

Margin recovery program

CHALLENGE

Our client, an **IT product and services company** was facing a **deterioration of its margins** without being able to identify the root causes.

CYLAD was mandated to **define a margin recovery plan**, to support its implementation, and **track the impact** of the actions taken on the margin.

SOLUTION

CYLAD's approach relied on three steps:

- **Conduct financial performance assessment** to understand current margin shortfalls, root-causes and set up the baseline.
- **Define structural and operational levers to improve margin**, such as reviewing make or buy strategy, designing Zero Based Organization, reducing the cost of non-quality. It enabled not only to restore the margin in the short term but also to sustain it in the long term.
- **Implement a margin improvement tracking system**. The goal was to monitor both the implementation of levers, their impact on operational KPIs (e.g., attrition rate, %cogs, schedule adherence) and on business performance.

CUSTOMER BENEFITS

+5% to 8%
margin improvement secured

15
levers studied, quantified and implemented

KEY DELIVERABLES



Margin recovery plan



Performance tracking system