Six ways BeHOLISTIC™ can help your organisation reduce costs

CorbettPrice

1. EVALUATING PRODUCTS & SERVICES PORTFOLIO

10% - 20% cost reduction*

A sharper portfolio can positively impact your bottom line, including a 2-6% margin improvement, 10-20% cost reduction, and an increased return on investment for capital expenses. 1
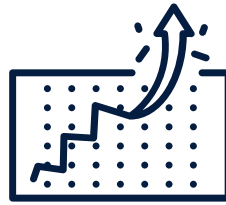
BeHOLISTIC can help organisations to evaluate their product and service portfolios to identify areas for cost reduction through:

(B) Business Model: Re-evaluating the business model to focus on more cost-effective services or customer segments can lead to enhanced cost management. This might involve restructuring or modernising less cost-effective services.

Outcomes:
- Reducing interactions within less cost-effective customer groups
- Improving service delivery performance
- Utilising digital channels

2. OPTIMISING ORGANISATIONAL DESIGN

Companies with an agile and accountable organisational design are 2.3X more likely to exceed financial targets, 27X more likely to retain employees, and 13X more likely to innovate effectively. 2

Our BeHOLISTIC™ framework can assist public sector organisations in optimising their organisational design, unlocking latent value in existing resources, enhancing performance, and realising significant savings through:

(H) Human Capital: Implementing training programmes with a focus on multi-skilling can mitigate the necessity for specialised roles, thereby contributing to cost reduction. Moreover, adopting a flexible workforce model can aid in managing labour costs more effectively.

(O) Organisation Design: The introduction of cross-functional teams can dismantle silos, leading to a more efficient utilisation of resources and consequently, cost reduction.

(C) Culture: Cultivating a culture of cost-awareness amongst employees can reverberate positively across various organisational facets. This could encompass incentivising cost-saving initiatives and advocating frugality.

3. EVALUATING THE DELIVERY MODEL

Up to 25% savings in 18-36 months*

IT cost optimisation techniques can save organisations between 10-25% of costs within 18-36 months. 3

The BeHOLISTIC framework can guide organisations in scrutinising and refining their delivery model through:

(L) Location: Revisiting the location strategy can yield cost savings. For instance, relocating to areas with lower rent or operational costs can significantly impact the budget positively.

Outcomes:
- Evaluating IT delivery models
- Consolidating IT infrastructure and the application landscape
- Empowering organisations to leverage market strength in negotiating terms and conditions with vendors

4. PROCESS OPTIMISATION

Up to 50% productivity gains*

Organisations with the highest level of operational maturity can achieve up to 50% in productivity and efficiency gains. 4

BeHOLISTIC helps identify and streamline processes, leading to cost reductions through:
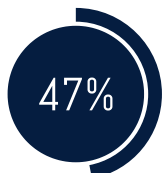
(E) End-to-End Value Chain: Employing Lean methodologies to eliminate waste from the value chain, thus trimming costs.

(I) Information/Data: Implementing data analytics tools can help identify inefficiencies and bottlenecks in real-time, allowing for quicker decision-making and cost savings.

Outcomes:
- Standardising and automating processes
- Reducing error rates
- Outsourcing non-core activities

5. OPTIMISING VENDOR MANAGEMENT & THIRD-PARTY COSTS

47% of enterprises manage more than ten vendor relationships for a single IT initiative. 5

The BeHOLISTIC framework can aid organisations in optimising vendor and third-party costs through:

(S) Suppliers: Implementing a Just-In-Time (JIT) inventory system can diminish storage costs and enhance cash flow, necessitating a robust relationship and effective communication with suppliers.

Outcomes:
- Contract renewals and vendor rationalisation
- Adjusting existing contracts to meet actual needs
- Curtailing transport costs

6. OPTIMISING TECHNOLOGY UTILISATION

4 HOURS per week wasted due to unnecessary toggling between apps and websites. 6

The BeHOLISTIC framework can assist organisations in harnessing technology for cost reduction:

(T) Technology: Transitioning to cloud-based solutions can curtail expenses tied to maintaining and upgrading physical servers and data centres. The deployment of Robotic Process Automation (RPA) in repetitive, rule-based tasks significantly cuts down manual effort and errors, leading to notable cost savings.

Outcomes:
- Consolidating platforms
- Enhancing vendor management
- Leveraging synergies to bolster negotiation power

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Sources: 1. McKinsey & Company 2020, *Mastering complexity with the consumer-first product portfolio.* 2. The Josh Bersin Company, 2022, *Organization Design.* 3. Gartner, 2021, *10 IT Cost Optimization Techniques for Private and Public Sector Organizations.* 4. Accenture, 2021, *Are your business operations ready for the future?* 5. EY, 2023, *Five areas of focus for IT cost optimization.* 6. Harvard Business Review, 2022, *How Much Time and Energy Do We Waste Toggling Between Applications?*