



Can Skyrocketing Wireless Costs Be Managed?

Remember how the Internet's debut in the '90s decreased employee productivity due to surfing abuse? The same potential for abuse exists with this decade's newest gadgets. Wireless personal productivity devices like BlackBerrys® and the new breed of video-enabled cell phones also have a dark side with their tremendous ability to entertain as well as communicate.

The benefits of wireless communications come with a high price tag—roughly \$37 billion annually and rising. And within a few years, wireless services may account for as much as 30% of corporate telecom budgets.

Only 10% of organizations have sufficient visibility into their employees' wireless spending.

– The Meta Group

What if you could track expenditures for wireless devices and reduce costs by 20–25 percent? You can—by implementing a usage management system to track those expenditures and control spiraling costs. With telecommunications expenses typically the second- or third-largest variable expense in the company, that's a significant savings off your bottom line.

No doubt, wireless communications technology has changed the way the world communicates. With over 50 million business users in the United States alone, companies are enjoying the benefits of increased productivity from employees armed with cell phones, BlackBerrys and a variety of other feature-rich devices connected to company networks and databases. But, if you don't have these devices managed and under control, your wireless costs could be eating away at your profits.

Do you know:

- How many wireless devices have been provided to your employees?
- How much cost is associated with using wireless devices like phones, plans, peripheral devices, and personal vs. business usage?
- Who decides which wireless vendor to use—employees or the company? If the employee, is the company missing out on vendor volume discounts and negotiated rates?
- How to pinpoint employee misuse or abuse of wireless devices?
- How to monitor wireless budgets being exceeded on a regular basis by regions, departments or employees?
- How to produce historical reports and forecasts for wireless spending?

If you answered “No” to any of these questions, you're not alone. Only 10% of organizations have sufficient visibility into their employees' wireless spending (Meta Group).

The next step is to decide whether you're one of the 10% of companies that has wireless spending under control, or if you need to deploy a more aggressive strategy for containing these costs. "Wireless provides lots of efficiencies and improves productivity for mobile users, but companies need to take control of the costs," says Philip Redman, research vice president for Gartner. Organizations that use software tools to manage their wireless costs can quickly reduce annual wireless budgets through savings that come in many forms:

- Hard-dollar savings from better rate-plan selection and aggregated vendor discounts
- Soft-dollar savings from better asset tracking and policy enforcement and reduced administrative time

Decision Points to Help Analyze Wireless ROI

1. Who should do the initial review of wireless costs in the company to see if wireless costs are out of control or being managed properly?
2. If wireless costs are out of control, who should be responsible for managing those costs in order to leverage corporate volume discounts and more?
3. Who should lead the implementation of a wireless usage management solution?
4. What kind of wireless usage management options are available?
5. How much time will you need to invest in change management?
6. What data will you receive from the usage management system to track and understand your company's telecom costs and wireless spending?
7. How soon will you see cost savings?

Usage management solutions establish greater control and visibility over wireless usage and costs by automating policy monitoring while ensuring and maintaining cost reductions. Most importantly, usage management systems ensure employees adhere to spend policies by providing managers with dynamic reports that provide direct access to telecom costs. In addition, the data collected and analyzed helps companies:

- Eliminate unnecessary spending
- Allocate costs by usage and other company guidelines
- Flag instances of fraud or excessive personal usage by employees
- Leverage corporate volume discounts or rate plans tailored to a company's specific business environment
- Obtain free or reduced-cost equipment
- Centralize billing and pinpoint billing mistakes
- Create an automated process of tracking and reviewing rate plans
- Deliver ongoing savings to the bottom line without changing carriers or equipment

The growth of wireless communications has made employees more productive and companies more connected, but it has come at a price. Like any other growing corporate expense, companies cannot ignore the growing cost of wireless services, and many are now starting to take advantage of tools designed to pinpoint and plug wireless spending leaks.

To learn more, complete our contact form or call us at (800) 775-0025, ext. 4516.

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