



## Strategic Operational Cost Reduction in a Top-Tier Global Financial Institution



### CLIENT OVERVIEW

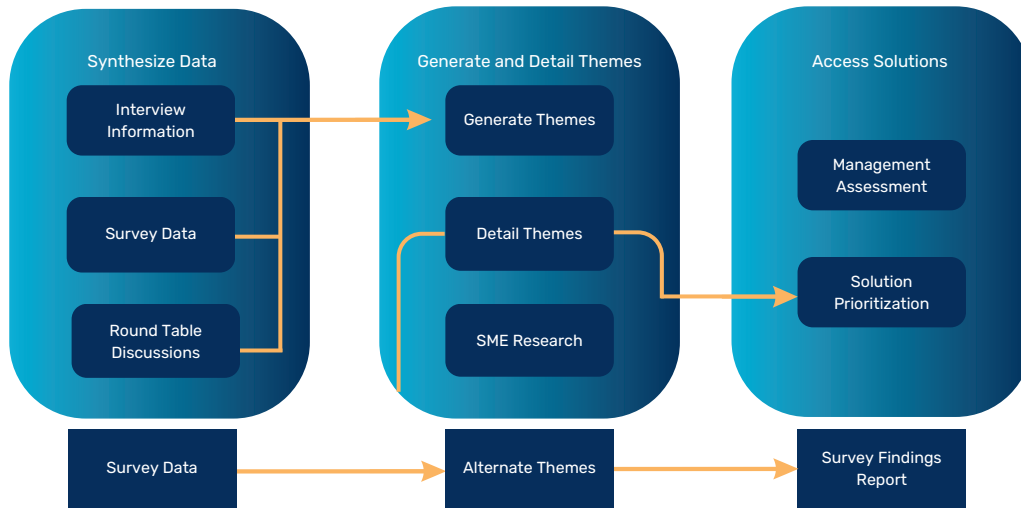
Columbia Advisory Group (CAG) was entrusted with a critical partnership by an international financial conglomerate, listed among the Fortune 50. This client has an extensive retail banking division, catering to over a million global customers. With a footprint spanning more than 1,400 locations, the financial institution employs upwards of 300,000 professionals, responsible for delivering a spectrum of services encompassing retail, investment, and commercial banking. The retail division is underpinned by a substantial IT infrastructure, comprising over 600 IT professionals, 1,300 servers, and 400 applications.

### BUSINESS CHALLENGE

Under an economic climate constricting its investment capabilities, the financial institution had to expedite operational cost reductions. This task was inherently fraught with complexities, stemming from deeply embedded procedures and a high-level IT personnel, who while remunerated handsomely, possessed skill sets not entirely congruent with the institution's evolving operational challenges.

## EVALUATION APPROACH

Our team deployed a comprehensive evaluation approach, conducting interviews with over 75 IT personnel and implementing an online survey to gather data from the entire department. We triangulated data from these interviews, surveys, and external sources to pinpoint 24 major problem areas, subsequently assessing the magnitude of each issue.



## FINDINGS

By capitalizing on the insights gained from the staff interviews, survey data, and our comprehensive analysis, we rapidly identified areas within the legacy change control and software development/maintenance processes that held substantial potential for optimization. These opportunities were also accompanied by minimal organizational risk. We designed a prioritization strategy which accounted for the degree of complexity, anticipated cost savings, risk implications, and the timeline for implementation. This strategic approach enabled a directed focus on the most advantageous changes and their sequential implementation in line with the client's intersecting challenges. Our analysis led to the discovery of 181,000 annual ineffective hours, translating into an opportunity for annual cost savings of \$10.8 million.

## KEY TAKEAWAYS

Driving transformation in large corporations harboring legacy systems and personnel can seem overwhelmingly complex. Yet, with access to accurate information, robust analytical methodologies, and a clear roadmap for change management, it is feasible to confront conflicting challenges and introduce tangible, actionable changes.