

# STATE OF THE INDUSTRY

## THE TRUTH ABOUT TECHNOLOGY EXPENSE MANAGEMENT IN 2024

### The Urgent Need for Transformation in TEM

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The TEM industry is suffocating under the weight of its own narrow focus. For decades, we've been trapped in a cycle of chasing cost savings, often at the expense of real progress and value creation. This myopic approach has stunted our growth, limited our relevance, and left us vulnerable to disruption. It's time to shatter this paradigm and embrace a new vision for TEM – one that aligns with C-suite priorities and positions our industry as a critical driver of business success.

#### Why We Must Act Now

1. **Stagnant Growth:** Most TEM providers struggle to surpass \$100 million in revenue, while adjacent industries like ITSM have produced multi-billion dollar companies.
2. **Widespread Dissatisfaction:** 65% of customers are unhappy with their TEM providers, leading to high churn and wasted resources.
3. **Narrow Focus:** We're stuck in a cycle of cost savings, missing opportunities to deliver strategic value to business leadership.
4. **Lack of True Partnerships:** Adversarial relationships between buyers and sellers hinder innovation and growth.
5. **Data Deficiency:** Despite living in an information age, we fail to leverage data effectively to drive decisions and demonstrate value.

#### The Path Forward

1. **Elevate the Conversation:** Move beyond features and cost savings. Align TEM initiatives with C-suite priorities like revenue growth, customer retention, and risk management.
2. **Build Strategic Partnerships:** Foster open communication and collaborative problem-solving between vendors and customers.
3. **Embrace Data-Driven Decision Making:** Invest in accurate, comprehensive inventories and leverage analytics to uncover actionable insights.
4. **Develop Centers of Excellence:** Create environments where TEM truly contributes to overall business strategy and results.
5. **Focus on Value Creation:** Look beyond traditional cost savings to identify and quantify TEM's impact on broader business outcomes.

#### Call to Action

1. **Vendors:** Reassess your value proposition. How can you tie your solutions directly to your customers' strategic goals?
2. **Buyers:** Elevate TEM within your organization. Engage leadership to demonstrate its potential as a driver of business value.
3. **Both:** Commit to building true partnerships based on transparency, shared goals, and a focus on solving root causes rather than symptoms.

The TEM industry has immense untapped potential. By shifting our mindset and approach, we can unlock billions in value for businesses, create thriving vendors, and establish TEM as a critical strategic business function. The time for change is now – who will lead the way?

## How can AOTMP Help?

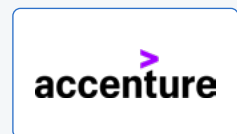
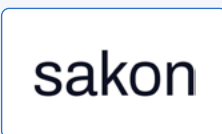
- ✔ **Unlock Best Practices for Success:** [Contact us](#) to discover industry-leading technology management practices and tools that will drive your organization's success.
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- ✔ **Discover the Leaders:** Check out the [AOTMP® Efficiency First® Solution Certified Vendors](#) at the forefront of this industry revolution.



[AOTMP® Efficiency First® Solution Certified Vendors](#) are at the forefront of this industry revolution, committed to:

- ✔ Redefining value beyond cost savings
- ✔ Building true strategic partnerships with clients
- ✔ Driving innovation in technology management
- ✔ Fostering transparency and open communication
- ✔ Supporting the development of world-class Technology Management Centers of Excellence

These certified vendors aren't just talking about change – they're actively implementing the strategies outlined in our whitepaper series to deliver unparalleled value to their clients.



## Meet the Authors

Tim Lybrook and Timothy C. Colwell have over 65 years of experience between them. They know what works and what doesn't, and have seen hundreds of success stories and hundreds of failed relationships.

They literally wrote the book on gaining and maintaining technology management financial and operational efficiency. [The Efficiency First® Framework Guidebook](#) details best practices across 30 telecom, mobile, and cloud / IT workstreams that deliver proven results.



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