

# INSIGHTS



“Improve ***FINANCIAL PERFORMANCE*** through KPIs that correlate technology with business objectives.”

Scott Lawrence, VP Certifications

Don't Leave Major Trade-In Value at the Table **11**

Invest in Savings: What Your Strategy Says About Sustainable Efficiency **18**

KPIs Driving Decision-Making **35**



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# Do You Have a Vendor Management Policy?

**Matthew M. Loudon**, Content Marketing Strategist

Every organization has a vendor management process. Because telecom, mobility, and IT is complicated – and few (if any) companies out there can handle everything the industry throws at their technology team.

But, just because you have a process doesn't mean everyone affected by it knows it exists. Or has the slightest idea of how it works. Do your employees know how they fit into your current vendor management process? Do they know what steps they're responsible for? Do they understand how to work within your rules in a way that minimizes risk?

Most modern service provider relationships are extremely broad in scope. For you, that means a partner's impact likely affects more processes – and people – than you may realize. As today's technologies extend beyond the traditional boundaries of your IT team, the vendor management process is reaching departments and employees outside of the relationship's "owners" more frequently than ever before.

Procurement, compliance, legal, security, and more need to be involved in today's vendor management

initiatives. But legacy processes do little to support these increasingly intricate relationships. To keep everyone involved and informed, you need a vendor management policy that's easy for everyone in your organization to understand and communicate.

Otherwise, you'll find it challenging to ensure your vendor management standards and rules are carried out correctly. If your people don't know what's expected of them, it's impossible to assume they're going to follow your rules. Which means consequences that could potentially put your entire organization in harm's way.

## Modernizing Your Vendor Management Process

While you probably have internal security policies in place for your technology, most businesses lack similar standards for governing third-party service providers that – under regulations like the General Data Protection Regulation (GDPR) – hold you accountable for any mistakes they make.

Data breaches, which now cost the average organization almost \$4 million, are just one example of a risk that can

be eliminated by comprehensive policies positioned to serve as the foundation for your service provider management processes moving forward.

An effective vendor management policy should contain several components to not only protect your organization's current vulnerabilities, but keep it flexible enough to take on new challenges as the nature of your relationships evolve and grow. It should detail precisely who is responsible for each step of your management process, consider all relevant regulations, identify any essential element or resource involved, outline universal concepts, and determine how all vendor management stakeholders stay informed as things change.

But creating your policy is easier said than done. Fortunately, there are a few best practices you can follow to make this process as easy as possible.

## Creating the Perfect Vendor Management Policy

If I haven't made it clear enough yet, vendor management isn't any one person's or team's responsibility anymore. As a result, your policy needs to be written at a level that everyone in



your organization can understand. It's important that you include input from professionals outside of your vendor management team because months or years down the road the relationship could include people that weren't initially involved.

The best vendor management policies are the ones that address all organizational needs without being overly wordy or complicated. In our experience, a five- or six-page document that's updated and approved by everyone annually (or as significant changes demand) seems to be the ideal solution.

So, where do you start? Before anything else, you need to know which risks you're already dealing with. Your first step should be assembling a list of your current third-party service providers, contractors, and/or associates to determine:

- *Who has access to your sensitive business data and Personally Identifiable Information (PII)*
- *Who has access to your internal network(s)*
- *Who you rely on for mission-critical activities*

Once you discover the technology partners that meet any/all of these conditions, they should be prioritized in your policy moving forward. These are the vendors you need to spend most of your time learning about, monitoring, and requesting remediation from – because these service providers are the most likely to lead to serious damage should they be compromised in any fashion.

Your policy also needs to include plans for failure. Even with contractual promises and guarantees in place, it's likely your partners will experience a service failure

at some point during your relationship. And you need to be prepared when that failure inevitably impacts you. Make sure your policy contains:

- *Provisions for using secondary vendors as failovers to minimize any downtime or disruptions that could occur*
- *A diagram of your service providers, their offerings, and where any interdependencies exist so you know what the consequences are, where impacts are most likely to be felt, and where changes need to be made before a failure occurs*
- *Key contacts and support challenges for every partner to enable immediate communication when problems arise*
- *An internal response plan for each vendor to accelerate resolutions and keep key stakeholders informed of the actions they need to take in any worst-case scenario*
- *A templated response to communicate any failure to your customers so that internal distractions minimally impact external support*
- *A visual, step-by-step process flow can also be an extremely helpful tool to keep your vendor management team informed of their roles and expectations. Things like flowcharts that consider all parties, functions, and unique vendor requirements make it easy for your employees to understand where they fit into a policy and who is responsible for which tasks.*

**What Your Vendor Management Policy Needs**

Now that you know how to build an effective policy, let's talk about what things it needs to include. While every

organization's technology partner relationships are unique, there are 10 essential elements your vendor management policy needs to oversee.

**Ten essential elements your vendor management policy needs to oversee:**

1. **Human resources security considerations**
2. **Physical and environmental security considerations**
3. **Data security and liability considerations**
4. **Third-party access control**
5. **IT acquisition and maintenance standards.**
6. **Vendor management visibility (i.e. how they handle their own vendor relationships)**
7. **Incident management and response mechanisms**
8. **Business continuity/disaster recovery abilities**
9. **Industry and regulatory compliance standards**
10. **Service level agreements**

**Putting Your Policy Into Action**

If your goal is to minimize business risk, your service provider management policy must define a vendor scoring methodology and communicate the logic behind it to all relationship stakeholders. That way, you can clearly and accurately categorize partners into high-, medium-, and low-risk categories with standardized definitions that everyone involved can understand.

From there, putting a policy into action becomes infinitely easier. You'll be able to use these risk ratings to benchmark vendor performance against not only

others you use, but against performance across the entire industry.

However, service provider assessment is only the first step. And your policy must prioritize continuous risk management to make your priorities known – as well as give your team the ability to monitor and verify any partner's security posture hasn't changed to create new risks or vulnerabilities.

To make your policy one that's supported and respected by all employees, seek the approval of

everyone involved before you make it official. If people feel involved and included in its creation, they're not only more likely to follow your policies but also more likely to offer feedback that gives you continuous refinement and keeps your rules relevant.

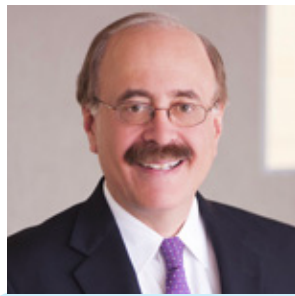
Today, technology vendor management is everyone's job. So, making sure every employee is paying attention and playing a part in your policy means you're much more likely to prevent problems from ever occurring.



# CARES Act Includes Provisions Regarding Telecommunications, Telehealth

The Coronavirus Air, Relief, and Economic Security (CARES) Act includes provisions to assist small business customer payroll and payment of telephone and internet bills and, in addition to other recently passed acts, aims to expand access to telehealth.

Andrew D. Lipman, Partner at Morgan, Lewis & Bockius LLP



Phase 3 of the coronavirus (COVID-19) legislative response package, the CARES Act includes emergency loans to distressed businesses, funds to individuals, limits on the requirement for employers to provide paid leave, and authorization for the US Department of the Treasury to temporarily guarantee money market funds and other healthcare, tax, and education sector measures, among other provisions. Several provisions in the CARES Act focus on telecommunications, and previous COVID-19 legislative actions also could increase demand for telehealth services and impact certain telecommunications providers in their capacity as employers.

## CARES ACT Telecommunications Provisions

The CARES Act allocates \$200 million to the Federal Communications Commission (FCC) to support telehealth services and \$125 million to the US Department of Agriculture's Rural Utilities Service to expand an existing

distance learning, telehealth, and broadband initiative. The CARES Act also takes several steps to expand access to telemedicine services. The provisions regarding telehealth and loan forgiveness for utility payments that could assist both companies providing broadband and communications services and their customers are summarized below.

**FCC telehealth:** \$200 million is allocated to the FCC to support telehealth services. The FCC's funds are to be used "to prevent, prepare for, and respond to coronavirus, domestically or internationally, including to support efforts of health care providers to address coronavirus by providing telecommunications services, information services, and devices necessary to enable the provision of telehealth services during an emergency period." The FCC may use its authority under the Universal Service Funds (Part 54) regulations to administer the funds if the FCC determines "such administration is in the public interest."

**RUS broadband program:** The CARES Act allocates an additional \$125 million to the Rural Utilities Service (RUS), a division of the Department of Agriculture, for the Distance Learning, Telemedicine, and Broadband Program established with a \$600 million appropriation in FY 2018. \$100 million is to remain available until September 30, 2021, provided it be used in rural areas without sufficient access to broadband (defined as 10 Mbps downstream and 1 Mbps upstream, with the definition to

be updated annually by the secretary of Agriculture). Grants through this program may not be used to "overbuild or duplicate" broadband expansion efforts made by any entity that has received a broadband loan from the RUS. Priority consideration for grants will be given to previous applicants who are now eligible as a result of adjusted eligibility requirements. Under Section 11004 of the CARES Act, \$25 million of the additional allocation is to remain available until expended

and used "to prevent, prepare for, and respond to coronavirus, domestically or internationally, for telemedicine and distance learning services in rural areas."

**Emergency loans for small businesses:** Under the CARES Act's Paycheck Protection Program (PPP), small businesses, nonprofits, and other specified businesses that have been operational since February 15, 2020 are eligible for PPP loans through the Small Business Administration's 7(a) program for payroll, benefits, rent/mortgage, and utility payments including internet and telephone services. The PPP also allows small businesses that access loans through the CARES Act to be forgiven for amounts used for eligible expenses including payroll, rent/mortgage, and utility payments including telephone and internet access services that began before February 15, 2020. Loan forgiveness is available for payments made during the "covered period," meaning eight weeks from the time of the loan origination. The

forgiveness program contains certain limits, reductions based on downsizing the workforce or reducing salaries during the covered period, and exemptions for certain rehires. Businesses that receive forgiveness on their loans are not eligible for the delay of certain payroll taxes implemented by Section 2302 of the CARES Act.

**Telemedicine:** Many other provisions of the CARES Act support the use and growth of telehealth applications. Congress eases restrictions on healthcare providers and insurance companies to encourage the use of telemedicine, which will in turn drive demand for telecommunications services. One such provision is Section 3704 that provides that the government will now reimburse for telehealth services "that are furnished via a telecommunications system by a federally qualified health center or a rural health clinic" to eligible seniors enrolled in Social Security. Additionally, Section 20004 provides that the secretary of

**The CARES Act allocates \$200 million to the Federal Communications Commission (FCC) to support telehealth services and \$125 million to the US Department of Agriculture's Rural Utilities Service to expand an existing distance learning, telehealth, and broadband initiative. The CARES Act also takes several steps to expand access to telemedicine services.**

Veterans Affairs “may enter into short-term agreements or contracts with telecommunications companies to provide temporary, complimentary or subsidized, fixed and mobile broadband services for the purposes of providing expanded mental health services to isolated veterans through telehealth or VA Video Connect” during the public health emergency. This provision prioritizes rural and high-risk veterans.

The law also requires certain employers to provide 14 days of paid sick leave in the event of a public health emergency, including the current coronavirus crisis, if an employee becomes quarantined or sick, needs to care for family member, or is unable to work due to school closures. For more details on the workforce implications of the FFCRA, [see our recent presentation.](#)

requirements regarding telehealth services during the coronavirus public health emergency, and provides initial funding for other federal agencies in response to COVID-19.

**FAMILIES FIRST CORONAVIRUS RESPONSE ACT (FFCRA)**

Requires Employers to Provide Paid Sick Leave, Eases Telemedicine Restrictions  
[The Families First Coronavirus Response Act](#) (FFCRA) became law on March 18. The FFCRA eases restrictions on the use of telemedicine applications for Medicare reimbursement and COVID-19 testing, which will drive up demand for telecommunications services.

**CORONAVIRUS PREPAREDNESS AND RESPONSE SUPPLEMENTAL APPROPRIATIONS ACT**

Provides Funding for and Eases Regulations on Telehealth  
[The Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020](#), became law on March 6. The law allows the US Department of Health and Human Services (HHS) to temporarily waive certain Medicare restrictions and

# Don't Leave Major Trade-In Value at the Table

*The cost savings you captured last year have likely been forgotten due to the budgetary crunch inflicted from COVID-19. It doesn't help that the additional burden of enabling remote work for hundreds, or thousands, of employees fell on your shoulders. As a service-provider in your industry, let me extend a 'thank you' for your resilience and professionalism.*

Ryan Lober, Cascade Asset Management



**By joining an association, you not only give yourself the opportunity to learn new things.**

**You give yourself a global support network filled with industry leaders that know how to get things done. And that advantage is invaluable to any career.**

**But, as an AOTMP® Founding Member, that's not where the benefits stop.**

**In fact, they're just the beginning of your experience.**

**Become a Founding Premium or Elite Member today and receive an exclusive badge and three extra months of membership.**

You're likely being asked to make further improvements the last half of 2020. You need something substantial. You need to make a dent. For those with corporate owned smartphones and tablets, there are opportunities uncovered by peers in other enterprises.

In short, there are three moves you can make today with your mobile device fleet to drive major financial benefit and reduce long term risk. The first eliminates the primary reason for price erosion, enabling you to recover 30% more value. The second reduces the primary reason for device fallout to make sure more units make it to market. And the third addresses the largest liability gap with a simple security requirement to elate your CISO and compliance teams.

**Has the Wireless Market Changed?**

Organizations deploying Corporate-Owned, Personally- Enabled (COPE)

wireless devices are adopting new methods to manage disposition due to three broader market trends. Mobile Unbundling of wireless plans and device procurement has removed dependence on carrier trade-in programs, opening avenues for innovation in the reverse supply chain. Device Standardization, due to security and user preferences, has created a pool of equipment with substantial secondary market value at retirement. And Asset Collaboration, between PC and mobility asset management functions, has cross-pollinated best practices for equipment retirement.

**How is Mobile Device Disposition Improving?**

These changes have driven the Data Destruction Model to mature. Historically, enterprises had to trust that carrier trade-in programs erased devices without assurance from a contracted agreement. As best

practices for IT asset disposition blend with mobile device management, expectations for legally binding contracts and auditable records of disposal will emerge. Not only will this apply pressure to carrier trade-in programs that hesitate to accept such liability, it introduces security criteria which can more readily met by independent vendors to compete.

Additionally, the Value Recovery Model is maturing beyond the initial trade-in offer into analysis on what causes price erosion and device fallout. With the commoditization of pre-owned smartphone sales online, the playing field has leveled to provide competitive trade-in prices. New factors, unique to enterprise disposition programs, have emerged. The deployment of devices to both office and field staff creates a disjointed return process without uniform packaging. Makeshift envelopes and boxes can lead to

damage during transit, reducing value by as much as 30%. Additionally, the focus on consumers by carrier trade-in programs leaves them ill-prepared to help capture and remove personal security features or deployment credentials, which can forfeit over 50% of units for resale.

**What Moves Can I Make?**

Translating new value drivers into the disposition process is relatively straightforward. Whether selected in a sole-source negotiation or through a Request for Proposal (RFP) process, enterprises are now requiring these elements from their disposition partners:

- Boxes designed to protect mobile devices for parcel shipping in both single unit and bulk shipment sizes
- The identification and quarantine of units that must undergo removal of a

deployment or personal security lock prior to resale.

- Contract language that guarantees the erasure of data at disposition with line-item asset reporting

**How Will Metrics Improve?**

Measurements that relied solely on potential trade-in price are evolving to include both new value recovery and security criteria. The first metric is Average Sale Price (ASP), which focuses on what the items sold for versus the advertised purchase price that rarely comes to fruition. Measure the average unit price over time to determine if better packaging prevents damage, thereby improving resale values. The second improvement is Yield %. That's the number of devices sold divided by the number retired. By leveraging 'unlocking' processes, this metric should improve over time and make a big

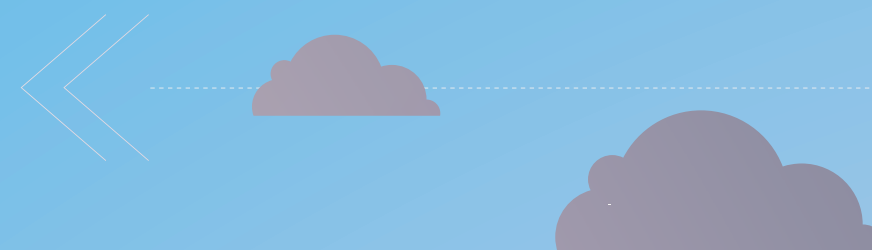
difference on the rebates you receive. Finally, Traceability, which measures the percentage of devices with line-item records that require data destruction.

The future likely holds more technologies that enable staff to work remotely. Whether they be smartphones, tablets, wearables, or edge computing, these insights are being driven by organizations such as yours seeking to maximize reward and minimize risk from disposition. If you have other ideas, we'd love to hear them.

All the best

Ryan Laber – VP, Cascade Asset Management

# Welcome New AOTMP® Members



## You're Losing Trade-In-Value

**Damage from poor packaging** can reduce value by 30%

**Fall-out from security locks** can reduce salable devices by 35%



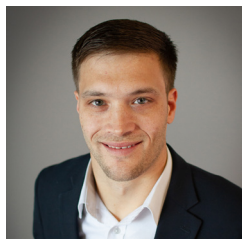
Cascade Enterprise Mobile Disposition focuses on the **entire reverse logistics process** to maximize your trade-in rebate.



For an estimate or free pilot  
 email: [info@cascade-assets.com](mailto:info@cascade-assets.com)  
 or call: 888-222-8399

[LEARN MORE >](#)





## Shawn Veitz

Shawn Veits is a Premium Service Provider Member, and the VP of Sales at Telennium



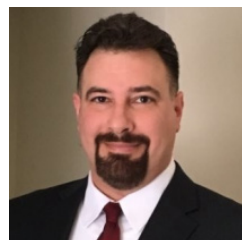
## Neil Peters-Michaud

Neil Peters-Michaud is a Corporate Service Provider Bronze Member, and the Owner/CEO of Cascade Asset Management



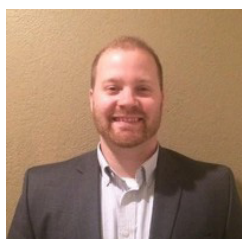
## Ryan Laber

Ryan Laber is a Corporate Service Provider Bronze Member, and the VP of Business Development of Cascade Asset Management



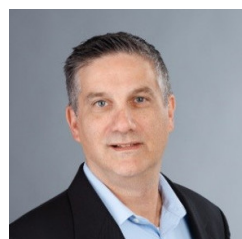
## George Taulia

George Taulia is a Corporate Service Provider Bronze Member, and is in Business Development at Cascade Asset Management



## Brandon Hasselberger

Brandon Hasselberger is a Corporate Service Provider Bronze Member, and is in Business Development at Cascade Asset Management



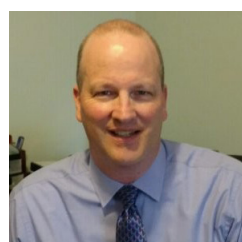
## Jason Koenigsberg

Jason Koenigsberg is an Elite Service Provider Member, and is the U.S. Manager Director of Asignet



## Rob Mayoh

Rob Mayoh is a Corporate Service Provider Bronze Member, and is in Business Development at Cascade Asset Management



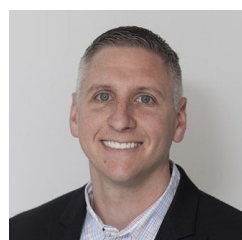
## Mark Salmon

Mark Salmon is a Corporate Service Provider Bronze Member, and is in Business Development at Cascade Asset Management



## Mark Hearn

Mark Hearn is a Premium Service Provider Member, and is the President of Network Control



## Brian Hill

Brian Hill is a Premium Business Member, and is the President of CodeClouds



# AOTMP® Member Spotlight of the Month: Anita Mallol

*This month, we'd like to recognize Anita Mallol – IT Service Manager at Cisco Systems – for being a volunteer in two different AOTMP® Working Groups.*

Anita has been a part of the association since day one and is always willing to participate when opportunities arise. Her knowledgeable, engaging, and enthusiastic perspective is one that brings AOTMP® Members together to move the industry forward.

So, we asked Anita to share her thoughts about AOTMP® Membership. Here's what she had to say!

### Q. How long have you been a member of AOTMP®?

"I joined AOTMP® back in 2018 as a Founding Member of the Industry Council. Now, I'm an AOTMP® Founding Member."

### Q. Why did you join?

"Knowledge sharing with the TEM industry and other large enterprises."

### Q. What AOTMP® Working Group(s) do you currently volunteer with?

"I'm a part of the Improving the Business of Strategic Perception of Telecom and TEM Maturity Levels Working Groups."

### Q. What do you enjoy most about volunteering with these Working Groups?

"Meeting peers from other industries and sharing ideas for solving business problems in the telecom space.."

### Q. What advice would you give a new AOTMP® Member??

"Don't be shy about providing input!"

# Welcome to the Association!



# Volunteer Opportunities



Staying involved with your community is important. AOTMP® volunteers keep the association active and relevant, ensuring that our collective future keeps moving forward and that the AOTMP® mission is always supported. Volunteers have opportunities to learn from each other, share best practices, develop critical business relationships, and – most importantly – build lifelong friendships by getting involved in and/or leading a Working Group.

If you didn't know, every AOTMP® Working Group is formed around a specific topic or challenge that allows members to come together and identify, collaborate, and solve industry-related issues. If you're interested in joining a Working Group or learning more about these initiatives, please visit [aotmp.com/membership](http://aotmp.com/membership) for more details!

## What's Coming Next on the AOTMP® Calendar?

### Upcoming Events

#### October Online Member Meeting

Our next AOTMP® Member meeting takes place October 22, 2020. This quarterly event is exclusive to Premium, Elite, and Corporate Members. Keep an eye out on our website and social channels for more information!

- AOTMP® New Member Orientation – August 26, 2020
- AOTMP® New Member Orientation – September 30, 2020

### Collaborative Discussions



## Have you spent the time to invest in savings?



# Invest in Savings: What Your Strategy Says About Sustainable Efficiency

Timothy C. Colwell, Executive Vice President, AOTMP®

Cost-cutting and budget rightsizing are familiar telecom, mobility, and IT management initiatives. Budgets change, priorities shift, strategies evolve, and the financial response follows. It's common business practice. While the impetus varies, a consistent and organized approach to execution improves and accelerates results.

A common reaction when budget adjustments are needed is to question the plausibility of the mandate. Everyone approved the budget already, so where am I going to find 20% to cut? Which department is willing to reduce mobile usage? Which users should we stop supporting to reduce our overhead cost? Answers to these questions may result in cost reduction, but the business fallout may cost more than the budget reduction saves. It is also possible that the plausibility reaction signals an opportunity to level up budget management practices.

Savings isn't just about removing expense.



The act requires a thoughtful approach that, in fact, starts long before the savings mandate is issued. Strategic budget management, the predecessor to savings initiatives, requires clear understanding of the relationship between the business and the telecom, mobility, and IT products and services its consumers. This understanding informs all budget decisions – spending and savings.

Every budget has elasticity and an efficient telecom, mobility, and IT management practice has deep insight about the factors that drive expense. Insight is not coincidental. It is the result of visibility, control, and analysis across all dimensions of the telecom, mobility, and IT environment. Insight is the key to being able to quickly and effectively identify opportunities to adjust the budget accordingly and insight requires investment.



The concept of investing in savings starts with the notion that insight is pivotal to all financial actions. When this is accepted, investing resources to establish and maintain insight becomes a priority. Investment is not unlimited, though, as a positive return on investment is required.

A telecom, mobility, and IT management practice optimized to deliver effective insights has complete visibility and control in three areas:

— People —  
— Process —  
— Technology —

**People**

This area considers internal customers/users and external customers/users of all telecom, mobility, and IT assets, services, and licenses. Professionals that procure, deploy, maintain, support, and decommission the technology for the customers are also included.

Insights about ‘how’ assets, services, and licenses are used and by whom enable thoughtful decisions about opportunities to create savings opportunities. ‘How’ addresses the purpose and the function of use and ensures the answers to the question are dynamic. How a customer used a smartphone six months ago (data and messaging-heavy) versus how they use it today (voice-heavy) as a result of corporate office displacement (work from wherever) is a good illustration of use case change.

Understanding the role people play in the procure, deploy, maintain, support, and decommission processes for technology is also valuable. Understanding the effort and skills required to execute on managing the lifecycle of the technology offers insights that factor into savings decisions. Suppose evaluation of two technology options are under consideration. The purchase price of option A is 10% less than option B; however, option A requires two additional FTEs to support over option B. Understanding the role people play in lifecycle management improves the total cost of ownership view, which improves decisions for cost savings initiatives.



**Process**

Processes that address technology lifecycle management provide many data points that hone insights about the telecom, mobility, and IT management domain. Specifically, consider the efficiency of processes. How automated are processes? How integrated are systems within processes? How efficient are processes? Process optimization offers significant savings opportunities.

In addition to the FTE example in the people area above, consider an invoice payment process that requires multiple approvals and takes, on average, 21 days to cycle. While net 30-day invoices would be paid on time in this example, opportunities to implement an early pay discount strategy could be missed. For example, should a vendor offer a two-percent discount for payment in full in 10 days on a net 30-day account, the 21-day average cycle would negate the ability to take advantage of the early-pay discount offer. Process automation or resetting approval intervals could create cost savings opportunity in this example.

**Strategic budget management, the predecessor to savings initiatives, requires clear understanding of the relationship between the business and the telecom, mobility, and IT products and services its consumers.**



**Technology**

Technology considers the telecom, mobility, and IT assets, services, and licenses used by internal and external customers, the underlying network infrastructure, and the core management technologies – software and systems – used to manage the entire technology environment.

A comprehensive service catalog that identifies assets, services, and licenses used by internal and external customers is a must. The challenge today is that technology isn’t always centrally controlled. Instances of business units and individuals bringing their own tech into the environment – whether approved or not – is real. Technology outside the service catalog creates risk by distorting usage trends for corporate technology and potentially shifting technology cost to expense reports. Lack of visibility into the actual technology being used inhibits full financial optimization.

Network infrastructure is just as important to understand as customer-facing technology. Shifts in mobile usage, for example, influence the type of infrastructure that is needed. Rightsizing networks requires keen understanding of usage patterns and trends in usage at the application level.

Core management technologies link back to processes. It is not uncommon for software and systems to be underleveraged. When this happens, people and process bloat can increase total cost of ownership.

Investing time, effort, and money in gaining and maintaining insights into people, processes, and technology is a strategy for investing in savings. This investment is the foundation for continuous optimization, and it enables informed decisions whenever business demands require.

## Two Industry Perspectives on Savings

By now, you know how we feel about savings. And – more importantly – how we help industry professionals find them. So, we interviewed three very special AOTMP® Members to shed some light on how today's businesses are making the most of their budget (and finding a little extra room, too). Here's what each expert said!

### Business Perspective by:



Kerry Lambertsen—  
Solutions Manager, Global  
Telecommunications  
Management Services at The  
Church of Jesus Christ of  
Latter-day Saints

### Q. Where are savings most likely to be found in telecom, mobility, and IT contract negotiations/management?

“Contract-to-invoice comparison. While something may be in your contract, it does not mean it will end up on your invoices. Also, successfully overcoming the failure to disconnect services due to device or service upgrades, sold real estate, terminated employees, and/or poor inventory management.”

### Q. What are you doing to prevent the potential for financial waste resulting from unused/unnecessary technologies?

- “1) Zero-usage reports.  
2) Interface the TEM system with HR to capture terminations.  
3) Reporting from the Real Estate Department from closed sites.  
4) Project Managers cannot close new projects until replaced services have been disconnected and charges fall off the invoices.  
5) Aggressive, active, and energetic inventory management. Where is it? Who uses it? Who pays for it? Who is my vendor? What contract is it on? Does it carry an Early Termination Fee (ETF)?  
6) Get updates from Network and Telephony Engineering to find out what the obsolete technology is they want to get rid of and what they are replacing it with. And participate by asking, “I know it is nifty, neat and new, but what is this going to cost me?”  
7) Review data circuits regularly. You can get faster speeds at lower cost.”

### Q. How do you balance the need for modernization with minimizing expenses?

“Telecom Expense Management (TEM) IS financial management. My budget and my forecast require that I know trending for the past 12 months and per-unit trending for the past 12 months. These metrics tell me if I am winning or losing the TEM war.

They also allow me to forecast future needs. Changes in products and IT projects will also help me adjust future budget requirements (hopefully downward) to meet organizational objectives. This will also provide insight into possible funding changes and upgrades with savings attained through expense management. This is where the TEM team stands and takes a bow...”

**Q. How are you achieving savings through strategic sourcing and procurement?**

“Active participation from a Vendor Management Team. Our Procurement Team consists of Vendor Management, Engineering, Project Management, TEM, Legal, and the Network/Telephony Procurement Engineers that belong to the TEM Team. Inventories may give you leverage. You may be spending more with a vendor than they realize. Vendors must believe you are willing to move your business. Moving a significant portion of your business from one vendor to another can send a message to all your vendors. This has been known to significantly reduce mobile costs. We try to use all the tools known in our realm.”

**Q. What are you doing to prevent the potential for financial waste resulting from unused/unnecessary technologies?**

“It is the absolute foundation to the entire process. If your asset inventory is not close to perfect, everything else will cost more. Here are three things your organization needs to do:

- 1) Pay only for what you use.
- 2) Have a purpose for every asset.
- 3) Know how to make money on assets (hardware) you dispose of.”

**Q. How do you balance the need for modernization with minimizing expenses?**

“Technology provides upgrades and modernization at decreasing costs if managed well. Data circuits lead with the best example. We can get faster speeds at a diminishing cost. And if I save in one area (circuits), I can upgrade in another.

Also, watch out for engineers that operate on the 3N criteria. If it is nifty, neat, and new they must have it. We can say no until it meets an operational need and meets budget requirements.”

**Q. How has COVID-19 influenced your telecom, mobility, and IT management efforts? Are you placing more of a priority on savings now than ever before?**

“We have done extremely well just by moving to our remote locations. We already had the infrastructure in place to continue business. I can now mute myself in meetings and stay out of some trouble. There has been a loss of some collaboration and consultation within the team. We may be losing some opportunities due to fewer chances to interact on ideas.

Savings is *always* our priority, so no change there.”

**Business Perspective by:**



Anita Mallof—*Manager, IT Service at Cisco Systems, Inc.*

**Q. Where are savings most likely to be found in telecom, mobility, and IT contract negotiations/management?**

“Annual benchmarking – this is written into our Master Services Agreements.”

**Q. What are you doing to prevent the potential for financial waste resulting from unused/unnecessary technologies?**

“Annual validation of services with budget owners. A complete and accurate inventory is vital for this, along with the expertise to explain the services in layman’s terms.”

**Q. How has COVID-19 influenced your telecom, mobility, and IT management efforts? Are you placing more of a priority on savings now than ever before?**

“Absolutely. Voice costs are expected to be up to 35% higher for the next 12 months due to increased audio conferencing. However, office closures will help to offset this as most workers are just as productive at home and many will likely remain remote workers.”

**Q. Do you have any other tips to help businesses out there save money in telecom, mobility, and IT management?**

“Develop a contract management process with a pipeline that allows time for a full validation of inventory before re-committing. Be careful with long-term commitments and termination clauses – rates are lower, but you could end up with massive fees if business needs change.

If you have toll-free numbers for employees to access company resources, consider blocking those numbers from local areas. For example, our Webex hub is in the San Jose, CA area (the main area code is 408). We have a toll-free number for access, but we do not allow calls from area code 408. Employees in this area can make a free local call to the system on another number. This change yielded tens of thousands of dollars in monthly savings.

Decrease international and long-distance calling expense with creative routing. In a large network with multiple carrier options for Public Switched Telephone Network (PSTN) calls and Tail-End Hop-Off (TEHO) configuration, a call travels across the internal network to the company location closest to the destination before ‘hop off’ to the external number. International calls become national or local calls. Depending on your traffic patterns, this could result in huge savings.”

## Service Provider Perspective by:



Gary Storm—President & CEO at vCom Solutions

**Q.** How do you help customers maximize savings through contract negotiations/management?

“A core part of what we do is aggregate the buying power of ALL our customers. This allows us to get better terms and conditions for our customer base.”

**Q.** How can enterprises eliminate the potential for financial waste resulting from unused/unnecessary technologies?

“The key is visibility to the data... so you can make decisions faster. We like to call this ‘actionable info’ and we automate the delivery of it so you don’t have to search for this info. I.e. how many mobile lines with no usage past 90 days. How many circuits with no utilization. How many SaaS licenses that have not been logged into.”

**Q.** Can strategic sourcing and procurement help enterprises find new savings? If so, how?

“100%. Multiple ways.

First, subject-matter experts who understand the market and negotiate EVERY DAY – not once a year.

Second, accessible benchmark data. What are your peers paying on average?

And third, access to buying and negotiating power across an entire vendor’s customer base. .”

**Q.** Do you have any other tips to help businesses out there save money in telecom, mobility, and IT management?

“We think asset management is at the CORE of any IT Spend Management Model. But we don’t think TEM goes far enough. The only TRUE asset management program is if you have managed the ENTIRE lifecycle of that asset. Meaning:

- 1) Design of the asset
- 2) Sourcing the asset
- 3) Contracting for the asset
- 4) Ordering the asset
- 5) Cataloging the asset
- 6) Servicing the asset
- 7) Invoicing the asset
- 8) Cost allocating the asset
- 9) Paying for the asset”



# The Telecom, Mobility, & IT Management Industry: 2H20 Outlook

*The COVID-19 pandemic has changed the rules of social and business engagement. Social distancing, while not permanent, is the new normal. In the work environment, telecom, mobility, and IT professionals have risen to the office displacement challenge and made Work From Home (WFH), Work From Anywhere (WFA), and Work From Everywhere (WFE) a reality. It happened quickly, there were hiccups, there were pleasant surprises, and the global workforce is now settled into a new routine. Now what?*

**Timothy C. Colwell**, Executive Vice President, AOTMP®

Five themes will dominate the telecom, mobility, and IT management industry during the second half of 2020.

First, the industry will continue to see change in connectivity demands and technology use cases. The next normal may include waves of migration back to offices for some, while others may never return to a corporate office. Regardless, resetting technology to meet changing demands of the next normal hinges on the same technology professionals that made WFH/AE work during the first half of the year.

Second, the next six months will see increased focus on user enablement and optimizing the cost of enablement.

Network endpoints are now the central focus of network design and they are rapidly changing. The baseline from which capacity, consumption, and type of connectivity decisions are made is fluid, which prompts many questions. Does each user have what they need to effectively communicate? Do users have hardware, software, and/or services that they don't use? What network elements are idle? Which network elements need to be kept? Which elements can be sunset? In essence, networks are being rethought and reconfigured as endpoint demands morph.

Focus on data security and data privacy is a third theme that will continue over the second half of the year. During times of crisis, bad actors emerge to prey on the vulnerable. Networks are vulnerable. Hardware is vulnerable. Software is vulnerable. People are vulnerable. Collectively, shifting endpoints and network connectivity variables increase the likelihood of data breaches, phishing, malware, ransomware, and the like. While not a new concern, protecting company, customer, and personnel data will continue to be a top priority as networks and endpoints change.

The fourth theme will be contract management. Contractual commitments for purchasing volume, retention terms, and revenue terms are challenged by the unpredictable nature of the times. Evaluation of risk in commitments from all contracting parties will require additional attention. Analysis, forecasting, and adjustments will occur frequently. Change orders and amendments are likely to take to precedence over new sourcing events.

The final theme is vendor management and partnership. Contractual commitments aside, buyers and sellers need to work together. Uncertainty is changing the rules of engagement and new partnership conversations and conventions are necessary. Everyone needs to adapt quickly – and frequently – to emerge from the chaos.

## Five themes that will dominate the telecom, mobility, and IT management industry.

1. Change in connectivity demands and technology use cases
2. Increased focus on user enablement and optimizing the cost of enablement
3. Focus on data security and data privacy
4. Contract management
5. Vendor management and partnership

# UNIVERSITY UPDATES

## AOTMP® University Updates:

AOTMP® continues to expand its educational offerings for telecom, mobility, and IT management professionals. This month we are spotlighting several brand-new courses- plus a few popular favorites that have been refreshed for 2020.

**Brent Waltz**, Sr. eLearning Curriculum Developer

### Our Heads in “the Cloud”

We have published the first three courses in our new Cloud Management series. The first of these, Introduction to 100), provides participants with a better understanding of what cloud computing is and what the major management models can provide. Migrating an enterprise’s technology to the cloud is an important transition. Terminology and concepts learned in this course will equip participants to discuss the cloud management models which best suit their organization.

The second course, Basics of Cloud Management (CLM101), delivers a detailed breakdown of the various cloud environments. Certain models are better suited for particular types of organizations and, using the concepts covered in this course, learners can be more strategic about the cloud provisioning model they choose for their organization.

This initial wave of Cloud Management courses concludes with Building a Business Case for a Cloud Project (CLM200). With budgets stagnant, or even shrinking, IT management professionals continue to do more with less. Being able to identify the savings associated with implementing a cloud-based environment is a great first step. But, to achieve those savings, you must make a business case for the initial investment to organizational leaders. This course documents how to best write a business case that ensures an informed decision.

Watch this space in September for the next wave of Cloud Management courses!

### Know Pain? No, Gain!

An organization’s telecom options increase every day. From landlines or mobile calls to online forums or chat bots, options are multiplying – and each option provides its own opportunity for inefficiency. These pain points keep telecom managers busy solving problems that may not have existed with a previous solution. Through a focus on best practices, our Alleviating Telecom Pain Points (ATP100) course shows you how to recognize, and overcome, the pain points impacting your organization.

Another recent revision is Pandemic Preparedness (PAN100), a particularly relevant course as enterprises tackle the lasting effects of COVID-19. This course defines a pandemic and explores a four-step pandemic planning process that consists of building a pandemic planning team, preparing to maintain operational continuity during a pandemic, formulating a communications plan, and launching a recovery plan. Not only does the course show you how to prepare for a pandemic, but it also provides methods that your enterprise can use to prevent the spread of a virus or disease.

### 2020 (re)Vision

We have recently revised two courses that teach about technology involved in voice communications. One of these is Voice Over IP: A Primer (TEC100), which starts with the beginning of telephony and the Plain Old Telephone System (POTS) to explain how voice traffic, traditionally

## NEW CERTIFICATION EXAMS



**AUDITING**  
CHANGE CONTROL  
SECURITY  
DATA PRIVACY

**PROJECT MANAGEMENT**  
CONTRACT MANAGEMENT  
SERVICE MANAGEMENT  
SOURCING & PROCUREMENT

sent over dedicated lines across the Public Switched Telephone Network (PSTN), has come to be seen as data packets that can be sent over the internet with Voice over IP (VoIP). Through a series of diagrams, the course explains how PSTN and VoIP calls are made, as well as how data is sent over a computer network. Diagrams are also included as course resources that the participant can download for future use and review.

The second of our recent course revisions on voice communications is SIP Trunking: A Primer (SIP100). Session Initiation Protocol (SIP) trunks allow organizations to replace PSTN lines with PSTN connectivity via VoIP. This course explores the potential cost savings, benefits, and return on investment of SIP as enterprises eliminate the need for PSTN gateways, costly Integrated Service Digital Networks, and other technologies. In addition to course access, participants will receive a downloadable resource explaining the SIP Trunking process.

Recent revisions not only cover the technological aspect of voice communications, but also details the financial side. Invoice Auditing: Identifying MPLS Billing Errors (MBE) defines Multi-Protocol Label Switching (MPLS), a method of routing telecommunications data in which data distributed by networks is identified and labeled before delivery to its end location. This course also informs participants about the invoice auditing process and guides them through the tools necessary to audit an MPLS invoice for common billing errors. Resources in this course include valuable templates and a downloadable copy of the invoice auditing process.

For more information on all of our courses, go to [www.aotmp.com/university](http://www.aotmp.com/university) to learn more. Don't see what you are looking for? Or, better yet, is there a course that you would like to help develop? Contact Debbie Antrim for more information on how you can be a part of AOTMP® University's expanding list of Content Experts!



## Exciting News on the Certification Front!

Last month, we announced the launch of eight new Specialty Certification Exams aligned to our proprietary Efficiency First® Framework 2020 principles and practices. These certifications are unique in the respect that they cover topics and content not commonly found anywhere else and are specifically designed for technology management professionals.

**Scott Lawrence**, Vice President, Certifications, AOTMP®

Upon passing the exam, technology management professionals can now receive any of the following certifications:

[Auditing 2020 Specialty Certification](#)

[Change Control 2020 Specialty Certification](#)

[Contract Management 2020 Specialty Certification](#)

[Data Privacy 2020 Specialty Certification](#)

[Project Management 2020 Specialty Certification](#)

[Security 2020 Specialty Certification](#)

[Service Management 2020 Specialty Certification](#)

[Sourcing and Procurement 2020 Specialty Certification](#)

Although not required, we highly recommend reviewing the preparation materials which includes AOTMP® University courseware and the Efficiency First® 2020 Guidebook to better prepare for each exam. Each exam contains 50 questions that must be completed in a single, 60-minute session.

Technology management professionals looking to expand their knowledge, elevate their industry standing, and grow their career will definitely be interested in these certifications. In addition, business/public sector and service provider organizations gain value through AOTMP® Certifications by:

- Ensuring employees follow and practice industry best practices

- Building confidence and elevating personal and professional achievement opportunities
- Supporting career development objectives and commitments
- Accelerating time to competency for skilling and reskilling programs
- Helping to identify qualified candidates

And these Specialty Certifications do not expire! However, certification exams will be continuously updated to keep pace with the latest trends and best practices. So, technology professionals will definitely want to have the most recent certification in their specific practice area. If you have a retired specialty certification, now is a great time to get the latest and greatest!

Additional information regarding other certification exams launching later this year will be coming soon. For more details on the new Specialty Certification Exams or on AOTMP® Certifications in general, please visit [aotmp.com/certifications](http://aotmp.com/certifications). We could not be more excited about the future of certifications at AOTMP®!



NEW AOU COURSES  
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**THREE NEW COURSES**

- INTRO TO CLOUD MANAGEMENT
- BASICS OF CLOUD MANAGEMENT
- BUILDING A BUSINESS CASE FOR A CLOUD PROJECT



# AOTMP® Advisory Updates: August 2020

AOTMP® Advisory continues to enhance its value offerings for telecom, mobility, and IT management professionals. This month, we are spotlighting new workshops available for Advisory customers to explain how an Advisory Subscription will help your business or service provider organization evolve.

**Craig Jones**, Director, Advisory Services, AOTMP®

## Our Authority. Your Future.

Does your organization lack the ability to solve your most serious telecom, mobility, and IT management challenges? If so, let AOTMP® help keep your teams moving forward. For the past 17 years, AOTMP® has established itself as a trusted leader in the telecom, mobility, and IT management industry. Fueled by our Efficiency First® Framework practices and principles, AOTMP® Advisory will help improve all areas of your business.

Backed by telecom, mobility, and IT management experts and advisors that understand what works, what doesn't work, and what drives optimal business results, AOTMP® Advisory delivers know-how and actionable insights that help you to elevate your telecom, mobility, and IT management practice to a new level of performance.

## Looking Inward

Executives and leaders across the industry consistently tell us they continue to face challenges, most of which are internally rooted. Regardless of an organization's structure, product offering, or differentiators, most of these problems faced are the same for everyone. Whether it is production,

process, resources, or technology, all of these areas are completely under a company's control.

For some, it is difficult to identify the challenges. For others that can, they often do not fully understand the downstream impact that these issues can cause operationally and financially. Imagine the results you can achieve in just one year by having a team of advisors available to you to answer questions, provide recommendations, and guide you down the path to success.

This is where an AOTMP® Advisory Subscription can help. Our team of advisors are available both on-demand and through scheduled workshops to help increase performance, align best practices, and provide industry insights.

Workshops That Work for You An AOTMP® Advisory Subscription provides your organization with access to our telecom, mobility, and IT management industry experts through unlimited teleconference workshop sessions and on-demand inquiries. Led by

AOTMP® Advisory, our ever-evolving catalog of workshop topics addresses the everyday challenges faced by businesses and service providers across the industry.

So, what can you expect from an Advisory Workshop? In each session, AOTMP® Advisors will share and discuss best practices and trends that shape peak performance, opportunities for creating new value, technology and business enablement trends, and strategies to maximize

business potential. We focus on vendor performance, policy management, asset, license and service lifecycle management, and many more common trends and topics faced each day. For service providers, let us provide insight on your product strategy, customer experience, and competitive sales advantages in the market.

## Take the Next Step to Success

Whether your teams are facing any of these challenges or you just need expert guidance in taking your

organization to the next level, AOTMP® Advisory has a solution for you. For more information on AOTMP® Advisory, and to view our current catalog of available workshops, visit [www.aotmp.com/advisory](http://www.aotmp.com/advisory) to learn more.

## Available Service Provider Workshops

Customer / Prospect Guidance	Customer / Prospect Guidelines
Customer Experience	<p>Have a customer or prospect you are working with that has some questions about the telecom, mobility, or IT management industry? Schedule a time for your contacts to speak with an AOTMP® Industry Advisor. Our Advisors will help answer customer questions around industry, performance, and best practices as a neutral, third-party industry expert.</p> <p><b>Duration:</b> 30 minutes</p> <p><b>Led By:</b> AOTMP® Industry Advisor</p>
Product Launch Briefings	
Sales Channel Strategy	
Competitive Sales Advantage	
Roadmap Briefings	
SLAs Your Customers Want	
Industry Initiatives - Telecom	
Industry Initiatives - Mobility	
Industry Initiatives - IT	

Example of Service Provider workshop listings on the AOTMP® Website

## Available Business / Public Sector Workshops

Team Performance Assessment	Team Performance Assessment
Contract Negotiation Support	<p>Team Performance workshops are designed to help organizations create a high-performing telecom, mobility, and IT management team bound by a common set of best practices and language across the environment. AOTMP® Advisors will review our Accountability Matrix to define the relationship between accountability and performance for the operational, financial, and technical aspects of an organization's functional structure.</p> <p><b>Duration:</b> 90 minutes</p> <p><b>Led By:</b> AOTMP® Performance Advisor</p>
Contract Management Best Practices	
Vendor Performance - Vendor Scorecards	
Vendor Performance - Understanding SLAs	
Strategic Sourcing	
Mobile Policy Best Practices	
TEM Vendor Evaluation	
Evaluating Telecom Vendors	
Telecom Inventory Best Practices	

Example of Business / Public Sector workshop listings on the AOTMP® Website

**Our team of advisors are available both on-demand and through scheduled workshops to help increase performance, align best practices, and provide industry insights**

# AOTMP® Member Updates

Whether you want to expand your knowledge, network with telecom, mobility, and IT management's top professionals, or stay ahead of industry trends, AOTMP® is your opportunity to accelerate progress, implement new strategies, and incorporate industry-leading standards and best practices into your work.

Debbie Antrim, Director, Program Engagement, AOTMP®

## Member Benefits

What are the benefits of being an AOTMP® Member? Well, we're glad you asked. But you're not the only one. So, we put this video together to explain why being a part of the Association of Telecom, Mobility, and IT Management Professionals is so important.

[Check it out!](#)

### Online Community

AOTMP® is all about community and collaboration. One of the best ways to meet and network with your fellow members is through our Online Member Community. After all, AOTMP® Membership gives you exclusive access to this connected group to discuss trends, solve problems, and refine strategies year-round on a forum-based discussion board where ideas, questions, and projects can be exchanged between peers.

To join the conversation, please visit [members.aotmp.com](http://members.aotmp.com) today!

### Member Community Resource Library

AOTMP® Membership gives you access to an extensive resource library within our Online Member Community. From essential, day-to-day solutions to strategic plans and best practices, here are some of the benefits our resource library gives to you:

- Helpful documents and templates usable in daily tasks and projects
- Past AOTMP® Member Meeting discussion notes
- Use cases produced by small, medium, and large organizations
- Working Group findings and results

AOTMP® gives you access to a global community dedicated to bringing telecom, mobility, and IT management into the future. And – as the industry evolves – AOTMP® Membership gives you the tools, skills, and resources to take on tomorrow's challenges.

- Learn what's working and what's not from telecom, mobility, and IT management leaders all over the world
- Collaborate to identify the industry's most strategic challenges, technologies, and trends
- Work together to improve processes and the lives of professionals everywhere
- Move the industry into the future

## KPIs Driving Decision-Making

Key Performance Indicators (KPIs) present technology management teams the opportunity to use facts and business metrics to elevate technology into highly valued strategic asset status. KPIs need to be aligned to strategic business objectives, consistently measured, and tracked to identify trends and manage results. If not, the organization cannot take corrective action or identify the underlying business requirements for investment in technology.

Scott Lawrence, Vice President, Certifications, AOTMP®



KPIs are used to demonstrate the value technology brings to an organization. Selecting the right KPIs to measure and monitor, over time, is a critically important step. Equally important is understanding the cause and effect of any KPI movement, especially over time. In our experience, there are five KPIs organizations use to elevate technology to a recognized strategic business asset.

### Technology Spend Per Employee

This KPI establishes a service-to-cost baseline for evaluating workforce technology enablement. Alignment of role profiles to spend should be established to provide technology-to-role cost ratios. These metrics allow an organization to understand how costs are applied to individuals by their role, by their geographic region, or country. It also enables technology management teams to compare results across roles by function or geography.

### Technology Spend Per Location

This KPI establishes a service-to-cost baseline for evaluating technology investment by location type. Organizational location profiles are created to reflect the primary organizational functions. Location type measured against spend enables a comparative analysis

to provide the most efficient technology services by location to compliment the role profile service provision from the previous KPI discussed.

### Technology Spend as a Percentage of Corporate Revenue

This KPI establishes a capability to evaluate technology cost as an element of the organization's financial

**KPIs are used to demonstrate the value technology brings to an organization. Selecting the right KPIs to measure and monitor, over time, is a critically important step.**

performance. Senior executives use this KPI to correlate the cost of technology investment to financial performance. If technology is elevated to a strategic business asset, then consistent alignment of cost to revenue must be established.

### Ratio of Mobile Devices to Employees

This KPI provides a measure of the growth of mobility within the company's workforce over time. It is essential knowledge to support mobility initiatives and new or emerging technology strategies. This metric is one of the most dynamic KPIs today; thus, it is critical to track as mobility investment continues to increase across most organizations. In many cases, this increase is uncontrolled, spread across multiple areas of an organization, and often does not take advantage of economies of scale or benefit from a smooth transition to new innovations.

### Technology Spend Per Technology Management Employee

This KPI identifies and tracks service delivery efficiency and effectiveness. For example, in conjunction with other KPIs increasing in costs or usage, this KPI reducing can indicate a high degree of efficiency through training, expertise, systems, or processes. However, it must be considered with other measures such as user satisfaction, time to resolve problems for users, or other usability trends because it could also indicate a lack of needed investment. This KPI can be used for resourcing and planning purposes – whether the

goal is headcount reduction or to obtain additional resources. This cost ratio also can be useful when considering a managed services or outsourcing option for technology environment management.

KPIs illustrating technology environment management results are essential to developing a strategic business dialogue in an organization. Identifying predictive or leading indicators of potential issues, understanding key organizational objectives, and using analytics to quantify the relationship between the technology environment and business objectives will turn defending the cost of technology into reporting on how technology assets contribute to the organization's results. This 'transformation through information' establishes technology as a valued, strategic investment integral to achieving the organization's objectives.

## There are five KPIs that organizations use to elevate technology to a recognized strategic business asset.

1. Technology spend per employee
2. Technology spend per location
3. Technology spend as a percentage of corporate revenue
4. Ratio of mobile devices to employees
5. Technology spend per technology management employee

## Negotiating Successful Contracts in a Reconstructed Environment

*With the ever-increasing budget requirements for telecom, mobility, and IT management expenses, organizations across the globe are consistently challenged with securing the best deal when negotiating contracts. Add on the demand to reduce costs across the board, it's no surprise the number of companies that are seeking outside support or working internally to renegotiate contracts with service providers has greatly increased since the start of this year.*

**Craig Jones**, Director, Advisory Services, AOTMP®

With the ever-increasing budget requirements for telecom, mobility, and IT management expenses, organizations across the globe are consistently challenged with securing the best deal when negotiating contracts. Add on the demand to reduce costs across the board, it's no surprise the number of companies that are seeking outside support or working internally to renegotiate contracts with service providers has greatly increased since the start of this year.

The current COVID-19 crisis is encouraging many enterprise organizations to look at resizing their network, while the continued demand for increased reliability and services is forcing them to also look at updating at the same time. These objectives, along with favorable terms and conditions, end-user support, and the need for ongoing flexibility, puts sourcing and procurement teams in a challenging position to negotiate contracts in today's environment. This article will help your organization understand the value that an organized approach provides in achieving these goals.

### Prep for Success

Regardless of an organization's level of demand for contract revisions, there are several items that enterprises need to align prior to any conversations occurring. Entering negotiations unprepared leaves you vulnerable, and when facing today's challenges, no one wants to walk away with a less-than-desirable contract. Starting early and putting together an executable plan is the key to success for any contract discussion. So, where do you put your focus?

Start with three basic questions your organization should be able to answer. What do you have? Where is it located? How much does it cost? You must understand your current environment to have a fruitful conversation about what you will need as you go forward. Not only will this help to negotiate new service rates, but it will also play a critical factor when looking at upgraded technology options. Additionally, know what you are paying for. In addition to the service rates, be familiar with any additional tariffs, taxes, surcharges, or other fees that are showing up on your bill each month.

### Where should you focus? Start with three basic questions you should be able to answer.

1. What do you have?
2. Where is it located?
3. How much does it cost?



Next, change your focus to your current contracts. Just like your inventory, it is extremely important to understand the components of your current telecom, mobility, and IT contracts. Spend the time to review your contracts' terms and conditions, review pricing structures for varied services, and ensure that you have a full understanding of the Service Level Agreements (SLAs) that are in place. Limiting yourself in negotiations by just reviewing one service provider's existing contract will tunnel the approach you need to take. Look across all contracts, identify the favorable and not-so-savory components that each offer, and be prepared to define these in your wish list as part of your planning and strategy.

Once you are in a comfortable situation with your service and contract inventory, it is time to start developing your negotiation strategy. Identifying both the technical and financial needs of your organization will help to ensure a favorable outcome. Do your research. Look at the current technology in place and understand what new or additional technology is available that could benefit your organization. This is an essential component to plan for future growth. The financial aspect of the strategy will help protect your telecom and IT budget and assist in the pricing negotiations to establish favorable terms for both equipment and services.

Being organized is an essential component for successful contract negotiations. Both sides are always looking for an advantage and will leverage any variable available to drive a more favorable outcome. In our current time of change, organizations must take the time and effort to assess their current environment and may have to make difficult decisions on the direction of their future strategy knowing both resources and funds may be limited. Having a well-defined understanding and plan of approach will help you calm the oft-rough waters of a contract negotiation.

**Budget for Success**

Anyone who has been involved in contract discussions understands that there is a laundry list of components that need to be addressed when it comes to a successful negotiation. Considers factors that both directly and indirectly impact your organization, ensure alignment of these factors to your strategic business goals and budgets, and be certain that the services contracted will help you provide the necessary value for years to come. As technology continues to develop and enhance business offerings, and as service providers strive every day to stay ahead of the competition, enterprises that continue to apply pressure almost always get more for their money.

Of all the objectives that organizations must consider during contract discussions, improved pricing continues to outweigh them all at the end of the day. Pricing is a key factor in telecom services that directly relates to the value and expectations offered. As budget owners work to navigate through challenging financial times and increased pressure from leadership pushes them to reduce costs, today's organizations are driving to finalize new agreements quickly. This often forces telecom managers to use their own judgement and make quick decisions versus closely analyzing the full picture and scope of a long-term commitment. Because there is not a published 'market rate' pricing schedule, and without the help of outside consultation, organizations often must rely on the knowledge of their own teams and resources to negotiate the best rates. Therefore, it is extremely important for you to plan, put in the effort to understand your current and potential rates, and stay informed about pricing and value in technology.

Almost all new agreements will provide improved pricing terms, but not without some sort of compensation from the customer. In the situation many organizations are in today, it is difficult to change their mindset away from the bottom

line and look beyond to the full value of the services offering. Customers must retain the idea that money may not be everything. At what expense does a lower cost give you if the protection against service levels isn't in place?

Companies are already trying to battle back from unplanned setbacks, putting many in a situation that, due to unreliable services, only further delays and lengthens their road to recovery. What does saving money this year achieve if you don't have the flexibility to adjust to organizational changes in two years? Numerous organizations are currently in a position where they are paying for more than they need following months of loss. The inability to be flexible in their contract offerings is forcing them to continue to pay for unused services and equipment, and will further drive costs up over time. Every component of your contract needs to have a budget that considers more than just the dollars and cents. Budget for change, budget for growth, and budget for your ability to renegotiate down the road.

**Work for Success**

Deliberate and constructive contract negotiations provide an

atmosphere for both parties to discuss expectations, achieve an optimal contract, and develop a productive business relationship. Sticking to your organization's contract negotiation strategy will help ensure you end up with a valuable contract. Understanding what financial availability (and restrictions) you have will help balance provider offerings. Just remember that you may have to be a bit flexible in pricing in order to receive the needed flexibility in your final terms and conditions.

Like anything, in order to achieve your desired results you have to be willing to work with your providers. There is no single solution to getting everything you want, but to come close it requires you to plan ahead and be consistent. Without the right measures in your lifecycle process, without the right approach to a planning strategy, and without the right people in place who have the skills to gain results, you will only set yourself back in your progress to desired results. The benefit of a contract is not to favor one side or another. Your providers want to ensure long-term partnerships, and you expect them to offer service and rates that will allow that. Companies that are well-prepared and have professionals who know what it takes to get the best deal will gain the best benefits long-term.

**It is extremely important for you to plan, put in the effort to understand your current and potential rates, and stay informed about pricing and value in technology.**

**Craig Jones**, Directory, Advisory Services, AOTMP®





# What Tech is Talking About in August

This month has been a busy one for the world of enterprise tech! Here are August's major highlights so far...

Matthew M. Loudon, Content Marketing Strategist, AOTMP®



## Another Day, Another Hack

On August 4th, an anonymous hacker posted a list of leaked plaintext usernames and passwords for more than 900 Pulse Secure VPN enterprise servers. This list includes:

- IP addresses of Pulse Secure VPN Servers
- Pulse Secure VPN server firmware version
- Secure Shell (SSH) keys for each server
- A list of all local users and their password hashes
- Admin account details
- Last VPN logins (including usernames and cleartext passwords)
- VPN session cookies

For the complete details on this latest leak, [click here to learn more](#).

## Cybersecurity Takes Center Stage

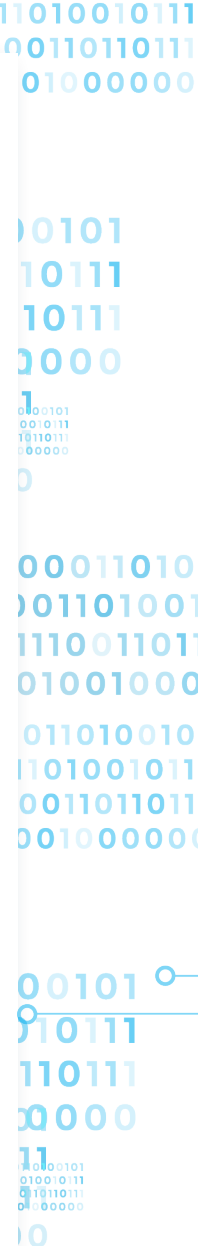
Speaking of hacks, Black Hat's annual U.S. event wrapped up its virtual version a few days ago. Among several major security themes, the topic of remote work dominated conversation for obvious reasons.

During their speaking session, ESET's Robert Lipvosky and Stefan Svorenick discussed a Wi-Fi vulnerability - Kr00k - that could impact over one billion work-from-home devices in the not-so-distant future. Sounds like the next generation of cybersecurity is just getting started...

## Unpacking Samsung's Unpacked Event

Samsung's recent event had everything you'd expect from a leading global tech manufacturer. There was no shortage of news about the next generation of phones, tablets, and wearable devices.

However, one important piece of information seemed to get lost in the shuffle: that Samsung is making itself the premier U.S. device manufacturer where 5G is concerned. Starting with the Note 20 and Note 20 Ultra's August 21st release date later this month, all of its flagship phones and tablets will support the next generation of wireless connectivity.



# How Much Does Membership Cost?

Memberships are available for any professional, business, public sector organization, or service provider interested in moving the industry forward. For pricing information, check out the tables below or email us at [info@aotmp.com](mailto:info@aotmp.com) for more details.

Professional Membership Dues	Premium	Elite
Public Sector Member	\$445	\$770
Business Member	\$495	\$866
Service Provider Member	\$1,095	\$1,916

Corporate Membership Dues*	Bronze (5-9)	Silver (10-24)	Gold (25-49)	Platinum (50-99)	Diamond (100+)
Public Sector Member	\$701/member	\$662/member	\$623/member	\$584/member	\$545/member
Business Member	\$780/member	\$736/member	\$693/member	\$650/member	\$606/member
Service Provider Member	\$1725/member	\$1629/member	\$1533/member	\$1437/member	\$1341/member

**\*All corporate member packages receive Elite Memberships**

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