



Global Employment Company Achieves Significant Savings By Restructuring Vendor Engagements

Results

\$3.4M

savings in first 12 months

\$8.2M

estimated savings over three years

↑326%
return

on investment across all areas

A recruitment and career management company that operates globally engaged HBR Consulting (HBR) to increase efficiencies and cut costs in its rapidly-changing environment.

Challenge

A global recruitment and career management company was experiencing rapidly escalating fees and costs, while at the same time undergoing internal transformation and restructuring. As part of a company-wide initiative to reduce costs, the company retained HBR to develop a strategy and program to facilitate savings while aligning future vendor relationships and spending with the business's evolving priorities.

Objectives

The client engaged HBR to assess its vendor relationships and facilitate savings utilizing strategic sourcing methodologies, consumption/demand management, post-implementation monitoring, and other cost avoidance techniques.

Approach

The HBR engagement team collaborated with the client to develop and implement savings strategies across a number of areas:

- Technology: IT hardware, telecommunications, IT software and services
- Facilities: office-related products, records management and courier services
- Market data and other spend categories as applicable

HBR and the client agreed upon a three-phase strategic approach for the execution of these expense management and third-party vendor sourcing efforts.

1) Data Gathering + Analysis

HBR facilitated introductory meetings and engaged with 75+ stakeholders and vendors to gather and analyze data. HBR assessed the historical relationship with each vendor and its scope, reviewing both contracts and spending, and also looked for incremental synergies between the client and its parent company.

2) Opportunity Assessment + Strategy Formulation

Leveraging this data analysis along with HBR's extensive experience and market intelligence, HBR developed savings opportunity projections, outlining for the client the current state, potential opportunities and strategic plans for achieving desired goals.

3) Implementation + Savings Assessment

HBR then worked with stakeholders to jointly develop an action plan. HBR prepared negotiation tools and materials and partnered with the client to conduct strategic negotiations with vendors. Additionally, HBR facilitated discussions with client stakeholders on topics including proposal analyses, evaluation of options, strategic recommendations and defined next steps.

After execution of the new or revised vendor agreements, HBR conducted routine audits to monitor post-implementation compliance and savings.

Results + Benefits

HBR and the client collaboratively achieved significant savings across various departments and functional areas, estimated to be over \$8 million over a three-year period.

Additionally, through improved alignment and prioritization, the client saw sustainable improvements in the following areas:

Implementation

Increased level of integration with client's parent company, leveraging larger supplier relationships to realize synergies and maximize savings.

Collaboration

Inter-departmental collaboration, resulting in increased efficiency, ease of communication and knowledge-sharing among stakeholders, beginning with the initial assessment and continuing through the entire process.

Optimization

Significant cost avoidance by right-sizing when applicable, based on evaluation of service utilization.

Comprehensiveness

All-encompassing service across a broad variety of requests through an active role managing procurement efforts of all magnitudes.

About HBR Consulting

HBR Consulting delivers advisory, managed services and software solutions that increase productivity and profitability, while mitigating risk for law firms, law departments and corporations. As trusted advisors with deep industry experience, clients partner with HBR to achieve significant, sustainable results.