Top 5 UK bank saved £236 million in year-on-year costs with ECS.

Overview.

A major retail and commercial bank who undertook a large-scale network review programme. Their vision was to become more agile and cost-effective and to achieve this, the bank needed to simplify the business and increase efficiency.

The Challenge.

After a history of acquisitions and mergers, the bank experienced peaks and troughs when it came to growth. This activity prompted changes within inventory systems, network maintenance databases, contracts, and circuit billing information – sometimes creating gaps and inaccuracies in the data.

ECS were appointed to help the bank identify these gaps and create a consistent approach to how it managed its technology cost centre. Doing so enabled them to take next steps towards becoming a more agile and cost-effective bank.

The bank had the following objectives:

- Remove waste in the form of hardware and software licenses
- Transforming network connectivity to a more efficient and cost-effective solution
- Right size network services voice, data, server and video estate
- Align maintenance contracts accurately

The Solution.

ECS implemented ServiceNow in an incident and configuration management capacity. This allows the bank to keep a record of specific information and the relationships between technology and communications assets.

As part of the programme, ECS audited the voice, server and data network estate, billing records, technology expense management inventory system, hardware maintenance database, network designs and current circuit costs.

This audit uncovered a series of cost saving opportunities and identified the scope for the introduction of best commercial practice. An example of this would be corresponding with vendors to provide usage statistics previously not available. ECS also created a process to accelerate cost savings relating to building closures during COVID-19.

To avoid overlap, duplication of effort and therefore maximise cost savings, ECS worked with and implemented other technology projects throughout the programme of work. Additionally, 2,000 technology expense management records were updated to ensure billing aligns to inventory, therefore avoiding overspend.

To ensure contractual obligations were being met, ECS regularly collaborated with Supply Chain Services. This constant communication saw the successful implementation of a business-as-usual server, as well as a Voice and Data cease process with appropriate governance.

It was also important to ensure all design documents were accurate and up to date, reflecting the current infrastructure and flagging any potential risk. With this information to hand, ECS was able to complete necessary remediation, performing multiple high-risk changes to business-critical systems with no business impact.

The benefits.

ECS was able to achieve £236 million in year-on-year cost savings for the bank. This was due to five years of analysis, redesign, and removal of servers, circuits, licenses, telephony and printers. Savings were calculated by comparing existing costs with new costs over a three-year period (since the new circuits were on a three-year contract) and were validated by verifying MDSL and invoicing records.

Below is a list of how we were able to achieve these savings:

- Circuit & Server Cessations:
  - 1,400 unused circuits – this allowed the bank to save power, lower carbon footprint and therefore minimise costs
  - 1,800 unused servers including associated licence costs – saved up to 140,000 kg CO_2 per month
- Performance Improvements:
  - Increased bandwidth – 103 data circuits replaced with alternatives that were not only more cost-effective, but also increased bandwidth and physical/vendor diversity
  - Improved resiliency – ECS took sites that had two of the same type of circuit servicing it and replaced the circuits with a dual vendor solution. This added resiliency into the solution while also still reducing costs
- Savings & Simplification:
  - Double billing issues on circuits and achieved refunds
  - 3,425 devices removed from hardware maintenance contract and criteria-based billing implemented
  - 2,149 End of Support equipment, live on network identified within hardware contract and reported to Network Platform
  - 1000 unused Voice Gateway ports closed

What value did ECS bring?

The value of ECS is in our technical expertise and agile ways of working. Both work hand in hand to implement solutions without interrupting business as usual activity – which was of critical importance to the bank. In this scenario, the implementation of ServiceNow as a permanent solution for the bank has allowed for increased visibility and control of assets, and in turn, the continual optimisation of costs.

The experience that sits within our dedicated cost optimisation team made us well-equipped to support the bank in identifying where cost reductions could be made whilst also improving business value. This experience was shared with the bank and will help support the longevity of the solution.

If you are also interested in optimising your cloud spend, get in touch and we will be happy to help you achieve your goals.