



**SAFEGUARD  
GLOBAL**

## **Cutting costs: 9 areas to evaluate for business savings**

Economic turbulence brought on by the global COVID-19 pandemic has organizations around the world evaluating how and where they can cut costs.

**Here are nine areas to evaluate for cost savings today to position your organization to rebound as soon as the crisis does.**



# 1

## Office space

As the global pandemic has forced businesses to shift to remote work, their offices remain empty. Yet, employees are still communicating, and strategic goals are still being achieved.

Now is the time to evaluate one of the biggest expense lines in your P&L. If business is still able to move forward and grow with a remote workforce, it could be a smart move to downsize your office space as your lease-end approaches.



\*Average price in New York City.

Source: <https://pricelthere.com/business-tips/how-much-does-it-cost-to-rent-office-space/>

### POTENTIAL SAVINGS

**\$14,800 per employee per year\***

# 2

## Software subscriptions

Organizations in the United States spend almost half of their entire IT budgets on software, according to the [Flexera 2020 State of Tech Spend report](#).

Now is the time to review your software subscriptions for redundancies—are you paying for multiple software solutions that produce the same result?

### POTENTIAL SAVINGS

\$259 per employee\*

\*Amount of money spent on software that was deployed and then unused.

Source: <https://iitiam.org/wp-content/uploads/2015/12/The-Real-Cost-of-Unused-Software.pdf>

# 3

## Foreign entities

Maintaining registered entities in multiple countries is costly, with annual audits, tax filing fees and local tax expertise, legal support and HR guidance to account for.

Did you know you can retain your workforce in a country without all the costs associated with maintaining your entity? It's possible by transferring your workers to an employer of record solution like [Global Employment Outsourcing \(GEO\)](#). Win-win.

### POTENTIAL SAVINGS

Speak with a global solutions advisor to calculate your savings.

**SCHEDULE A CONSULT**

# 4

## Analog marketing

The highest performing marketing teams are aligned with the organization's revenue goals. Take a look at your marketing spend: How much can you directly correlate back to pipeline generation?

Analog marketing, such as print ads, swag and billboards, are costly tactics that might not generate justifiable ROI. If you're running costly campaigns and unsure of the return, now is the time to rethink your tactics and strategy.

### POTENTIAL SAVINGS

\$95,000\*

\*Cost of a four-color full-page ad in Inc. magazine.

Source: <https://mediakit.inc.com/print-ad-rates/>

# 5

## Core business functions

You obviously can't cut core business functions, but you can cut how much they cost your organization. How? By outsourcing them to reputable managed providers. You'd be in established company, too, with [59% of companies using outsourcing as a cost-cutting tool.](#)

One business function that's prime for outsourcing is payroll—especially among global organizations, which have to contend with differing currencies, languages and time zones, as well as with complex compliance requirements.

The right payroll provider can save you, both in capital and operating expenditures. Learn more about how a [managed payroll provider can help improve ROI.](#)

### POTENTIAL SAVINGS

Uncover costly inefficiencies impacting your payroll function in our Global HR Health Check.

[\*\*START HEALTH CHECK\*\*](#)

# 6

## Business travel

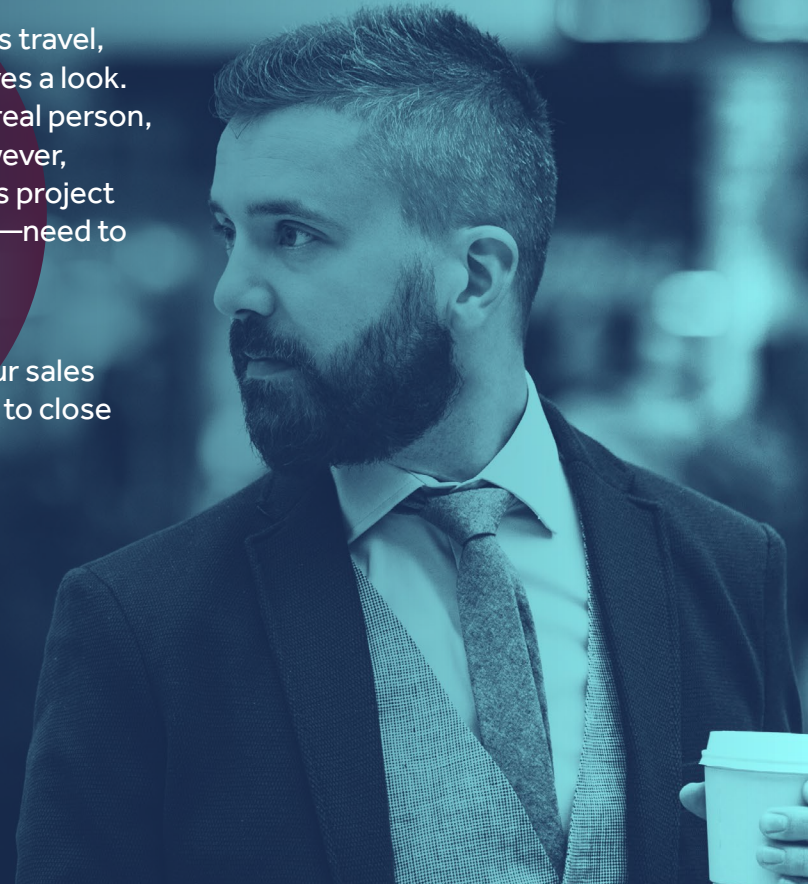
Current travel restrictions aside, business travel, particularly travel related to sales, deserves a look. Yes, buyers still want to purchase from a real person, and in-person pitches are preferred. However, does everyone involved in a sale—such as project managers or implementation specialists—need to travel for on-site demos or meetings?

Invest the time and resources to train your sales team—they'll have the expertise needed to close the deal.

### POTENTIAL SAVINGS

\$949 per employee, per trip\*

\*Source: <https://www.certify.com/Infographic-TheAverageCostOfBusinessTravel.aspx>



# 7

## Service issues

Customer emails are valuable. They help you make product improvements and grow your business. However, too many of them can overwhelm your client support team—and the quality of your customer service.

Automating certain types of service issues can save time and money. For example, if 60% of all requests are password-reset related, consider offering a live chat functionality through your website.

Companies implementing chatbot technology reduce client inquiries by up to 70%.

### POTENTIAL SAVINGS

30% of customer service costs\*

\*Source: <https://www.ibm.com/blogs/watson/2017/10/how-chatbots-reduce-customer-service-costs-by-30-percent/>



# 8

## Meetings

Meetings cost your company both in salary hours and a potential loss in time on revenue-generating projects. Think about the cost of a thrice-weekly 30-minute meeting of six members of your executive team—that's nine expensive hours.

You will never be able to remove meetings altogether, but you can keep them lean. Conduct a meeting audit: How many recurring appointments can be consolidated or canceled? Where can that hour-long session become a quick 15-minute debrief?

### POTENTIAL SAVINGS

\$338 in salary for every meeting cut\*

\*Source: <http://attentiv.com/america-meets-a-lot/>

# 9

## Business processes

Eighteenth-century economist Adam Smith captured the cost-saving benefits of standardizing processes with his “pin factory” analogy: Dividing labor would produce exponentially more pins than workers attempting to build the pins from start to finish themselves.

Businesses have more sophisticated products in 2020, but the philosophy remains the same—standardizing processes leads to cost savings and output gains.

Take stock of your organizational processes: Are you using the same IT solutions across all global regions? Are you processing all employee expenses under a single system? [Are you using a mismatch of infrastructure and processes to run your global payroll?](#)

### POTENTIAL SAVINGS

30% cost savings in HR operations\*

\*Source: [https://www.cipd.co.uk/Images/changing-operating-models\\_tcm18-10976.pdf](https://www.cipd.co.uk/Images/changing-operating-models_tcm18-10976.pdf)



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Through a combination of workforce management data, technologies, services and market expertise, Safeguard Global enables success through smarter, more efficient global employee management, recruitment, payroll, onboarding, expense management and more.

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