



## **Are You Getting the Most out of Your Wireless Program?**

### **Wireless Management Best Practices**

*A White Paper by MobilSense Technologies, Inc.*

### **Overview of Wireless Management**

Wireless devices, cell phones, smart phones, PDAs and data cards are becoming an increasingly necessary part of the business landscape and have become an essential asset in doing business in the new 'always connected' global economy. Unlike previous generations of business communication centered around desktops, wireless devices are with us wherever we go and are always billing. They have proven to be very difficult assets to manage and some organizations have actually abandoned efforts to manage and control these devices with the same scrutiny applied to other corporate assets due to the incremental staffing required to oversee wireless spending and usage. Over the past three years, management tools have matured and now represent a very viable alternative to monitoring and controlling wireless usage and expense without the sacrifice of significant internal resources. Much like the proliferation of laptops or other valuable corporate assets, wireless devices can now be managed and standards of use can now be applied.

### **Management Tools versus Manual Processes**

Getting the most out of your wireless program is very difficult without employing automation. The alternative to using tools is the application of skilled administrative resources to manage these devices. The available carrier-supplied tools are helpful, but in all cases are difficult to use and often require some database experience to navigate to useful information. Also, the carrier-supplied tools are designed for use by a central administrator, not for secured distributed access. The disciplines necessary for best practice management of wireless devices requires more functionality than carrier tools support including budget management, MACD (move, add, change, and delete), and rate plan optimization to name a few. In larger enterprises to exercise the full suite of best practices in a manual manner typically requires multiple dedicated personnel with unique wireless skills and experience.

### **Best Practices**

This paper explores nine discipline areas of best practice that can be considered in benchmarking your organization's proficiency in wireless management. The management disciplines are: *Invoice, Carrier Cost, Device Designation, Budget, Asset, Usage, New Order, Device Support* and *Contract*. Each of these disciplines is distinct and contributes to the overall control of a wireless management program. The unified application of all of these disciplines provides a very high return on investment. The partial implementation of these disciplines will significantly degrade the ability to effectively administer a wireless program. Whether an organization is focused on all nine areas, some level of effort is required monthly to continue using carrier services such as payment of invoice, tracking



device designation and cost accounting of the expenses against budgets. Each of these nine disciplines will be reviewed.

### **Invoice Management**

One of the significant tasks in effectively administering a wireless program is the validation of monthly carrier invoices prior to payment. If multiple carriers are used, the complexity of this task increases. A well-managed source of device ownership and a clear understanding of your carrier contracts are essential to effective *Invoice Management*. It is not uncommon for discounts to be misapplied, features to be overcharged, pool credits to be miscalculated or to encounter devices on the invoice that should not even be present at all. Also, if new devices are being added, correctly determining where these devices belong can be time consuming. Wireless management tools utilize the power of automation to validate and prepare bills for payment with a fraction of the manpower needed to do this task manually. Whether you choose to outsource the payment of your wireless invoices or retain that function in-house, you should ensure that your invoices are being checked for accuracy on every aspect where errors may occur. There are too many dimensions to be verified monthly to trust this to a manual validation.

### **Carrier Cost Management**

Carriers understand that making this task confusing and difficult can result in higher margins. Carriers use obfuscation in their rate plan structure knowing that uninformed user will over subscribe minutes or under subscribe and pay exorbitant airtime fees. Plan and feature options change frequently. It is impossible for a busy wireless administrator to focus on all of the implications of carrier rate plans monthly. This requires privileged information that is not routinely shared by carriers with their customers. Besides systematically and regularly reviewing each plan (only possible in large populations of devices with automation) features need to be carefully reviewed. An example of this might be the IT manager that has the key server status delivered to his wireless device via an SMS message and who goes from just a few SMS messages a month to many hundreds. Without adding the appropriate feature for this function, the overages can be significant at \$0.15 per SMS message.

It is impossible for a single individual to stay on top of all of the rate plans and permutations of features on that plan for a large population of devices. Granted, the use of pools can make this task somewhat more manageable, but pools need to be scrutinized with the same focus as an individual device on a rate plan, including the same feature monitoring as described above. Depending upon usage patterns, it is better for some devices to be on individual plans than in a pool. Also, changing patterns of usage might generate reasons for either moving a device into or out of the pool. Pool busters can be a source of higher cost and when usage moves out of the optimal range for that pool, the device should be moved to an appropriate lower cost-per-minute or unlimited individual rate plan. Whether in or out of a pool, a growing source of revenue for carriers is through feature-based charges such as international, data, text and multi-media messaging. The usage associated with those charges needs to be monitored monthly to determine whether the addition or deletion of features can improve overall monthly charges. Effective carrier cost containment requires monthly vigilance.

### **Device Designation Management**

Maintaining accurate device designations can be a challenging task. Using carrier invoices as a means of identifying accurate name and cost center billing information can be a frustrating experience due to slow turnaround times and frequent data entry errors. There are four device attributes that should be identified and accurately maintained for each device: name/employee ID, management hierarchy, organizational membership and financial (cost center) allocation. It is not enough to know where the device was when it was activated; it needs to stay linked to its current attributes. Achieving all of this requires an accurate mapping of that device to employee, organization, cost center, and manager. For any organization with more than a few hundred devices, this task is nearly impossible without automation. Wireless management tools should be capable of interfacing with human resource systems to prevent double efforts in maintaining accurate device metrics. If these processes are synchronized and linked, the task of maintaining the correct device ownership can be fully automated.

### **Budget Management**

An important element of best practices is posting the wireless costs against the allocated corporate budgets for financial accountability and good fiscal governance. *Budget Management* relies upon the accuracy of the *Device Designation* discipline, especially the accounting strings that are mapped to each subscriber's monthly charges. The use of pooling makes this function more challenging. In carrier pooling implementations, a subscriber's recurring charge will never represent his or her actual usage. In some cases, the pool charge comes in a single account level charge for the pool. In other cases, minutes are added in varying amounts including add-on plans that contribute no minutes to the pool but permit the subscriber to share in the pool minutes. If an enterprise allocates the cost based on the pool rate plan, it will not be allocating true usage costs. Trying to balance the carrier's monthly access fee with each user's actual usage is an onerous task that defeats the administration benefits of pooling plans. There are ways to assess monthly individual charges based on prorated usage through automation. Charges may then be re-rated based on a combination of individually incurred costs such as directory assistance and international roaming combined with a pro-rated portion of the overall pool cost. Besides this, the method in which the costs are allocated can be automated by importing directly into financial systems. If wireless costs are not managed and posted to a GL system, financial accountability of the wireless program cannot be achieved.

### **Asset Management**

Where desktop and laptop assets are meticulously tracked, it is interesting to see how little is known about wireless handsets. Without tracking procedures and up-to-date asset inventories, employee turnover can result in lost or misplaced handsets that might otherwise be redeployed. PDA devices can cost as much as today's PCs although the actual cost is often underwritten by carriers in exchange for multi-year service agreements. Wireless assets can and should be tracked as any other valuable corporate asset. Practices of asset reuse and careful monitoring of carrier upgrade eligibility dates can lead to untapped cost savings. Carriers understand that the proliferation of new handset models drives their revenue. Implementing inventory management of these assets and tracking contract end date and upgrade eligibility can produce high value to an organization.

### **Usage Management**

This practice area can deliver high value when done in conjunction with timely carrier data. A number of areas can be inspected on a monthly basis that can result in the elimination of abuse or out-of-policy use, resulting in overall reduced monthly spending. Some of the metrics that should be inspected monthly are: zero-use devices, international roaming, international long distance, airtime charges, data charges, SMS & MMS charges, ring tone downloads, excessive personal use and overall compliance to company policy. It is highly recommended that a documented policy be published that makes the appropriate usage of wireless devices clear to all subscribers. This may require assistance from an experienced resource to help create a policy that correctly reflects the enterprise's cultural and management expectations. When wireless tools are used, these areas can easily be inspected. An effective tool should provide a battery of fraud reports that monitor areas such as over-threshold invoice amounts, unusual usage variation, usage anomalies such as voice minutes on data cards, as well as terminated devices that are still billing. This level of detailed reporting is very difficult to achieve without distributed access to billing information. Management oversight through role-based access to the carrier data can greatly improve the inspection and control of usage. Wireless tools can provide role-based browser access facilitating the viewing of monthly employee activity in a manager's area of responsibility. Also, for managers who hold budgetary responsibility, there will be a high incentive to identify and eliminate areas of abuse and out-of-policy usage. Wireless tools can provide this access and oversight where outsourcing cannot. Securing the support of busy management to review monthly wireless spending and usage requires powerful abstraction and alerting tools that turn data in to decision-oriented information. *Usage Management* can produce clear accountability of users and can identify and eliminate areas of abuse. Usage and costs will decline as users understand local management reviews their monthly activity

### **New Order Management**

Activating new wireless devices or porting existing devices can consume significant administrative time. It is not just taking the order; it is managing the entire process from request to activated and functioning device. Some level of outsourcing in this area can be beneficial as the efficiencies of centralizing expertise can reduce the transaction cost of each order. Also, the use of tailored ordering portals can streamline ordering by reducing errors and providing standardized choices and configurations. Moving the selection of the device to the requestor (self-service) can relieve program management of significant work effort. Some companies have found that engaging a dealer partner to process carrier orders can bring additional help desk support capabilities for little or no additional cost. An ordering portal for wireless devices coupled with outsourced *Device Support Management* in place of in-house resources can result in higher levels of service at lower overall costs.

### **Device Support Management**

Providing help desk support for wireless subscribers is a function that can be effectively outsourced. With device support management one might consider engaging a service function that will provide call center support to the users of wireless devices, including voice only devices, smart phone/PDAs and data cards. While some practice areas are most effectively managed in-house with automated tools, this function is difficult to efficiently offer in-house. Help desk services can be performed much more efficiently by engaging a vendor that does device support as part of their core business.



Some tasks that might be included in a help desk service are: order support, device setup, device migration and porting, device warranty support, device repair/replacement, and smart phone/PDA mail synchronization support.

### **Contract Management**

Part of effectively administering a wireless program is confirming that the carrier contract represents the needs of the enterprise (not just the desires of the carrier) and that billing is in accordance with that contract. Wireless tools can greatly assist in the contract compliance function and can also assist in benchmarking across carriers with existing usage data. Benchmarking across carriers can give enterprises added leverage in dealing with the carriers when contracts are being re-negotiated. Negotiating the best available discount is an important part of overall wireless cost management. Augmenting internal efforts with external wireless knowledge can be an effective approach to *Contract Management*.

### **Personal versus Corporate Liability**

Some companies have chosen in the past to push the task of managing cell phone costs to the employee through personal liable phones and expense reimbursement for business usage. Every company culture is different but where there once was a trend towards personal liable phones the reverse is now the case. The emergence of more sophisticated wireless management tools have contributed to this current trend. Many notable corporations are now recognizing that personal liability offers little opportunity for optimization and control and the transaction costs of employee reimbursement represent additional hidden time and transaction costs to the organization. Significant leverage exists with carriers through national contracts that are not available through individual employee accounts. Notable advantages include higher corporate discounts, special rate plan concessions, and the opportunity to waive activation and termination fees. Today's wireless management solutions offer great flexibility in fostering local autonomy with central oversight. Rate optimization decisions may be delegated to lower levels or maintained as a corporate function. Users can be notified monthly of their usage and spending or only on an exception basis. If the corporate culture prefers that employees review bills and pay for personal or over-limit use that can now be easily accommodated through the current generation of wireless management tools.

### **Outsourcing versus Insourcing**

As with any IT process, wireless management can generate a lengthy list of pros and cons to outsourcing. In addition companies possess their own biases towards internal management versus outsourcing. Given these factors there is no 'one-size-fits-all' approach to wireless cost management. Some companies, for example, wish to pursue a 'no-hassle' strategy where they relinquish all wireless management responsibility to a third party Telecom Expense Management (TEM) vendor. While this may represent a positive progression to manual in-house procedures it should be noted that for a number of reasons complete outsourcing doesn't comprise a best practice approach in the majority of cases. Two primary drawbacks to a full outsourcing approach are 1) you may be paying one high price for a mix of high along with low-value functions and 2) you are introducing an additional vendor relationship between you and the carrier that needs to be



aggressively managed, perhaps with as much energy as was required to manage the carrier itself. While there are a number of high-value contributions that come from outsourcers such as bill validation, error checking, and refund processing the function of actually cutting a carrier check once the invoice has been validated does not represent high value. This blending of high and low value contributions is typically commands a high price tag such as a percentage of your monthly telecom invoices. While the approach of the outsourcer may vary, every vendor requires some level of management oversight. In the worst case, company cycles that used to be consumed on carrier management may simply be replaced by cycles monitoring your outsourcer coupled with the disadvantage of losing the direct contact you should be maintaining with your carrier.

The opposite approach to full outsourcing is to purchase software to be run in-house complimented by in-house telecom-experienced personnel. This approach can fail to capitalize on the cross-client and cross-carrier expertise that is available from consultants and TEM vendors and misses efficiencies that can come from the higher concentration of skilled telecom resources available from third party TEM vendors. It does, however remove the need of managing your outsourcer.

In contrast to these two extremes, the best practice of Smart Sourcing is a strategy of selective third party involvement blended with in-house expertise built on a foundation of wireless management automation. In a Smart Sourcing approach the nine wireless management disciplines should each be evaluated on their own merit with a full appreciation of what the organization does best along with what a TEM vendor might more efficiently replace. Outsourcing an entire management discipline such as *Device Support* (help desk) may make sense where other areas such as *Usage Management* are best handled in-house.

## Conclusion

The best practice of wireless management includes a predictable and regimented application of each of these discipline areas and a comprehensive approach as outlined in this paper will result in wireless devices being deployed as manageable assets that are used in accordance with published company policy while spending the minimum possible amount on monthly carrier services. Enterprises that have employed wireless automation almost without exception find that the tools represent almost immediate return on investment while the savings generated typically run between 3-5 times the costs of the automated solutions. Companies today are engaged in effective Smart Sourcing of the wireless management in all nine areas detailed above. How effectively is your enterprise in each practice area?

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