



## FINANCIAL SERVICES INDUSTRY

# RAPID COST DIAGNOSTIC

Driving Rapid and Sustainable Cost Improvement

**70%** of businesses intend to undertake cost reduction initiatives within the next year. This is driven by either macro-economic challenges, rising inflation, new competition or a combination thereof. Unfortunately, cost reduction initiatives are often short-term and unsustainable, with only 11% of organisations able to sustain cost cuts over a three-year period. A&M’s targeted and proven cost diagnostic identifies rapid cost reduction opportunities and highlights operating model changes required to support long-term sustainability.

### What A&M will bring



Standardised data gathering tools



Cost Saving Initiative Validation Methodology



Financial Services and Industry Specific Expertise



Market Insight, Industry Benchmarking and Performance Metrics



A&M Next Generation Operating Model

### Why A&M?

With over 8,500 professionals in 65+ offices globally, A&M provides seamless, quality, cross-border services. As the largest global transaction advisory and tax practice with no audit based conflicts outside the Big Four, the A&M difference lies in our senior led teams and a flexible and tailored hands-on approach. We build local relationships that can deploy global resources as needed for any M&A transaction.



### Key Metrics

**70%** of FTSE350 companies intend to undertake cost saving initiatives in the next year

**11%** of cost saving initiatives are proven to be sustainable

**50%** of businesses fail to meet their cost reduction targets

**75%** of savings are eroded by a failure to fully validate initiatives

## Outcome

A&M's Cost Diagnostic will leave you with:



### 1. Validated Cost Initiatives

Quantified set of cost saving initiatives, together with a recommended sequence of execution.



### 2. Operating Model Impact Assessment

Identification of key operating model changes required to support long-term cost savings, whilst delivering on strategic objectives.



### 3. Cost Impact Model

Financial model incorporating your existing cost base, impact of cost saving initiatives, investments required and execution timetable. Supporting your investment and prioritisation.



### 4. Recommended Governance Structure

A&M view of required governance model and benefit tracking mechanisms to maintain focus on cost saving initiatives.

## KEY CONTACTS



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## ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) for leadership, action and results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

With over 8,500 people providing services across six continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

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