



AMALGAM INSIGHTS

Market Alert

The Potential Scope for  
Tellennium's  
Management of Things™  
Approach

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## EXECUTIVE SUMMARY

**Key Stakeholders:** Chief Financial Officer (CFO), Chief Human Resources Officer (CHRO), Chief Information Officer (CIO), Finance Directors and Managers, Global Payroll Vice Presidents and Directors, Data Integration Directors and Managers, Software Architects, Facilities Managers

**Why It Matters:** COVID-19 has shown business leaders the inarguable importance of managing finances. As such, enterprises can, and should, do more to control their recurring expenses, including those beyond the realm of traditional technology. Amalgam Insights' IT Rule of 30 states that every unmanaged IT spend category averages a 30% opportunity to reduce costs, including those for telecom, mobility, cloud, and software. Other unchecked, IT-adjacent domains have, in general, room for savings of 10-40%. Organizations that put the time and energy into thoughtful, thorough cost controls give themselves the greatest chance at longevity and success.

**Key Takeaway:** Tellennium has brought to market its Management of Things approach, which centralizes management of cost, asset inventory, service orders, and process workflows across various recurring expenses. These include technology, utilities, and waste. The need to evaluate, and monitor, anticipated and ongoing costs has become more pertinent during COVID-19. The pandemic has revealed enterprise gaps in financial fitness, ranging from waste in the IT department to other line items such as utilities and garbage. Those gaps have turned into opportunities. The focus on the integration of IT and operational costs is increasingly valuable for enterprises seeking to gain holistic visibility into complex CapEx and OpEx investments in a dynamic and unpredictable global business environment.



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## WHAT MANAGEMENT OF THINGS MEANS FOR END USERS

Tellennium has recently registered the trademark "Management of Things," which the company defines as "a process and an associated SaaS platform for managing a multitude of complex expenses, services, and assets in an enterprise. MoT provides the ability to better manage these items via a centralized database with detailed insight into underlying invoice expenses, services, and asset data. The process and platform incorporates accounts payable automation, AI functions, procurement, and change workflows. Managed items include voice and data services, equipment, utilities, and subscription licensing."

Tellennium says its Management of Things capabilities encompass any recurring enterprise expense. That includes, but is not limited to, the following categories:

- ✓ Telecom, mobility, cloud
- ✓ Devices/equipment (e.g., cell phones, servers, printers, routers, IoT sensors)
- ✓ Printer/fax/scanner/copier/router maintenance services
- ✓ Utilities (gas, water, electric)
- ✓ Waste (garbage, recycling, biohazard waste)
- ✓ Software licenses/user seats

### About Tellennium

Kentucky-based Tellennium targets businesses based in the United States. It also focuses on U.S.-headquartered multinationals spending most of their recurring-expenses budgets in the United States. Tellennium manages network, mobile, cloud, software, as well as utilities, waste, and other repeat enterprise expenses. Because of that variety, the company recently filed a federal trademark for its expense-management platform, which now goes by the moniker Management of Things (it previously was known as Tellennium's Integrated Management System, or TIMS™). Tellennium provides managed services, including auditing and optimization, contract negotiation, invoice processing, and help desk support.

Through the Management of Things platform and associated offerings, Tellennium analyzes invoices with recurring charges, and processes, pays, and reconciles the requisite bills. The provider also can negotiate new contracts where applicable, fulfilling Amalgam Insights' expectations for adding value for clients. The Management of Things trademark aims to lend more clarity into Tellennium's services; the company has processed recurring non-technology expenses such as utilities since 2019. Furthermore, the MoT platform integrates with software applications across information technology, human resources, and accounting.



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## THE IMPORTANCE OF MANAGING NON-IT EXPENSES, DATA

In exploring why both Tellennium's trademark and expanded market focus matter for IT and finance-oriented executives, Amalgam Insights believes it is vital to place the announcement within the context of the macroeconomic impacts of COVID-19.

The effects of the pandemic continue to impart a key lesson: Enterprise leaders must manage all expenses, including those occurring on a regular basis, with a keen eye. That directive will remain even as organizations re-open their wallets in 2021: Amalgam Insights predicts an increase in IT spending alone of 5-6%. Nonetheless, organizations cannot afford to let up on the practices that improve their everyday, and long-term financials. This approach will remain of importance as companies rationalize both their IT and adjacent spend categories over the coming years. The U.S. economy continues to experience instability due to the myriad wallops COVID-19 has delivered – lost jobs, decelerated supply chains, halted growth, and reduced household spending serve as just a few examples. Therefore, organizations of all stripes must keep acting in strategic ways to come out strong on the other side. Use history as a guide. Past recessions indicate that the entities best positioned to increase sales after an economic trough are those that do the following:

- Minimize financial and technical debt
- Invest in IT
- Support decentralized and distributed decision-making
- Avoid permanent layoffs

Amalgam Insights views the management of a range of recurring expenses, not just those tied to traditional technology, from one platform as a viable option for some organizations to help achieve the above goals.

### ONE PLATFORM TO RULE THEM ALL?

Throughout the pandemic, Amalgam Insights has provided best-practices guidance on expense management, albeit with a focus on technology. However, organizations juggle a range of recurring costs to support employee productivity. Those that lack visibility and insight increase their chances of overpaying on assets and services, or missing out on more appropriate pricing; increasingly, technology is positioned as a productivity tradeoff that affects spend outside of IT. Therefore, it can make sense to widen the scope of expense management to include overhead such as utilities, waste, cloud subscription licenses, and other recurring expenses. In doing so, enterprises can save money and increase efficiency on multiple fronts – they can control and compare their costs and inventory across both digital and analog enablers for the business.



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### CLARIFYING THE FIELD: ORGANIZATIONS ALREADY CAN MANAGE RECURRING COSTS, JUST SEPARATELY

For decades, enterprises have had some tools available to track recurring expenses, ranging from spreadsheets to software built in-house to third-party applications that track specific spend categories. When it comes to non-technology expense management, for example, a select number of TEM providers have accommodated categories such as freight, utilities, and waste for years. Meanwhile, some accounting software lets users handle recurring items including utilities and rent. There are also spend management platforms that focus on employees' recurring charges and subscriptions. And, of course, the procure-to-pay industry long has cornered the market for purchasing and paying for organization-wide goods and services.

### WHAT MAKES MoT DIFFERENT

With Management of Things, Tellennium positions an approach that concentrates on recurring expenses within IT, utilities, waste, and some miscellaneous categories. Each area contributes to total costs and affects staff productivity. MoT does not oversee every aspect of the organization's finances; it focuses instead on charges that come around on a monthly, quarterly, semi-annual, or annual schedule. Thus, depending on the enterprise's requirements, MoT can oversee an array of expenses including and beyond networking, communications, and cloud. Any resulting changes should improve cost management and, again, boost worker productivity. Furthermore, MoT supports entering data for assets such as routers. In this scenario, for instance, IT could assign purchase dates, IP and MAC addresses, and linked circuits for tracking, management, and decommissioning. Tellennium built MoT on its previous expense-management platform, so it lets users drill down into the details of recurring costs, reconcile charges, identify and act on opportunities for change, and pay invoices. Tellennium also offers its managed and professional services alongside its MoT capabilities.

Like other software, MoT narrows accesses by role; information still will live in siloes, viewable only to authorized people. This ensures that the right employees access the information they need to do their jobs. Meanwhile, executive managers, line-of-business leaders, and analysts can pull reports to guide decision-making such as whether to:

- Invest in technology or office space;
- Switch energy providers in deregulated markets;
- Move to a different waste company;
- Choose another vendor for managed print services; or
- Pursue any number of similar operational adjustments that will save money and heighten efficiency.

Such a centralized portal can extend other key benefits, as well. First, trimming the number of platforms on which the enterprise relies can reduce complexity and save money. Second, putting multiple departments' data into one place strengthens business insight and facilitates more informed financial decisions.



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To that point, organizations then can track the recurring expenses tied to each employee; align IT investment with performance and uptime; and compare the costs of supporting remote versus in-office operations.

## AMALGAM INSIGHTS RECOMMENDATIONS

First, Amalgam Insights believes this concept of the Management of Things is important for IT and operations managers to consider because it speaks to a couple of broader themes. IT is an important strategic spend category that allows companies to make tradeoffs between remote work vs. in-office work; hiring and outsourcing vs. automation; paper-based vs. digitized processes and workflows' cloud vs. on-premises computing; disposable vs. recycled assets; and other tradeoffs that involve the physical working environment. IT spend can be contextualized both as part of the business and as a function that can potentially optimize and replace other areas of business spend.

In this context, as organizations vet an expense management platform to manage an enterprise's recurring costs, Amalgam Insights advocates exploring these five attributes:

### Accuracy

- Check whether the software delivers correct data on cost, inventory, contracts, billing, and reconciliation, or flags when something seems awry. As with standard technology management, a more comprehensive platform must ensure contracts, rates, and payments for utilities, waste, managed print services, and other expense categories, all match up. Otherwise, the software should warn when anomalies arise. It also should highlight potential savings opportunities.

### Visibility

- Confirm that the platform gives authorized users insight into all the areas for which they have permissions. The software should support the ability to drill down to granular line items. In addition, authorized users need access to data that typically do not appear on an invoice so they can see all the elements that make up a charge. They require the power to see and work with the assets, services, and charges for which they are responsible. Last of all, the system should send alerts when an inventoried device nears end of life and needs to be replaced or recycled.

### Accessibility

- Users need to be able to log on to the platform from anywhere in the world, from any device. Premises-only access no longer suffices; secure, cloud-based access is the new, expected normal.

### Flexibility

- The platform must allow custom settings, such as coding allocations by accounts or projects. It also needs to assign unique permissions to each user. The enterprise demands the capability to set up and tweak information to meet its individual needs.

### Scalability

- The software should enable easy addition or removal of users, devices, user licenses, or related components. Events including a merger or acquisition, or divestiture, change the makeup of the recurring-expenses environment. The associated management platform must scale accordingly.



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Regarding permissions, Amalgam Insights exhorts enterprises to understand how the importance of access. The platform should govern visibility by role or department so people work only with charges or other information within their purview; each user must receive unique credentials along with the visibility needed to comprehensively do his or her job. This granularly defined user access eliminates the potential for someone to see or change other departments' data, whether inadvertently or on purpose.

### OTHER ASPECTS TO CONSIDER:

USER PERMISSIONS

REGULATORY COMPLIANCE CONCERNS

MANUAL VS. AUTOMATED PROCESSES

PROVIDER SUPPORT

Meanwhile, organizations in regulated industries such as healthcare and financial services may want to proceed with extra caution when deploying a platform for managing recurring expenses. While the software itself may not conduct procurement or other processes differently for regulated verticals, the end-user organization itself still must adhere to strict governance, risk management, and compliance standards that do not apply to unregulated industries. Make sure the recurring-expense management software will not house any protected or identifying data such as information with any aspect or detail of patient identity.

Organizations further will want to consider housing certain recurring costs in a centralized database to avert office shutdowns. Organizations cannot risk missing vendor payments that would lead to turned-off services. This grows more difficult to assure, though, when an enterprise runs multiple locations. Across regions, accounts payable departments deal with a plethora of invoices for networking, telecommunications, cloud, waste, and utilities. The volume of utilities invoices, especially, can outpace the other domains simply because of the variety of providers and categories: water, sewer, electricity (whether powered by water, wind, solar, or oil), and natural gas. Relying on manual invoicing processes threatens enterprises with room for processing, allocation, and payment errors. Look for an expense management software that reduces, if not removes, the chances of mistakes and delivers insight into the cost of recurring expenses.

Finally, the expense-management platform provider should offer knowledgeable, skilled support. Enterprises will need guidance throughout implementation and into day-to-day activities. Amalgam Insights recommends giving more weight to vendors that conduct regular audits, highlight savings and efficiency opportunities, and offer professional services that remove burden from full-time staff. For example, regarding the latter point, Amalgam Insights sees added value in providers that offer services such as contract negotiation, invoice processing and payment, project management, assistance in expanding remote workforce capabilities, and assessments for deploying SD-WAN and other modern communications and networking technologies. Amalgam Insights urges managers, directors, and executives throughout the enterprise to evaluate the quality of support from a potential recurring-expense management vendor. Even the most well-planned deployment can come undone without the support team and resources to bolster it.



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## CONCLUSION

COVID-19 forced enterprises to move quickly to get a handle on their expenses. That did not necessarily translate into stopping spending. In many circumstances, it meant channeling money into new technologies, tools, people, and locations that created the most effective outcomes. These efforts commonly meant turning to recurring-expense cloud services and software while shifting from overhead-heavy office settings to remote work, all with savings in mind. Along the way, these broad transformations underscored that simply managing technology costs is not enough. Companies had to make tradeoffs between analog business – the capital and operational expenses associated with property, plant, and equipment, and other overhead expenses – and investments in technology and digital transformation.

What also became clear is that the imperative to maintain strict oversight over recurring expenses will not fade, even as the pandemic might. Rather, savvy business leaders now understand the vital importance of spending with intent, taking advantage of savings opportunities, and generating efficiency wherever possible. That attitude is carrying over from technology into other domains – utilities, waste, user licenses, printers, and nearly any other charge that arrives on a recurring cadence as that might fit an organization's needs and goals. If there are silver linings to be gleaned from COVID-19, Amalgam Insights considers this one of them. Organizations that put the time and energy into thoughtful, thorough cost controls stand out from their peers to give themselves the greatest chance at longevity and success. Use the guidance in this report to lead as a future-facing enterprise, positioned to analyze technology and other recurring expenses with appropriate business context.

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## ABOUT AMALGAM INSIGHTS

### AMALGAM INSIGHTS

Is a leading research and advisory firm focused on the financial, programmatic, and cognitive tools that multiply the value of enterprise technology including the following research practices: Technology Expense Management, Analytics and Data Management, Data Science and Machine Learning, Accounting and Finance Technologies, DevOps and Open Source Development, Talent Management, Learning & Development, and Extended Reality.

### KELLY TEAL, SENIOR RESEARCH ANALYST

Kelly Teal has worked as a journalist, editor, and analyst for more than 20 years. At Amalgam Insights, she covers technology expense management and financial management, and the range of technologies, vendors, processes, and practices that entails. She does so with an emphasis on business value. Kelly helps end-user organizations understand the tools at their disposal, and the ways in which they can improve finances and operations.

### CONTACT AMALGAM INSIGHTS

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