

Global multi-category company redefined operating model and role of country vs. center

Client context

Client description

- Global multi-category company for consumer packaged goods
- Duplications and redundancies across the company's organizational structure leading to high operating expenses and inefficiencies

Objective

- More effectively leverage economies of scale and scope and increase cost efficiency
- Reduce the number of layers and increase accountabilities
- Improve speed and effectiveness of decision making

Client name: X
Team set-up: X
Fees Structure: X

Approach

- Allocation of upstream category and brand development activities to **global category organization** and **focused European geographic organization on go-to-market activities**
- Design of **country clusters** to realize cross-market synergies in smaller countries
- **Re-shaped role of country GMs** to increase cross-region collaboration (increasing scale, reducing duplication)
- **Functional benchmarking to identify opportunities** for realizing greater efficiencies through shared services and outsourcing

What was unique: X

Impact

- **Transformation of company's European organization** and ways of working
- Identified potential **20% personnel cost reduction**
- Planned for shift of **~ 80% of functional resources to outsourced providers**
- Redesigned **organization and processes** allows for sustainable impact and enables further continuous efficiency improvements