

# THE DAILY RECORD

WESTERN NEW YORK'S SOURCE FOR LAW, REAL ESTATE, FINANCE AND GENERAL INTELLIGENCE SINCE 1908

## TelecomLAW

### Help for telecommunications managers

By **MARTHA BUYER**  
Daily Record Columnist

It's summer, and for the first two weeks of August, the phone wasn't ringing as frantically as it usually does.

That means that, at least when the Olympics weren't on, I actually had time to dig into the pile of things I've been meaning to read, but simply haven't yet found the time.

While most things in the pile were not particularly captivating, I did read with interest a fascinating June report from the Aberdeen Group, "Slashing Telecom Expenses in a Looming Recession." And it provides a nice tie-in to the buzz-acronym of the moment, TEM, a topic I've been meaning to address for a while.

Certainly, as money gets tighter within operations, the more opportunities for savings that can be found, the better for everyone. TEM — telecommunications expense management — includes a variety of components, including expense and equipment auditing and management, as well as device management. The Aberdeen report is useful not only for the statistics it provides — and it has some doozies — but also for the knowledge of how those stats can be incorporated into management issues that affect large and small law firms, as well as their clients. For those companies choosing to adopt a TEM strategy (including either hiring a TEM professional or implementing some electronic means for tracking, or both) the statistics yield some very interesting results.

Although the statistics about actual savings are interesting, the information on actual management practice will prove more useful if you take the time to consider it, then implement the processes suggested.

#### **Wireless usage policies save money.**

Implementation of a corporate wireless policy (see my article in the Feb. 11 edition of *The Daily Record*) has two distinct components. The first is a corporate component — will the entity own the device and loan it to an employee, or will the employee own the device, and to what extent will the employee's related expenses be reimbursed by the company?

The second component is, regardless of the answers to those questions, is determining which employees are eligible for wireless devices, and how such devices are to be used. In addition to the legal and safety issues involved, employees who know they will be reimbursed for only certain items are less likely to use them for non-essential communications, particularly when they

know they aren't likely to be reimbursed. That saves the company money, both in terms of actual dollars spent and in time spent by other employees, either through preparing expense reports or simply sorting through expenses claimed.

#### **Know your inventory.**

This just makes sense, but it's amazing how many businesses (even small ones) don't know how many devices they own and/or lease, from radios to wireless devices to computers to long distance circuits. This is an area where an expert auditor can save an entity a lot of money in a big hurry by finding circuits that should have been disconnected and weren't and for which bills continue to pile up.

Secondly, for publicly-held companies, Sarbanes-Oxley requires businesses to have a current and precise knowledge of how many and what types of equipment and circuits it has. Again, a respected TEM provider almost always can find sufficient funds not only to save the entity money, but to get paid him/herself. It's really a no-lose proposition.

#### **Technology strategy should be defined in the same ways that budgets are managed.**

Without some clearly defined roadmap, organizations from the smallest to the largest can end up with a hodgepodge of technologies and agreements that simply are not compatible. As someone who fights such battles every day, I advise anyone reading this column to consider implementing an actual technology plan for device acquisition, maintenance and replacement. It's better to suffer the pain of plan creation than the consequences once it's too late.

Finally, since you've been so patient, here are the statistics about the advantages of a TEM approach. Keep in mind the Aberdeen report breaks companies responding to its queries into three distinct groups — Best in Class (BIC), Industry Average (IA) and laggards (those slowest to adapt, i.e. dinosaurs, and we know what happened to them...).

For entities that relied on some sort of TEM process or software to manage wireless expenses, BIC entities saw a decrease in expenses of 32 percent; IAs saw a decline of 13 percent and laggards, or those who did nothing, saw no change.

In the wireline, or "hard-wired," world the statistics are similar: 31 percent savings for BICs and 13 percent for IAs. But, even



*Continued ...*

# THE DAILY RECORD

WESTERN NEW YORK'S SOURCE FOR LAW, REAL ESTATE, FINANCE AND GENERAL INTELLIGENCE SINCE 1908

---

*Continued ...*

the laggards were able to find some savings at 7 percent, even though they were slow to adapt the methods.

The bottom line is that it makes sense, and it saves money, to plan for technology and spend a small amount before making final decisions. After the contracts are signed, it's usually too late to fix complex issues that easily, and cost-effectively, could

have been avoided.

*Martha Buyer is an attorney concentrating in the practice of telecommunications law. Her clients range from Fortune 500 companies to small family-owned businesses where she has provided a range of telecommunications consulting and legal services, primarily geared to support corporate end-users working with carriers and equipment providers. She can be reached at [martha@marthabuyer.com](mailto:martha@marthabuyer.com).*