opportunities and ranked them according to bottom line impact, duration and complexity.

4. Established an agreed governance for the programme designed to ensure that the stakeholder community were bought into the activity and felt ownership.
5. As each initiative was delivered, the results went through an agreed validation process.

The Outcome

In addition, the programme established a collaborative based procurement function and an ongoing concept of cost control within Europe.



delivered over 18 months



Services delivered

- ✓ Sustainable Cost Reduction
- ✓ Process Improvement/Outsourcing
- ✓ Global and Tactical Sourcing
- ✓ Enhanced Stakeholder Buy-in
- ✓ CXO²