



Landline and CPE Audit/Optimization

TGA provides vendor-neutral management and professional services to Fortune 1000 companies and government agencies. Our expertise is focused on helping organizations maximize their investments in telecommunications and related technology services to increase productivity, reduce operating costs, and improve stakeholder satisfaction.

ANALYSIS Key Findings:

- Telecom infrastructure updates/ changes lagged resulting in unused voice circuits and outdated data services
- Vendor billing systems and contracts compounded the difficulty in successfully managing the expense
- Circuit and usage rates not correctly set to the lowest tariff
- Charges from other companies crept into invoices
- Unnecessary third party features applied without management confirmation



Houston, Texas

TGA has a large multi-national client where landline voice and data expense constitute a significant portion of the client's telecom budget. In this case study, the client spends over fifty million dollars annually to ensure employees have reliable phone, e-mail and data communication services at the office. The client engaged TGA to lead a comprehensive telecom audit of landline voice and data services. The initial audit site for this client is at their facility in Houston, Texas.

Approach

The methodology utilized by TGA includes a line by line audit at each site. The process includes:

1. Collect Invoices and CSR's and transform into an exhaustive cost inventory.
2. Associate charges to each circuit, including line rate, features, surcharges, taxes and usage.
3. Organize contracts and map for comparison to the charges. Call phone lines to test functionality, test by a site technician, and evaluate for necessity.
4. Evaluate data circuits for true presence at site, rate per contract and usage.
5. Analyze inbound/outbound long distance call records for billing and best in class rates.



Highlights

Site Statistics:

- The site has 400 employees.
- The total annual landline voice/data telecom expense prior to audit was \$600,000.

Key Findings:

- 67% of copper lines not working/not required and remaining lines needed re-rate per available lower charge.
- 45% of dedicated T1s and ISDN PRIs working or required.
- 80% ISDN BRIs not required.
- PBX Maintenance agreement outdated and costly.
- Frame Relay circuit did not belong to client.

Projected Savings

\$360,000 ongoing annual savings plus one time credits from:

- Copper lines
- T1s/ISDN PRIs
- BRIs
- Frame Relay
- CPE Maintenance
- Voice and Data Network Optimized

In addition to these hard savings, multiple invoices from the same vendors were consolidated with electronic receipt. This will simplify ongoing payment and budgeting of the related expense, resulting in productivity gains in accounts payable.

Next Steps

Due to the success of the TGA team's efforts, the client is expanding the program to all North America sites. Global expansion will significantly reduce the company-wide telecom operating expense associated with landline voice and data services and improve corporate profitability and stakeholder value.