



## HELPING YOU GET READY FOR TOMORROW BY WORKING BETTER TODAY

We know you need to enhance citizen engagement, digitally enable your operations and drive increased quality across your services – all whilst spending less.

Glue Reply is an **outcomes focused Strategy & Enterprise Architecture Specialist** trusted by public and private sector organisations alike to solve complex problems. We **help our clients succeed by turning strategy into tangible solutions and vision into practical outcomes**. We diagnose the challenges and advise on the way to make real impact – enabling you to deliver meaningful change.

### MORE FOR LESS – A BETTER WAY TO CUT COSTS

Despite years of cost cutting, the ability to optimise costs remains a relatively immature capability across many organisations. Rather than a planned strategic intervention, most cost reduction initiatives continue to be driven by short term managerial or market needs.

Whether you're looking to improve financial results, respond to market disruption, implement a cost leadership strategy or prepare the organisation for significant change, we can help you shape and implement a sustainable cost reduction programme.

### WHAT IS A COST REDUCTION PROGRAMME?

A cost reduction programme is a roadmap of short and long-term cost reduction initiatives. Each initiative is based on analysis of your operations, best practice and benefits assessments with implementation planning tailored to the specific needs and culture of your organisation.

### A TAILORED APPROACH

Our approach is straightforward:

- We seek to understand where all of the opportunities sit across your organisation and their relative magnitude; we align costs to business capabilities to derive new insight;
- We tackle the simple opportunities first, creating capacity and confidence to invest in further change. We use the right tools at the right time to help you break constraints that may have prevented past progress.

	Simple Tactical	Smart Balanced	Strategic
	Drive execution of tactical cost reduction opportunities to bring stability and capture savings; mitigate further performance deterioration.	Rebalance costs to fund investments in strategic enablers. Avoid initiatives that might inhibit future improvement or long term service delivery.	Invest in building capabilities to enable a cost leadership strategy.

<b>Financial Strength</b>	Challenged	Stable	Healthy
<b>Strategic Goal</b>	Survival	Development	Leadership
<b>Impact Horizon</b>	<3 months	9 - 18 months	> 18 months

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*We transform. We deliver. Together.*

## HOW WE WORK WITH YOU

We break our business transformation projects down into three distinct phases:



### ASSESS COST REDUCTION POTENTIAL

- We work with you to complete an analysis of your cost structure; we align this to business capabilities to help identify fragmented and duplicative costs.
- We identify and review your cost drivers – helping you better understand your current performance.
- We assess the performance of key capabilities - benchmarking the performance of your processes, functions and partners – to identify meaningful improvement opportunities.
- We assess opportunities to understand ease, impact and value.



### DEVELOP COST REDUCTION PROGRAMME

- We complete detail analysis of prioritised initiatives – reviewing detail performance data to verify scope and assumptions.
- We assess the likely impact of change – completing an assessment of required investments and developing high level implementation plans.
- We work with you to verify our proposals adjusting the scope of initiatives and business cases to reflect our discussions.
- We collaborate to agree the prioritisation, dependencies and sequencing of initiatives to be progressed.



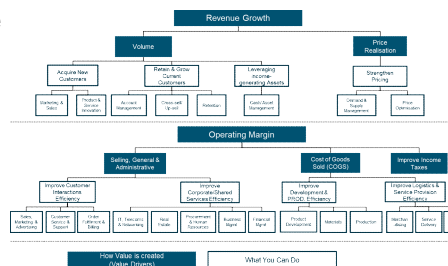
### IMPLEMENT PREPARE AND EXECUTE CHANGE

- Leveraging our extensive delivery experience, we formulate a detailed implementation plan for each initiative, identifying responsible owners, delivery resource, key risks and measures for their mitigation.
- We work with you to establish appropriate governance – establishing performance indicators, programme controls, and communications plans to underpin and assure delivery of the agreed initiatives.
- We review the effectiveness of the cost reduction initiative and help you transition to a system of continuous improvement.

## A SAMPLE OF OUR TOOLS

We leverage the approach best placed to support your specific needs. Example methods include:

- Target cost modelling – designing product and services for delivery within a target budget.
- Activity based cost modelling – attributing cost to capabilities activities; and
- Value engineering – addressing prioritised cost drivers.



*“We are the only UK headquartered organisation recommended by Gartner for Business Outcome Driven Enterprise Architecture Consulting.*

*By adopting a capability based approach to cost reduction initiatives, we help ensure you focus your scarce resource on those things that have the biggest impact on your performance.*

*Working together, we help you identify and cut both cost and complexity across your organisation”*

*John Sidhu  
Partner*



### HIGH LEVEL COST BREAKDOWN



- Not Required**
  - Unleveraged capabilities
  - Challenge need
  - Increase efficiency
  - Reduce service level
- Can't Avoid**
  - Required by statute
  - Maintaining regulatory compliance
  - Increase efficiency
  - Collaboration / shared service
- Lights On**
  - Activities required to keep lights on
  - Increase efficiency
  - Collaborative / shared services
- Differentiating**
  - Capabilities that drives sustainability
  - Essential enablers for strategic outcomes
  - Opportunities for effectiveness
  - Invest in critical activities

- Eliminate cost
- Target best in class cost
- Target best in class
- Consider spending more

We segment business capabilities and costs to drive debate and inform decisions.

- Being bold means the courage to withdraw resource from where it's not truly required so it can be better focused on the capabilities that support your strategic goals.