



Telecom Expense Management by Exception

Leveraging process automation and analytics to maximize TEM efficiency and savings

One of the greatest challenges in telecom expense management is validating carrier charges on invoices that can run to hundreds or thousands of pages per month. For companies with significant telecom services, manual review of invoices is out of the question; as high as telecom costs are these days, labor is higher for most organizations. Spot checking can be done cost-effectively from a labor standpoint, but is not effective at catching billing errors that may be few and far between.

Companies need a comprehensive, automated system to catch errors that may be the exception to the rule...but exceptionally costly over time.

Automated Invoice Processing

TEM invoice processing software can accept invoices electronically, automatically compare charges to contracted pricing and configurable thresholds, and route charges to individuals authorized to review and approve them. Systems that can be integrated into general ledger and AP systems provide additional value by facilitating automated payment of approved charges.

Automated invoice processing can dramatically reduce labor costs and late payment penalties, improve processing accuracy, and provide transaction records that enable effective dispute management and compliance with financial regulations and policies. And it can free you from routine operations, alerting you only when it detects anomalies – allowing you to focus your efforts where they are best spent.

Invoice Loading – Automated invoice processing begins with receipt of invoices in electronic form, reducing the time and effort required to enter invoice data into the TEM system. This process requires Electronic Billing Format (EBF) “templates” that allow the TEM software to read each of the various types of invoice formats that carriers may submit. Top TEM providers have the software development expertise to create any EBFs you may need. Electronic invoice loading gives you far more usage and spend data than provided on paper invoices, enabling wireless usage management and strategic analysis.

Invoice Validation – Validation of invoices against user-configurable thresholds is perhaps the most clear-cut example of how automation enables telecom expense management by exception. If the TEM software has contract management capabilities, you may be able to validate invoices against contracted pricing as well, allowing you to capture these cost savings with significantly less effort than manual methods allow. You are alerted only when invoices fail validation, enabling you to initiate a discovery process to identify and resolve the problem.

Business Intelligence

Automation allows management by exception at the day-to-day operational level. The data gathered through automated methods enables management by exception at the strategic levels, which can yield even greater, long term value.

Management dashboards that monitor usage and expense can provide historical trend information and future projections. Exceptions in this context can indicate problems with policies, plans, or vendor performance that are only apparent over time.

The detailed data required for exception analysis allows managers to identify usage and spending patterns down to the level of departments and individual users. Exceptionally high spend by certain individuals may indicate inappropriate usage, mismatched wireless plans, or other issues. Management by exception allows managers to address these issues, solve the problems, and reduce costs.

While management by exception is just one way that telecom expense management can help you reduce your telecom spend, it is a key benefit that reduces labor costs and improves productivity. Management



can spend less time on daily operations and more time on strategic planning – a fundamental driver of long-term competitive advantage.

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Veramark is a leading provider of scalable, integrated enterprise solutions for telecom and IT expense and performance management. Veramark solutions provide visibility into operational expenses and generate actionable business intelligence to help organizations reduce spend and optimize business processes. Veramark solutions, which include software and services for Telecom Expense Management (TEM), call accounting, and Business Process Outsourcing (BPO), enable best practices for managing complex unified communications networks on a global scale.