

London, UK, 28th October 2009
FINAL

Public companies that cut costs at head office early in the recession have outperformed the FTSE

[Maxxim Consulting](#), today published its latest research paper “Corporate Centres in the Recession”.

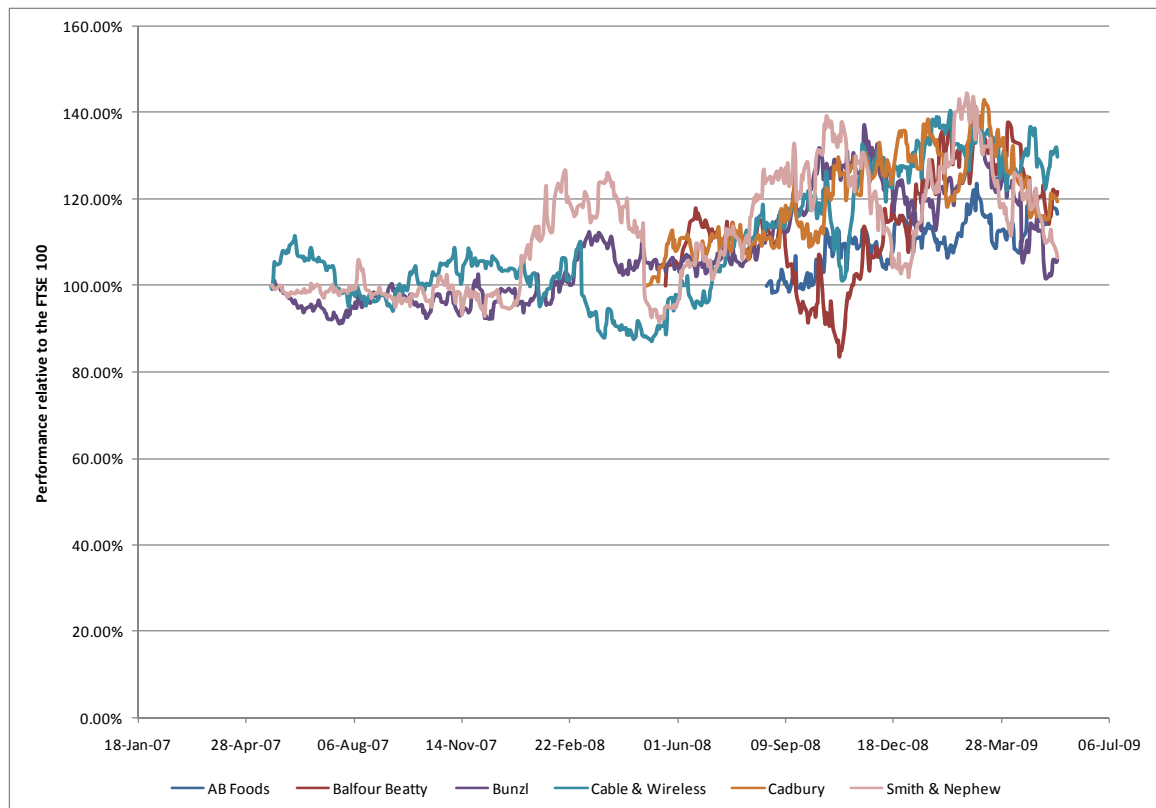
It examines whether those public companies which have restructured their corporate Head Office prior to, or in the early days of, the recession have performed better than those which had made no change.

It finds that 66% of the companies surveyed that have outperformed the FTSE index between Autumn 2007 and Autumn 2009 have a lean, low cost HQ. It also pinpoints what other added value services a corporate HQ need to provide to increase business performance in a downturn.

Claire Arnold, Managing Partner at Maxxim Consulting, said:

“Our research shows that an organisation with a lean corporate HQ and that provides clear leadership and value-added oversight to its empowered and accountable divisions are best placed to prosper as we move out of recession.”

Smiths Chief Executive Philip Bowman said: “Streamlining the corporate office has both reduced costs by £5m and allowed it to focus on ensuring the five divisions achieve their operational goals of greater efficiencies and improved customer service. Together, the programmes are expected to produce annual Group savings of £50m within two years.”



...ends...

Maxxim Consulting is a professional services firm specialising in organisational design and change. The consultancy enables blue-chip organisations to align their structure with their strategy. Maxxim Consulting optimises performance of the companies we work for by ensuring that people and processes perform as well as they possibly can. For more information, see www.maxximconsulting.com.

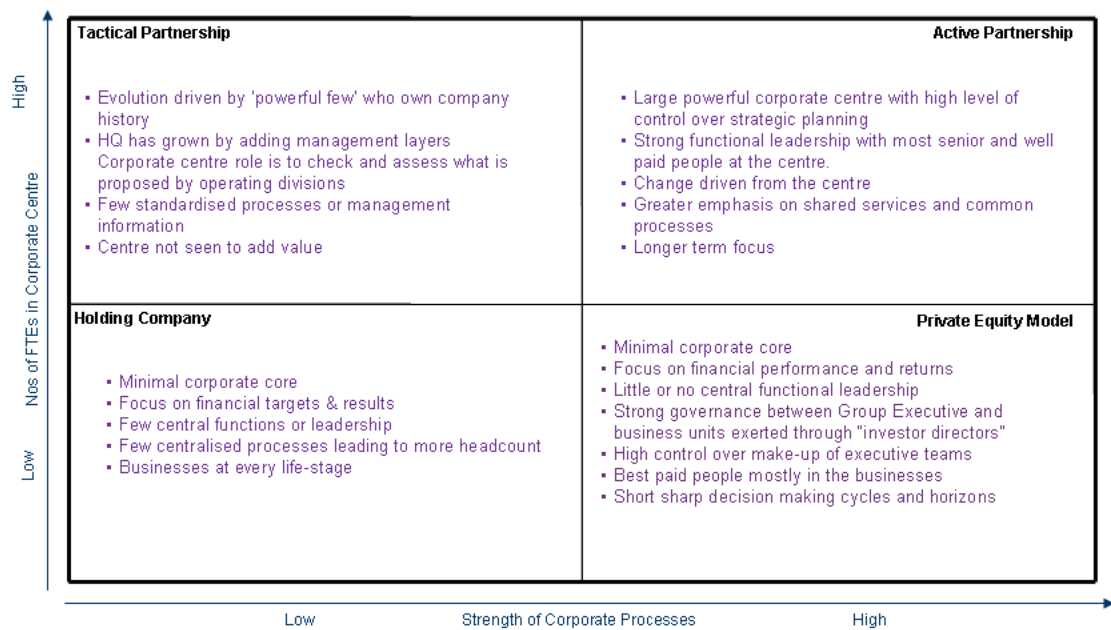
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1: The four main types of Corporate Centre



2. About the Maxim Consulting benchmark

The Maxim Consulting benchmark consists of 25 leading companies, as well as a number of major privately-held companies. Our analysis involves combining in-depth interviews of board members with analysis of the FTEs and costs of each of the core corporate functions. We group the functions into those that add value, to the business strategy and proposition, those that perform compliance activities and those that provide consolidated services for the Group's businesses. The emphasis on each of these groupings and mix between them drives the style of corporate centre.