



Telecom Expense Management with Business Intelligence

Finding a Solution that Works for You

The economic downturn has companies scrambling to reduce expenses. As a major expense for most companies today, telecommunications has become a focus for cost-cutting efforts. Telecom expense management (TEM) has proven to be highly effective in reducing costs without reducing services or telecom capabilities. TEM solutions with integrated business intelligence (BI), such as VeraSMART Performance Advisor™, promise to provide even greater capabilities for analyzing usage and controlling spend.

BI multiplies the ability of TEM to help organizations improve efficiencies, do more with less, become more agile and flexible, and align operations with the enterprise business strategy. Corporate executives know that BI can help them optimize business performance by making the best use of their telecom data and resources. BI offers advanced analytics, graphical analysis, and budgeting/planning capabilities, providing more control over telecom expenses. By shifting the focus of TEM from a reactive to a proactive approach, BI enables better business decision-making.

Before you can enjoy all the benefits of TEM with BI, you have to find the right solution for your organization. Here are some of the key steps you should take to ensure success.

Define your requirements. The first step in selecting a TEM BI solution is understanding the types of decisions that need to be made. These decisions may involve telecom and IT vendor selection, contract management, sourcing and provisioning, invoice and inventory management, and usage management. Organizations managing their telecom environments are already familiar with these processes, but must evaluate their needs at a higher level to define their BI requirements. They must have a clear understanding of not only their operational requirements and data sources of record, but also how TEM supports the organization's longer-term objectives.

Understand what kind of BI you need. Nailing down your requirements is half the battle. Understanding BI, and the types of TEM decision support they provide, is the other. Decision-making occurs at all levels within the enterprise and within the IT and telecommunications organizations. It is imperative to have a BI solution that targets each of these decision levels:

- Operational BI delivers decision support to the point of business. It is well suited for business processes that require rapid decisions based on up-to-the minute information, such as ordering and provisioning or invoice management.
- Tactical BI operates over a longer time scale. For example, it might provide month-over-month expense trends by service type that are measured against budget as a performance metric.
- Strategic BI focuses on even longer periods of time to support strategic decisions, such as those pertaining to vendor, contract, and budget performance. For example, a strategic TEM BI system might evaluate a vendor's performance based on the number of billing disputes submitted and won, or the amount of time needed to recover overage charges.

Ensure clean data. The value of any BI solution depends on the quality of the underlying data. If the telecom inventory data is inaccurate, decision support based on that data will also be flawed. An historical audit of the telecom data sources and processes is a necessary part of a BI implementation. Data cleansing may be required.

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Select the right vendor. BI is not “plug & play.” It is typically a complex solution with many moving parts and connections with multiple enterprise systems. Make sure you select a vendor that can provide the expert consulting and integration services that you may need.

BI is becoming an indispensable part of TEM. BI solutions, such as VeraSMART Performance Advisor, that leverage data captured and stored in an integrated TEM-enabling technology will yield the best results and the greatest return on investment. While selecting a TEM BI solution is not a trivial process, taking the time and effort to find a solution that matches the needs of your organization will be rewarded with success.

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) and Business Process Outsourcing (BPO), enable best practices for managing complex unified communications networks on a global scale. For more information, visit www.veramark.com.