

4sl Group Project Library – Case Study

Categorisation

- **Company:** European IB
- **Service category:** Running IT as a Business
- **Sector:** Financial Services
- **Date:** October 2008

4sl provide business management services to large European Investment Bank.

Client agenda

A variety of business management challenges ranging from the basic production and availability of financial reports through to high volatility in monthly costs resulting in significant uncertainty around forecasting and budgeting right up to CIO level. Furthermore, the client was recently acquired by a consortium of banks and faced a complex integration process due to the need to split some IT applications and services between the consortium partners as well as fundamental changes in the operating model.

Engagement outcomes & deliverables

The engagement has delivered a number of improvements across financial control and reporting:

- monthly accruals process for project costs where none had previously been in place, closing an audit point.
- simplification of cost centre structure, closure of defunct codes and re-alignment of costs across functions.
- initiated monthly balance sheet reporting with periodic asset review
- implemented an online financial issues reporting and tracking tool, ensuring that issues were investigated and resolved, and root causes analysed to determine further process improvements.
- delivered a number of 'roadshows' for the project management community to raise financial awareness, explain reports, the processes behind them and improve financial acumen.
- uncovered anomalies relating to approx £25m of operational costs being misreported as project costs
- collaborated with another supplier in the Business Management domain to establish a consolidated global financial view at any level of aggregation from project right through to CIO, enabling proper variance analysis which in turn reduced month-on-month volatility
- migration of the Finance function for the global vendors from New York to Amsterdam ensuring service continuity for reporting £60m p.a. of project spend. This included a lengthy post go-live 'handholding' and education process for the new Finance team.
- delivered a 'Cost of Ownership' assessment for applications being kept or decommissioned in the integration process, which has been established as the benchmark for measurement against savings targets

Adding value to Bank's decision-making process

4sl was selected for the engagement because of our client side experience in business and financial management. A high level of trust has been established which has been evident on a number of occasions as 4sl has been able to produce key pieces of management information required in the Bank's decision making process. The engagement is currently focussed on establishing relationships with regional finance and IT contacts to transition from the pre-integration to the new 'post-acquisition' operating model.