



**A leading Mexican financial institution
captures multimillion-dollar savings
with RD's IT Cost Reduction
methodology**

Executive Summary

A **leading, large-scale financial institution in Mexico**—with a nationwide presence and thousands of service points—faced the challenge of delivering aggressive technology cost reduction targets while operating under complex corporate guidelines and multiple approval layers, with existing contracts with all its providers and significant annual spend on telecom and technology services.

RD led an end-to-end optimization project focused on three fronts —market references, inventory management, and demand governance— capturing the **first savings in the fifth month** after kickoff. Within 12 months, the institution **achieved multimillion-dollar savings** validated during the project, equivalent to a **double-digit saving** over the analyzed baseline, along with contract terms that secure additional efficiencies in future years.

Client	Industry	Scope	Solution	Outcome
Leading Financial Institution	Financial Services	Nationwide (Mexico)	IT Cost Reduction	Multimillion-dollar savings

The Challenge

The institution operated under complex corporate guidelines, with Procurement teams that traditionally negotiated on volume.

There was an opportunity to bring greater technical granularity to the analysis of billed items.

- **Complex corporate guidelines:** Multiple approval layers that required a careful approach to unlock negotiations.
- **Existing contracts:** No natural renegotiation windows with strategic providers.
- **Unquantified targets:** Aggressive reduction guidelines with no technical estimates grounded in operational reality.
- **Large inventory:** A high number of contracted sites and services, with growing complexity.
- **Highly granular invoices:** Hundreds of items per invoice requiring specialized technical analysis.
- **Un governed demand:** Requests with no standardized policies by profile.



The Solution

RD applied its own IT Cost Reduction methodology, structured as an exhaustive assessment and three optimization fronts worked in parallel with the client's Procurement, Technology, and Infrastructure teams.

The first savings were **effectively captured** in the fifth month after kickoff, reflected directly in the client's invoices.

Phase 1: Market References and Negotiation

A comprehensive assessment of the relevant contracts with a surgical focus on the specific items on each invoice, backed by **analysis against market reference ranges**:

- ✓ **Line-item analysis:** Detailed review of billed items against market reference ranges, without changing service quality.
- ✓ **Negotiation on existing contracts:** Opening talks with strategic providers despite no upcoming expirations.
- ✓ **Selective optimization:** Targeted adjustments on the items with the largest deviation from market.
- ✓ **Multiple iterations:** Several negotiation rounds with each strategic provider until reaching the optimal result.

Phase 2: Inventory Optimization

- ✓ **Opportunity identification:** Optimization opportunities were found in inventory, sizing, and rate standardization.
- ✓ **Operational validation:** Every adjustment validated operationally to ensure no impact on service.
- ✓ **Standardized terms:** Commercial terms unified across equivalent services contracted at different times.
- ✓ **Focus on sustainability:** Optimizations applied to rates, not as one-off adjustments.

Phase 3: Demand Governance

Beyond the immediate savings, RD worked to establish a governance structure that would make the model sustainable:

- ✓ **Standardized policies by profile:** Plans and services standardized by organizational role.
- ✓ **Documented exception rules:** A clear structure for non-standard requests with formal approvals.
- ✓ **Sizing by type:** Standards based on actual usage and operational load.
- ✓ **Periodic review:** Periodic review mechanisms against market references built into relevant contracts.

Results & Metrics

The project delivered measurable, effectively captured results:

Multimillion USD Savings validated in 12 months	Double-digit % savings over baseline	5 months Time to first captured saving	Multi-year Efficiencies committed going forward	Periodic Review against market references	3 fronts Market Inventory Demand
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The RD Difference

RD complements traditional commercial negotiation with a **technical, granular view of each billed item**. Instead of working only on general discounts, the model identifies specific opportunities by service, rate, and contract term, capturing savings that are **sustainable, governable, and forecastable** directly on the invoice.

RD's commercial model is based on a **success fee**: 90% of fees depend on actual savings validated during the project and effectively captured by the client.



Feedback received during the project

The client highlighted RD's ability to **identify efficiency opportunities on existing contracts** and to work with a **high level of detail on billed items**. The technical approach—focused on line-item analysis against market references rather than general discounts—enabled structural improvements in contract terms without changing service quality or the operational relationship with providers. Building periodic review mechanisms into the relevant contracts was valued as a sustainable contribution beyond the immediate savings.

Qualitative Benefits

- **Effective negotiation in complex environments:** Tangible savings despite multiple approval layers.
- **Working on existing contracts:** No waiting for expirations, keeping the operational relationship with each provider intact.
- **A complete view of spend:** Market references, inventory, and demand reviewed at the same time.
- **Governable savings:** Reductions in actual rates, not one-off adjustments that are hard to forecast.
- **Post-project sustainability:** Periodic review mechanisms and standardized policies with a multi-year effect.
- **Success fee model:** 90% of fees depend on actual savings validated during the project.

Conclusion

The case shows that IT cost reduction is achievable even in the most challenging scenarios: complex corporate guidelines, existing contracts with every provider, and massive operating volumes.

The difference was not asking for discounts. It was **knowing every item on every invoice**, opening **technical negotiations on the items with the most opportunity**, and **governing demand** through standardized policies.

The client was left with an IT spend governance model that lets it keep capturing efficiencies on its own.



How much could your organization save?

RD is a leading IT spend management and optimization consultancy in Latin America, with a results-based commercial model (success fee).

[SCHEDULE AN ASSESSMENT](#)

Confidentiality note: Under confidentiality agreements, certain identifying details about the client, providers, contracts, and commercial terms have been omitted or aggregated.



+52 (55) 4444 4832



martin.vaglio@rd-its.com



rd-its.com

México

Prol. Moliere 450 B, Of. 303
Miguel Hidalgo, CDMX
C.P. 11529