

I CONSOLIDATED
SUPPLIERS ✓

II ACCELERATED
PROCESSES ✓

III REDUCED
COSTS ✓

Managed Service Provision – Case Study



The company WestLB:

WestLB AG are a European commercial bank based in North Rhine-Westphalia, the most populous state in the Federal Republic of Germany. As a central savings bank, it is a centre of competence and a link to the international financial markets for the savings banks in North Rhine-Westphalia and Brandenburg. In close partnership with these savings banks, WestLB offer services in the areas of credit, project finance, capital markets, asset management, transaction services, real estate finance. Since 01/07/2012 the firm WestLB AG has been trading under the name Portigon AG.

Background:

WestLB regularly need to recruit freelance IT specialists to support projects. Many internal employees from various departments were involved in the recruitment process.

Suppliers specialised in the required skill sets were approached, asked to bid and the appropriate supplier was then chosen. This large number of contractors increased the administrative burden on project management, reduced the transparency of processes and prevented the utilisation of volume discounts.

Objective:

WestLB would like to streamline their purchasing processes and use the time saved for solving strategic issues. For this reason, WestLB were looking for a third-party manager to take care of approximately 60 non-strategic IT service providers as well as manage communications between the various departments and these external suppliers – including processing and invoicing. This third-party manager should possess proven recruitment skills and economically fill vacancies with the best possible candidates.

Solution:

Since August 2006, Hays have been utilised as WestLB's third-party manager. Since that time, a dedicated team of experts has taken over management of all non-strategic suppliers and has responsibility for the following tasks:

- Recruitment from both third-party firms as well as the Hays candidate pool
- Take-over of WestLB's non-strategic suppliers into third party resources
- Optimization of the procurement and accounting processes
- Fully automated process for recording and accounting of services rendered
- Comprehensive monthly management reporting

Conclusion:

Through the outsourcing of supplier management and recruiting duties for third-party management to Hays as a Managed Service Provider, the burden on internal resources has been greatly reduced and WestLB now receive excellent resources under best market conditions.

Reference:

Manfred Kobecke, IT Services, WestLB: "The quality of procurement and management of our non-strategic service providers has improved significantly through our cooperation with Hays. The procurement process for the bank has therefore been considerably streamlined and optimized. The time saved has allowed purchasing to focus more on strategic procurement issues and the professional project supervision of departments within the company."