

Case study

Fully transparent datacentre service delivery for one of Britain's biggest high street banks

Start date

2018

Size of technical space

>100,000 m²

Multi-skilled

technical delivery

100%

SLA attainment

£200,000

savings in stock utilisation

15wks → 3wks

materials time to site reduced

“LMG is an extension of our team and trusted strategic partner. Its transparent service delivery model gives us full clarity on our ROI and the value we receive.”

The bank's client datacentre manager



In March 2018 LMG was awarded a services support contract by one of Britain's biggest high street banks to maintain the cabling infrastructure at two of its UK datacentres.

Transparency, innovation and value were three crucial areas where the bank was looking for improvement. In response, over the last two years, LMG has rapidly delivered on all of these fronts to build the foundations of a strong and successful partnership with customer based on trust and accountability.

Key challenges and pain points

When the bank put its UK datacentres Services Support contract out to tender in 2017 the support team was becoming increasingly frustrated.

As the bank's client datacentre manager, explains: “Historically there had been issues with the transparency of the service. The incumbent supplier struggled to demonstrate what they were delivering so we couldn't evaluate what we were getting for our money or quantify what was being delivered and completed on site at the datacentre. This made it extremely difficult to budget year on year. The business needs to plan and forecast but didn't have the information to do that properly.”

He adds: “Everything was a bit stale and there was little innovation or proactivity. We wanted to find a partner that could give us the service we needed with a transparent model that would allow us to prove value for money. In LMG we found just this partner.”

The LMG service delivery model

LMG's proposed model offered the bank a fully transparent reporting platform and access to sophisticated real time systems for tracking the service delivery that the bank's team could utilise to manage its internal client's requirements.

The bank's client datacentre manager explains: "The experience we had with our previous supplier gave us a very clear picture of what we didn't want, but we didn't necessarily have the same clarity at a practical level of what we needed to do. What impressed us about LMG was the team's ability to advise and guide us to a different level. LMG has opened the door to constructive feedback and consultancy. I now view them very much as a strategic partner, not just a service provider."

The bank's team benefits from daily interaction with the onsite LMG team as they share the same office. "This might sound obvious. "But it's so different to what we had previously. I love that the LMG team is not hidden away. They're always visible, easy to communicate and collaborate with. When an issue is identified it's immediately communicated, and we work together to fix it."

The transformation of the service the bank receives is particularly impressive given that a lot of the incumbent supplier's personnel remain as part of the backbone of the team. When it took on the contract, LMG was able to TUPE 10 existing staff alongside its own delivery team that encompasses a senior account manager and 10-15 technicians.

"Despite relying on a number of familiar faces, LMG has introduced a management structure and changed the way work is delivered to achieve a step-change in the quality of service we receive."

Ongoing feedback and improvement

LMG's service has been in place for two years and during that time has been continually tweaked, updated and improved in consultation with the bank to deliver efficiencies and in response to evolving requirements.

The bank's client datacentre manager, explains: "As in any service contract things haven't been 100% perfect 100% of the time. However, it's the way LMG has always reacted and responded to problems, as they've happened, that has really shown the character of the organisation and helped build trust in our relationship. For example, the very first project we ever did ran into some major challenges but rather than try and hide them, the LMG team flagged them openly and then provided all the right areas of support we needed to get everything resolved. And it learned from the experience, so the same challenges haven't occurred again."

"Another key benefit of our relationship with LMG is the quick decision making. In our business rapid turnaround is critical, so it's really valuable to have senior people on the ground with autonomy to make decisions, rather than people whose hands are tied by red tape and hierarchy. That said, I also know that if I've got a major issue or there's something I really need to get done, I can make a direct call to LMG's leadership team and they'll get it sorted quickly."



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The bank's client datacentre manager

Key benefits

Some of the ways in which LMG has made the service as transparent and efficient as possible over the last two years has included:

- Supplying the bank with a fixed resource service team for the management of day-to-day onsite work delivery and interactions. The fixed working model consists of full-service management, project delivery, planning and technical delivery. It includes provision for enhanced day time working hours coverage and quicker response times.

- The bank has access to LMG's proprietary online reporting tool that offers crucial reporting visibility via a real time dashboard that provides rich data analysis and statistics covering all aspects of the service delivery.

- LMG provides supply chain management oversight for all of the bank's delivery requirements. This has led to the materials time to site being reduced from 15 weeks to three weeks — an average 15-day turnaround for material deliveries.

- The bank has full access to LMG's Procure IQ online quoting and costing system which utilises pre-approved pricing to fully automate most of the process.

- LMG maintains and manages all required onsite training and security clearances for all staff members.

- LMG has put in place an enhanced rebate scheme that has delivered more than double the rebate payment received from the previous supplier.

- By closely reviewing all materials orders, LMG has helped the bank to maximise cost avoidance, resulting in stock utilisation savings of more than £200,000.

- Furthermore, by working with the supply chain to minimise the impact of currency and commodity price fluctuations LMG has allowed the bank to benefit from savings in excess of £214,000.

- LMG arranges for dedicated Gold Stock of key materials utilised by the bank to be held on-site for quicker mobilisation – but it is only paid for once utilised.

- By removing 3% annual RPI increases LMG has so far saved the bank £60,000 over the contractual cycle, without reducing investment in the quality of service delivery.

- Over the complete service, LMG has consistently delivered 100% SLA attainment.

The bank's client datacentre manager concludes: "During the last two years of working with the LMG delivery team, I have been continually impressed. LMG isn't your normal service provider. Its unique ability to put everything in one place means there are no disparate, disconnected siloes, where installation and management is split via separate specialist contractors. Because LMG takes care of the network, devices and service management, it means there's one point of contact, one point of billing, one point of reporting and crucially – one point of accountability. LMG's commitment to a fully transparent relationship has helped us immensely."



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