



Call Accounting Boosts the Power of TEM

Call accounting adds key features and functionality to traditional telecom expense management (TEM) strategies. Call accounting is an essential component for effective telecom expense management.

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– Aberdeen Group

Telecom expense management (TEM) software is not new, but it is enjoying a resurgence as companies struggle to control their telecom costs, one of the largest variable expenses on their books. According to the Telecom Industry Association, U.S. businesses will spend approximately \$403 billion on long-distance and local phone service and equipment this year.

But what most companies really need is a solution that goes beyond traditional expense management features and includes call accounting functionality.

Telecom bills are comprised of myriad coding details and pricing programs for a wide range of services including local, long-distance, broadband, data, paging, and cellular as well as maintenance services and various taxes and tariffs. The complexity of carrier billing and the sheer volume of bills can strain the resources of even the largest enterprises. The Aberdeen Group estimates that 50% of large enterprises don't know what they are spending on telecom-related services. And Gartner Research estimates that the average enterprise overpays telecom bills by 5–10%.

An important tool in reducing telecom costs, TEM grew out of a legacy of bill-auditing services and is very effective at making sense of voluminous and confusing carrier invoices and at automating the tracking, verifying and paying of bills. But call accounting offers additional features and functionality not found in most TEM applications, including insight into departmental and personnel telecom-services usage and bill accuracy.

So while an effective TEM program reduces billing errors and ensures more accurate invoice payments through improved corporate business and accounting rules, TEM alone doesn't provide a complete solution. Recognizing this, many TEM providers are adding usage management capabilities to their existing applications through partnerships with established call accounting providers in order to provide a more complete financial picture for their customers.

Call accounting arms telecom staff, cost center managers, and other executives with tools that provide enhanced visibility, accountability and projections to drive down infrastructure expenses. Call accounting provides reports to track the usage of telecom services and equipment by individual extensions and departments in the enterprise. Tracking call-detail activity down to this level provides an enterprise with a tool to manage usage at the level of the responsible employee, including control of abuse, misuse and toll fraud and analysis of employee productivity. In addition, true usage-based cost allocation is facilitated and the reports provide critical business intelligence for decision-makers throughout an enterprise. Call accounting reports also provide monitoring and reporting that can help optimize call traffic for capacity planning and improved call routing, further reducing the overall telecommunications cost.

In summary, some of the complementary services provided by TEM and call accounting include:

Telecom Expense Management	Call Accounting
Invoice auditing	Allocate telecom costs across the enterprise
Invoice reconciliation	Eliminate telecom misuse and abuse
Telecom spend analysis	Boost employee productivity
Reconcile spending with contracts/SLAs	Optimize traffic and network usage
Reduce invoice processing costs	Enhance telecom security
Reduce telecom invoice payment cycles	Ensure fast and accurate call routing
Contract compliance and bill payment	Consolidate view of services consumed
Reduced risk through improved reporting	Identify behavior problems
Increased management accountability	Refocus employees on strategic tasks
Service ordering and provisioning	Improve visibility into telecom spend
Enhanced circuit inventory	Track telecom assets, usage and provisioning

Together, call accounting and TEM offer useful tools for an enterprise trying to reduce expenses, more efficiently manage its telecom network, make managers and departments more accountable for the telecom costs they generate, and comply with Sarbanes-Oxley and other regulatory mandates.

With a greater level of visibility into their telecom environment from high-level dashboards down to the detailed call-record level, enterprises can more easily address key questions and issues related to their telecom spend and ensure a sound telecom expense strategy.

Is call accounting part of your overall telecom expense strategy? To learn more, complete our contact form or call us at (800) 775-0025, ext. 4516.

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