

# Top Ten Times for a Communications Technology Expense Review & Inventory Update



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## 1 Before a Move

Are your inventory records accurate and complete? If not, it is possible to neglect to move a service important to your operations (such as a fax line used for incoming orders). If inventory records are not up to date, your firm could be paying to relocate services that are no longer needed. Help from a communications expense management consultant can help ensure this does not happen to you.



## 2 After an acquisition or merger with another company

Even if your own expenses and inventory records are in order, when you merge, acquire a new company or location, it is advisable to look at their expenses and records. An inventory can pinpoint many different unneeded services, particularly if a new company's personnel move into your premises. Cost reduction opportunities may present themselves immediately, and a communications expense management consultant who knows what to look for will identify those for your firm.



## 3 Upon Contract Renewal with Communications Service Providers (before and after)

Contract renewals are often focused on rate reductions or improving services. But there may be other savings opportunities. A communications expense review ensures that only services that are needed are renewed. After a new contract is implemented, an expense review is still advisable since 60% of the time the implementation goes awry on technical or billing issues. Contract terms and conditions may dictate how much time you have to report a billing error. Otherwise you cannot obtain a refund.



## 4 After Closing a Site

Organizations are frequently surprised to learn that they are paying for services that should have been disconnected years ago. If a good inventory of services existed and someone in your organization cancelled those services, there is no guarantee that they disappeared from the bill. Communications service providers are known to process orders, but never submit them to the billing department. An expense management consultant can be invaluable in taking the time to deal with your service providers to identify and deal with these issues.



## 5 When there are changes in Regulatory Charges

Regulatory charges, whether or not they are government-mandated, represent an increasing proportion of many communications technology bills. The Universal Service Fund charge is a percentage of the monthly billing for services crossing state lines in the United States and has recently gone up over 31%, increasing the cost of those services by one third (it changes quarterly). That are other regulatory fees that vary by state. Your service provider representatives are typically not well versed in what these are and whether they are being appropriately billed. A communications technology expense review will identify these costs and question whether they are appropriate and correct.



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## 6 When moving from Premise to Cloud-Based Services

This type of technology change can take many forms. An example is moving from a premise-based telephone system to a cloud-based system. The expense review is key to tracking whether anticipated savings are being realized. And the accurate inventory is important to be sure that unneeded services are all removed and have stopped billing. The inventory also identifies services that may need to remain or require special treatment such as alarm and elevator lines. Depending on locality, a communications expense management consultant can determine if those alarm and elevator lines can be provisioned in a more cost-effective manner. Another aspect of this is to determine which parts of your premise-based telephone system will remain and to ensure that any licensing fees or maintenance charges are accurate based upon a pared down or totally removed system.



## 7 When Transforming Network Technology

Many organizations are moving to newer more cost-effective technologies. For example, when moving from the older MPLS services, billing will need to be reviewed by a communications expense management consultant with experience interpreting the complex and confusing terminology on the bills. MPLS billing typically involves multiple components for each site, so it is not uncommon for some components to remain in billing even after a site has been moved to the newer technology. The clean-up of billing after network technology is transformed is not as straightforward as one might think.



## 8 When a New Person is taking over responsibility for Communications Technology Management

Incumbent personnel responsible for telecommunications may be doing most things correctly and may be resistant to outside help. A communications expense management consultant often finds items that were inadvertently overlooked, because a new pair of eyes that does audits routinely can spot buried, confusing or mislabeled billing items. When a new person takes over, this can be a good time to request a review so that person can start with a clean slate both for billing and inventory accuracy. This can also help the new person to gain a better understanding of what the organization is buying and how it is being used. In many cases the person responsible for expenses is different than the person responsible for inventory records, but in either case, a new face can present opportunity to suggest a review.



## 9 When changing to a new Data Center Provider

When you are moving from one data provider to another is also a good time to take a look at your current expenses and inventory not only as they relate specifically to the data center billing, but also the services that will be moving to the new data center. Communications expense management consultants can suggest newer technological ways to deal with problems. Are all services needed? Will the billing change and are the new bills after the move accurate?



## 10 When Employees Work from Home

With more employees working from home, the telecommunications services at the office should be reevaluated for necessity. Mobile expenses should be reviewed since Covid has brought about many changes, some of which may be permanent. An experienced expense management consultant can explore these areas and help to optimize them.

