TELLENNIUM
Enterprise Technology Management

AOTMP®
RESEARCH & ADVISORY

ANALYST PERSPECTIVE

SO YOU WANT A TEM:

LANDMINES TO AVOID WHEN SELECTING A TEM FOR YOUR BUSINESS

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INTRODUCTION

No single TEM vendor offers the best solution for all enterprises because TEM vendors, like enterprises, are unique. Selecting a TEM vendor by matching features and benefits with business requirements is critical to sustainable relationship success. Focusing on business requirements and the delivery capabilities of vendors will yield fruitful results. Conversely, selecting the lowest price without regard to proper solution alignment can doom a relationship. This Analyst Perspective report helps enterprises avoid cost-focused selection pitfalls and other selection landmines by sharing keen insights that influence positive TEM vendor selection results.

According to AOTMP Research & Advisory, just more than half of enterprise respondents have a relationship with a telecom expense management provider, while a little more than a third want to change providers within the next 24 months, or at the end of their current contracts *(see Figure 1)*.

This indicates a gap in vendor service delivery or enterprises not selecting the best partner for their environments. Given the evolving state of telecom environments, finding the right solution can be a challenge. As enterprises invest in the next wave of technology, they expect their vendors to provide consultative leadership and guidance, and ensure correct implementation and management in accordance with business goals. This can only be done well when collaborating with the TEM vendor. Luckily, as AOTMP Research & Advisory has found, most vendors are eager to become more engaged in the tactical planning and strategic deployment of their clients' new services.

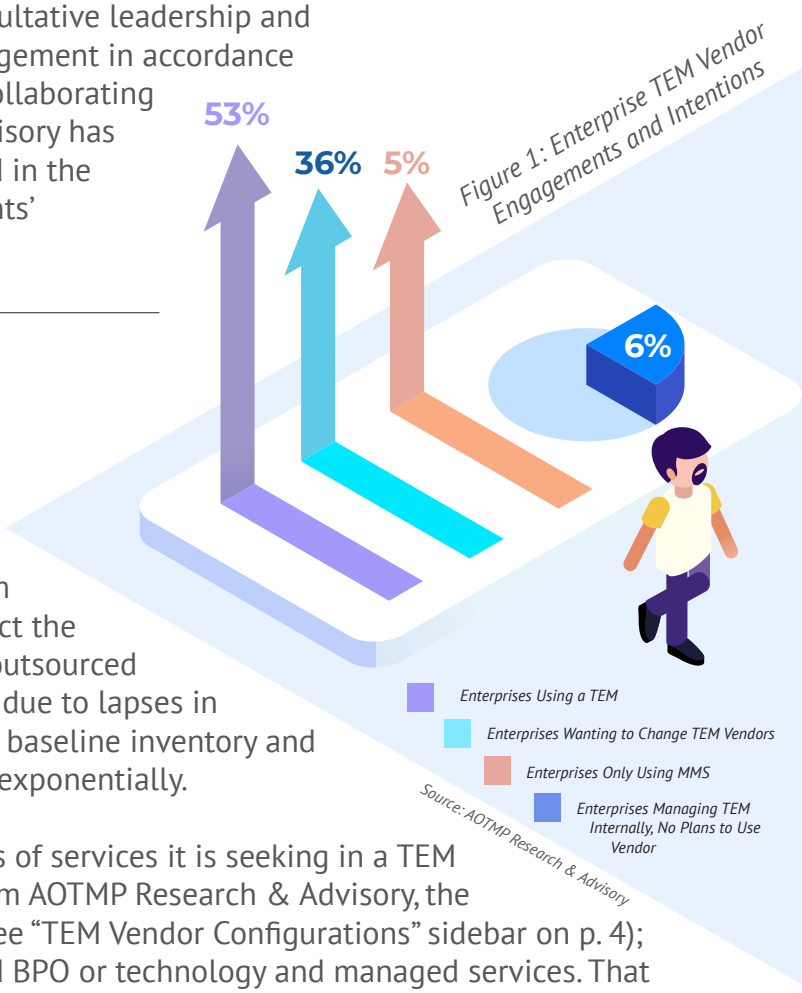

Figure 1: Enterprise TEM Vendor Engagements and Intentions

AVOIDING LANDMINES: START WITH CORE ENTERPRISE CONSIDERATIONS FOR A TEM VENDOR

Enterprises that understand the makeup of their telecom and mobility environments are better positioned to select the correct TEM vendor. For organizations that are seeking outsourced assistance for the first time or that are leaving a vendor due to lapses in inventory and management practices, taking the time to baseline inventory and invoices will improve engagement with a TEM provider exponentially.

Doing this also helps an enterprise to pinpoint the types of services it is seeking in a TEM provider. As noted in the *2018 TEM Market Landscape* from AOTMP Research & Advisory, the enterprise engagement style with vendors still varies (see "TEM Vendor Configurations" sidebar on p. 4); however, more enterprises are choosing fully outsourced BPO or technology and managed services. That way, their professionals can focus more on strategic, revenue-generating projects rather than mundane daily activities.

The type of engagement an enterprise seeks with a TEM provider is not exclusive to the technologies deployed. Many TEM vendors are proficient in managing the various technologies in telecom environments. But enterprises must also consider the factors of culture – self-service versus managed services, help desk support structure, inventory management practices, IT service management policies, and the level of telecom management training for employees. Organizations that do not account for these components may well find themselves stepping on more than one TEM landmine.

Enterprises must also understand the condition of their environments and the elements that influence them. Realizing the need for services and then using them can be two separate challenges in themselves, but the process starts with knowing what the organization needs. Therefore, AOTMP Research & Advisory recommends completing service proofs of concept, wherever possible, prior to contract negotiation. This allows an enterprise to test the apparent service delivery methods of the vendors under consideration and identify the vendor that best meets the unique challenges of the business. This helps steer an organization away from the wrong TEM vendor fit – another landmine best avoided.

UNEXPECTED TEM LANDMINES: ENTERPRISE TALES

When speaking with enterprises, each one differentiates itself from its peers – different needs, different vendor management and accountability practices, different vendor treatment methods for scope creep, etc. – and AOTMP Research & Advisory observes this same reality in its enterprise engagements. Divergent client requirements push TEM vendors in new directions while also demanding better outcomes from their standard service delivery. This is less extreme for some vendors than for others, but not a single enterprise AOTMP Research & Advisory spoke with could hold back about one key frustration: Overwhelmingly, enterprises are vexed by inventory and invoice inaccuracies, and by limits to their TEM vendors' platform reporting capabilities.

TEM VENDOR CONFIGURATIONS

TECHNOLOGY ONLY

The vendor provides software-as-a-service (SaaS) or on-premises software, the enterprise performs all the work.

TECHNOLOGY & DATA LOAD

Via SaaS, the vendor loads carrier invoices while the enterprise handles all other work.

TECHNOLOGY & MANAGED SERVICES

Through SaaS or on-premises software, the vendor does everything specified in the statement of work, while the enterprise handles whatever the vendor does not.

FULLY OUTSOURCED BPO SERVICES

The vendor assumes all TEM work streams, including bill pay, and the enterprise receives the results.

PROFESSIONAL/ CONSULTING SERVICES

The vendor completes specific telecom management tasks (contract negotiations, technology refresh, project management, etc.) on a project basis.

Source: AOTMP Research & Advisory

A COMMON INVENTORY LANDMINE

Enterprises making robust change based off an initial audit that did not verify inventory has led to critical errors. For instance, say a circuit was mislabeled and not caught during inventory validation. Trying to shut down that circuit later to save money could result in call center downtime. Or say a router was misidentified and later shut down to save expenses – and that router controlled the corporate Wi-Fi network. Avoid this landmine first by verifying all inventory and, second, by viewing services and assets as strategic, rather than commodities to immediately be eliminated. That way, the enterprise will only shut down telecom components that have proven they do not serve business outcomes.

Not surprisingly, the reason these areas cause upset varies widely, but enterprises are most frustrated with a lack of reporting creativity and access to the APIs that provide core TEM data to other systems. After recently reviewing the TEM vendor landscape, AOTMP Research & Advisory sees the tide in these two areas changing among vendors. Many vendors are strategically selecting third-party systems to integrate with based on client demands and making those latest reporting capabilities the focal point of their go-to-market strategies.
And yet, the feedback from enterprises indicates a communication gap that has become prevalent in an industry bustling with new technology investments, and robust merger and acquisition activity over the last 24 months. While vendors are investing in improved technology capabilities to support clients, some lack the service delivery depth to ensure existing clients – the ones demanding the change – are properly informed and implemented.

To continue to hear from enterprises about the lack of accuracy within invoice processing and inventory management is painful. After all, one of the paramount best practices of telecom management is to nail the basics of inventory and invoicing. While the blame may not rest solely on the TEM vendor, that may still be unacceptable to enterprises that outsource the bulk or all of their telecom management activity, including bill pay. Consider the point made earlier about the lack of depth in service delivery – critical breakdowns are dismantling client relationships despite advanced technology capabilities. Technology will not fix broken client relationships regardless of who holds the lion's share of blame for service issues. Technology will aid in the improvement of client relationships when coupled with knowledgeable, consistent service delivery agents.

Enterprises that continue to experience problems with invoice processing and inventory management must use a scorecard that measures vendor performance and tracks the vendor's ability to effect change. The scorecard can establish a baseline for engagement with a new vendor or help the enterprise to implement service level agreements at contract renewal time to hold the existing vendor more accountable. If the enterprise is not willing to engage in more measured management of the vendor and create the mechanisms for accountability, then it is accepting the lack of accuracy regardless of the level of frustration.

Finally, in addition to the above, AOTMP Research & Advisory heard from enterprises peers seeking global coverage. The meaning of "global" can vary wildly for enterprises, ranging from feet on the street across all major regions to local language help desk support. Any oversight in correctly matching a vendor's global capabilities with enterprise requirements will toss a landmine into the service delivery process, and impact the relationship. Therefore, enterprises must carefully consider their environments and demographics.

ENTERPRISES, CONSIDER THIS:

As the TEM market matures and vendor tenure with a client grows, the relationship should continue to evolve as well. This can be a critical component of the success of an enterprise's telecom ecosystem and strategy, especially when telecom is managed as a strategic asset, rather than just as a means for saving money. After all, when viewed and administered through the lens of productivity and efficiency, telecom contributes to key business outcomes, including higher profit margins and expanded competitive advantage.

With that in mind, enterprises must decide how they want to interact with a TEM vendor. Some are waiting for their TEM providers to saddle up and take charge of the environment – to act without waiting for direction, to not tip-toe around the truth and wait to implement the painfully obvious. Conversely, others are quick to exert control over a vendor as a way of ensuring authority over the decisions impacting their environments, which highlights the overarching theme of this report: every enterprise is unique. Enterprises must choose one approach or the other. Either embrace the vendor's abilities and choose to trust its expertise, or continue to develop the internal expertise that will contribute to ongoing gaps in the telecom ecosystem.

Global can be a rabbit hole that is best served by its own report – refer to AOTMP Research & Advisory's forthcoming report *European TEM Market Landscape*, for examples of providers based outside of North America. Overall, more enterprises are demanding that TEM vendors' global services rise to greater heights.

NO LANDMINES HERE: HIGHLIGHTS OF SUCCESSFUL TEM ENGAGEMENTS

"I feel like they want us to succeed in our work as much as we want to. That is a good feeling to have," one enterprise telecom management executive recently told AOTMP Research & Advisory. This testimonial speaks volumes to the value of the relationship and the level of engagement possible when both parties come to the table and work together.

Across the board, the industry is showing the signs of life and improvement that enterprises have been demanding. When TEM vendors meet enterprises' basic needs, a lot of excitement about the vendor and its results can arise. Businesses are eager to see the opportunities found in an invoice audit or optimization. They may lack the confidence to implement those discoveries and leave some savings on the table, but they appreciate the accuracy when it's there. Plus, a proactive TEM will guide the organization in acting on the results and making the most of them. Altogether, these outcomes provide the enterprise with validation of the TEM provider's contract and offer the opportunity to build the business case for deeper engagement.

Perhaps surprisingly, AOTMP Research & Advisory also received some positive responses to the recent merger and acquisition activity within the TEM market. Where managed appropriately, with new platforms acquired or capabilities added, this activity can have positive consequences on client engagement. AOTMP Research & Advisory must emphasize this was not widespread feedback; rather, it stood out as an example of a well-executed service delivery transition amid M&A. TEM consolidation can benefit enterprises when overseen correctly, and when vendors engage clients in training and implementation of any new technology.

Enterprise respondents further indicated that they are attracted to the consolidation of data sources happening in the market, whether that comes from TEM

vendors adding more data to their native platforms or whether they integrate with critical third-party enterprise systems (i.e., ITSM, finance, human resources, etc.). As AOTMP Research & Advisory has discussed in recent reports, many TEM vendors are adding cloud management, "enterprise of things" management and communication lifecycle management to their primary service capabilities. This is helping enterprises to engage more with their vendors.

CONCLUSION: PEER-TO-PEER INSIGHT FOR SIDE-STEPPING TEM LANDMINES

Each enterprise will approach TEM to solve to its own problems. However, considering advice from peers who have lived through similar implementations can make the process easier. Here is some insight AOTMP Research & Advisory gathered from enterprise respondents in October 2018:

- Complete an inventory audit prior to searching for a TEM provider
- Conduct proofs of concept on potential solutions
- Fully evaluate potential vendors, including onsite review of their facilities and teams, speak with multiple references, and verify cost structures
- Negotiate the contract that serves the organization best, including TEM-specific service level agreements with contractual penalties for the vendor
- Evaluate wireline and wireless separately
- Create a partnership – voice opinions and options
- Review specific service capabilities that are critical to your business
- Verify help desk support availability and capabilities
- Find out whether the vendor can accommodate any custom projects and needs
- Insist on periodic face-to-face meetings during implementation

ADVICE FROM THE TRENCHES: ANONYMOUS ENTERPRISE RESPONDENTS SPEAK

- Make sure the vendor has a test instance for you to work on. Some do not.
- Ensure you have defined SLAs (penalties/rewards) in the contract.
- Make sure you are thorough when building your service order or SoW.
- Ask about extra costs.
- Evaluate both service-specific (mobility, wireline, etc.) and fully integrated TEMs.
- Thoroughly vet the solution – do not be sold on unsubstantiated claims.
- Complete on-site visiting of your top two TEM providers before choosing.
- Make sure they have a REAL person, not just access to their 'help' for problems.
- Check references carefully.
- Put good SLAs in place and make sure you are monitoring them.
- Complete internal reviews of expectations with all areas before RFP.
- Clearly define expectations so both sides are on the same page, no misunderstandings.

Avoiding landmines when choosing a TEM requires willingness to investigate vendor possibilities in-depth. This takes time. While cost will always be a core reason for using a TEM, it should never be the only one or the main one. Thus, the enterprise telecom management group must present the business case that convinces executives to allow three to six months to vet vendor candidates that emphasize far more than saving money. Look for TEM vendors that want to contribute to business outcomes such as helping the enterprise to increase its revenue, customer retention and market share. Acting on the best practices noted throughout this report, and covered in others from AOTMP Research & Advisory, will help the enterprise whittle down its list of potential TEM vendors and ultimately land on the one that will best serve its long-term goals.

ABOUT THE AUTHOR

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Andrew Hartwyk specializes in mobility. He has worked for Mobile reCell and MOBI Wireless, among others. Over the past decade, Andrew has executed sales and marketing strategies across several verticals. He also holds experience in operational delivery, solution engineering and architecture, product development, and direct and indirect sales.

ABOUT AOTMP RESEARCH & ADVISORY

AOTMP Research & Advisory supports enterprise and vendor telecom, mobility and technology management initiatives and objectives with actionable data and insight. To that end, AOTMP Research & Advisory focuses on the management of multiple practice areas, including IoT, cybersecurity, enterprise mobility, telecom expense, mobile application development, BI/data analytics, enterprise telecom/mobility/technology environments, telecom/mobility/technology ecosystem and IT services.

Enterprises take advantage of AOTMP Research & Advisory's targeted research, analysis and advisory services to boost telecom/mobility/technology management efficiency, performance and productivity. This brings greater value and impact to the overall business – including reducing costs. For vendors that impact the performance, productivity and efficiency of an enterprise's telecom, mobility or technology environment, following AOTMP Research & Advisory's proven approach leads to higher revenue, more market share, competitive differentiation and happier customers.

One key distinction about AOTMP Research & Advisory stems from our extensive reach and relationships with telecom, mobility and technology management business professionals. Thanks to a variety of sources and advanced statistical methods, we extract information from end users that helps enterprises measure themselves against their peers and gives vendors unprecedented views into their clients' and prospects' business pains and goals.

Overall, AOTMP Research & Advisory sets the standard for telecom/mobility/technology management expertise, guiding enterprises and vendors alike to positive, measurable outcomes.

ABOUT AOTMP

Telecom/Mobility/IT Management Best Practices and Industry Standards

AOTMP is a leading global information, services and advisory firm for next generation Telecom / Mobility / IT Management best practices and industry standards for organizations and the vendors who support them. Best practices cover network services, carrier services, mobility and IoT solutions, cloud solutions, software, hardware, and emerging technologies that impact the performance and business value of technology. Using information, data and compiled analytics from thousands of enterprise environments worldwide, AOTMP solutions help enterprises drive performance, efficiency and productivity while significantly reducing costs and help vendors provide a new level of value to their customers. AOTMP's solutions are based on its patented Efficiency First® Framework methodology and are the foundation for Telecom / Mobility / IT Management Centers of Excellence being built across the globe.

AOTMP Business Units include:

- **AOTMP University** – courses, certifications and assessments
- **AOTMP Tools** – tools portal and certified vendor directory
- **AOTMP Research & Advisory** – research portal, custom research and analyst advisory sessions
- **AOTMP Analytics** – scoring, measurements, analytics and recommendations
- **AOTMP Services** – services for enterprises and vendors
- **AOTMP Events & Program**s – annual conferences, webinars and the AOTMP Industry Council

ABOUT TELLENNIUM

Tellennium Inc. was founded by industry veterans in 1999 as a pioneer of Telecom Expense and Mobility Management services. While technology has changed and extraordinary advancements have been incorporated into Tellennium's platform and services over the years, our dedication and quality of services remain the same. We continue to successfully assist our clients in managing more than $200 million in communications and utility expenses, representing hundreds of thousands of circuits, devices, utilities and services.

HOW TELLENNIUM'S TEM PROCESS WORKS

The process typically starts with a comprehensive inventory audit and discovery process that identifies and quantifies each circuit/service/device including the detail of all associated features, service addresses and charges being billed. The inventoried items then go through an extensive validation process to test each including usage and billing accuracy prior to any recommendations.

The inventory information, detailed charges, changes, contracts, associated invoices, and GL coding are maintained in TIMS™, Tellennium's Integrated Management System. TIMS is a comprehensive cloud-based software platform developed by Tellennium to process and pay invoices, manage circuit and services' inventory, track usage, changes, contracts, and charges. TIMS also supports cloud-based services and assets including those associated with IoT, MoT and EoT.

Armed with this information in TIMS, Tellennium's experienced personnel (DIY and custom hybrid options also available) then manage and negotiate the necessary billing corrections, terminate proven invalid/unused services and circuits, manage MACS/MACDs workflows, and monitor all services, circuits, devices, and charges.

With TIMS' built-in AI technology, discrepancies in charges, inventory, locations, usage, upcoming contract terms, etc., are sent into a notification queue and acted upon.

The full AP process is also incorporated into TIMS with additional capabilities and AI technologies. TIMS supports all coding allocation formulas and formats with full integration through APIs and other means to financial systems, HR, help desk and other third-party client solutions. All media formats are supported from paper invoices to EDI. TIMS knows the correct remit addresses based on provider and account number, and also knows when invoices are to be received, so none are ever lost and not processed. Multi-level approval processes are supported as well as dispute tracking and reconciliations.

TIMS is easy to use, all-inclusive, built on proven processes and supports an unlimited number of users with hierarchical levels of access, full lifecycle management, real-time visibility, and data is never purged. There are thousands of reporting views available including customized options. Reports can also be automatically sent periodically which can be unique for each user. A new release of TIMS occurs every 4-6 weeks, adding even more functionality and AI enhancements.

Tellennium has been here from the beginning and continues to experience double-digit organic growth every year for a reason. And all services come with a written guarantee.

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