



World leading OnDemand expense management

MDSL's Best Practice Series

Ten Critical Success Factors for TEM

Lessons Learned from Successful Global Implementations

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This document provides a checklist of the ten critical success factors that MDSL will follow as we design and deploy your TEM solution. By adhering to these guidelines, MDSL will help you avoid the common pitfalls of TEM implementations and leave you in a position to realise a significant return on your TEM investment.

1. **Establish measurable business goals**
2. **Align your business and Information Technology operations**
3. **Get executive support up-front**
4. **Let your business goals drive functionality**
5. **Minimise customisation by leveraging out-of-the-box functionality**
6. **Use a TEM company experienced in global deployment**
7. **Actively involve users in the solution design**
8. **Invest in training to empower end-users**
9. **Use a phased rollout schedule**
10. **Measure, monitor, and track**

1. **Establish measurable business goals**

It is critically important to define the specific business benefits that you expect your TEM project to deliver. This might sound obvious, but many projects fail because business benefits are not fully scoped at the very beginning.

Clarify precisely what you want your TEM solution to achieve. Are you trying to reduce your telecom costs? Save time by automating your telecom expense processes? Improve control by managing order and provisioning better? Leverage global spend through a reduction in the number of vendors? Improve budget and accruals accuracy? Deliver cost transparency? Reduce the risk of receiving financial penalties from vendors?

A TEM solution can address all of these objectives and more, so you must prioritise what you want to accomplish and select the TEM technology accordingly. "The extent of what you can do with TEM applications is enormous," says Simon Bone, Operational director at MDSL. "The key is to understand which applications or modules are most important to your business."

Successful customers look for TEM solutions with a list of detailed business requirements. These are not generic wishes such as “improve services management,” but specific goals such as “reduce mobile ordering times by 25 percent.”

The deployments which work best target concrete pain points.

2. Align your business and Information Technology operations

While TEM is driven by technology, it is not about technology. The point of TEM is to improve your telecom business processes; technology is only a means to achieving that end. Every successful implementation begins by recognising this fact—and by creating operational structures that reinforce it.

As Figure 1 illustrates, business goals that are focused on producing meaningful results drive the functionality of an effective TEM system. Information Technology (IT) and business managers are aligned behind a well-defined set of measurable objectives, which in turn guide system design.



Figure 1: Business goals drive functionality.

In successful TEM projects, responsibility for the design and implementation of the system rests with both business sponsors and technical personnel. BNP Paribas, for example, which has deployed TEM applications globally, insists on joint accountability to ensure that technology initiatives are aligned with corporate objectives.

As the global procurement manager for BNP Paribas, says: “We have a business project manager, working closely with an MDSL TEM project manager on every project (one for each country), so that we’re making decisions that are both functionally and technologically appropriate.”

Get the alignment in place before the project begins. The Global Telecom Procurement manager for a major consulting firm, which has deployed a TEM system in Germany and Switzerland, offers sound advice on this key point: “Work with business users up-front to establish the prioritisation criteria for determining which business requirements will guide configuration. This avoids wasting time addressing requirements that are not going to add value to the business.”

Bring business and IT together. But make business the driver.

3. Get executive support up-front

Because TEM projects are strategic initiatives, top management must actively support them. Without executive endorsement—including an explanation of how the new system will support organisational goals—a TEM initiative might be dismissed as a short-term cost-saving exercise. If TEM is critical to your company's telecom control, as is increasingly the case for organisations everywhere, top executives, from the CEO down, must drive that message.

4. Let your business goals drive functionality

Just as a TEM project must be driven by business goals, so must every configuration decision. If a feature does not directly help your company better serve your internal or external customers, you probably do not need it.

David Berry, ex-head of Telecom at Barclays Capital, identifies five criteria against which his company assesses TEM solutions. Acceptable solutions must

- Improve profitability
- Enhance customer value
- Support process integration
- Reduce technology costs
- Improve system performance

Notice that every one of David's technology criteria is driven by business considerations. Follow this model and insist on functionality that enhances the ability of your personnel to perform their specific job function.

5. Minimise customisation by leveraging out-of-the-box functionality

Over-customisation is one of the most common causes of budget over-runs and missed deadlines in TEM implementations. A project team sets out to adopt a standard application but quickly falls victim to 'feature creep' and ends up with a more specialised product than business functions require. Or the project team falls into the trap of customising the TEM software to mirror the customisations made to legacy systems. Many of these experiments are not fully deployed – and even those that succeed strain budgets and lengthen schedules.

These common scenarios are unnecessary if you avoid imitating legacy solutions too closely and carefully select a TEM solution that provides out-of-the-box functionality that meets your organisation's needs. Before you start customising your TEM application, consider the existing functionality. You might find that it supports your business requirements more thoroughly than anticipated, eliminating the need for expensive customisation. Indeed,

customisation is often the most costly, time-consuming, and complex component of a TEM implementation. So choosing a TEM application that meets your requirements out of the box can dramatically lower the total cost of ownership over the life of the solution.

6. Use a TEM company experienced in global deployment

TEM companies frequently make bold claims regarding their ability to meet a company's global implementation requirements. To ensure that your partners can actually deliver a global TEM project on time and on budget, look for companies who have not just worked for international clients, but deployed applications across multiple continents.

It is difficult to overstate the importance of following this practice.

When a company has no experience of the intricacy of rate plans in the US, mobile regulations in Germany, or tax rebates in the UK, for example, your project could suffer long delays and result in a solution that does not answer your business needs.

7. Actively involve users in the solution design

Unless you ask for input from users or telecom analysts, you run the risk of implementing a system that confuses and alienates the very people it is meant to help.

MDSL customers typically rely on valuable feedback from users, in many cases either the end-user involved in the order and procurement solution, or the telecom analyst who process the bills. Once they see a solution's capabilities, they can tell exactly what to do with the product to help them improve their effectiveness. The key is to incorporate the knowledge of frontline professionals into the system design itself.

In workflow interface design, for example, the goal is to make the user interface as intuitive and user-friendly as possible. But the only people who can tell an engineering department what is intuitive are the people who will actually be using the software. The result is a better, more intuitive screen design and a high level of user acceptance. Even when modifications are relatively minor, the sense of ownership generated by user involvement can significantly boost enthusiasm for the solution.

8. Invest in training to empower end-users

Providing adequate training to end-users is critical to the success of a TEM project. Training should not come as an afterthought, or merely focus on demonstrating how to use the software's features and functionality. Instead,

training should teach employees how to effectively execute the business processes enabled by the TEM system.

Given that a TEM implementation often entails changes to a company's business processes, end-user training should also focus on 'change management'. Employees need to understand how the new processes and TEM technology will help the company serve business objectives better. If users understand how the system will make them more effective, they will be eager to adapt. But to garner that degree of employee support, the organisation must involve users from the very beginning—both in designing the TEM solution itself and in developing the associated training.

9. Use a phased rollout schedule

Most successful TEM projects follow a phased deployment schedule, with each phase focused on either a specific technology or a specific country. Each successive phase leverages the work and experience from prior phases to produce a "quick win"—that is, meaningful results in a reasonable amount of time (typically one to two months).

MDSL clients typically use two types of phased deployment – where the solution is deployed by country, or where the solution is deployed by technology (i.e. mobile).

The targeted group might be a country experiencing a specific pain point, for example, and likely to see quick benefits from the TEM solution. Or a country that is highly enthusiastic about a new system and eager to put it to use.

Conversely, it might be a functional area (often mobile technology) from which management has reason to anticipate the quickest rate of return. Or an area that could most readily profit from out-of-the-box functionality. Or it might be some combination of all four.

Phased rollouts also provide the advantage of allowing you to learn along the way. They enable you to test new ideas in a low-risk format, to incorporate customer feedback into the developing design, and to avoid repeating errors that you might make early on.

As Ben Medoza, MDSL's CEO, often says: "Think big, start small, and scale fast."

Phasing should not be confused with moving back a deadline. Each phase of a multiphase project should have its own tight schedule, meaning the overall rollout design still hits its deadlines. Most MDSL deployments finish the initial phase in one quarter and finish a complete, multiphase rollout in less than a year. Initial deployments can be completed in as little as one week. No rollout,

if properly managed, should exceed two to three quarters. Return on investment ought to be visible even earlier.

10. Measure, monitor, and track

Once a TEM system goes live, the organisation must measure, monitor, and track the system's effectiveness, with an eye to continuously improving performance. Companies that gain the greatest benefit from TEM applications benchmark their business processes early on, identify the performance metrics for those processes, and measure how the TEM system affects those metrics.

By measuring, monitoring, and tracking key performance metrics, an organisation can use the feedback to continuously refine and improve its TEM effectiveness.

Organisations must also periodically survey their end-users to determine the impact of the TEM solution on end-user attitudes and behaviour.

Finally, you should report the results of your monitoring to all managers and personnel who have a stake in your TEM system. This "closes the loop" and allows managers to make adjustments as necessary, according to results.

CONCLUSION

Can TEM deployments be complex? Clearly, yes. They are made to address complex business problems. But complexity need not lead to failure. On the contrary, organisations that select the appropriate technology and adhere to the ten critical success factors described above can expect significant returns from their TEM investment.

MDSL

MDSL is a world leader in telecom expense management solutions and the only truly international provider.

Our customers are large, complex organisations who deploy our telecom expense solution globally.

In order to support our customers worldwide we are based in 5 sites across the world:

- London
- New York
- Tokyo
- Macau (China)
- Singapore

Our customers expect only the highest quality support from MDSL with 365*24*7 coverage, a “follow the sun” helpdesk, and a professional services team with local knowledge.

MDSL has for the last five years helped many large organisations to improve their telecom cost management and our revenue is split between USA (40%), Europe (40%) and Asia (20%).

With headquarters in the UK and a presence across multiple continents, MDSL has designed an open and configurable solution that is a key to success in the fragmented European and Asian telecom markets. In Europe and Asia you cannot assume that all vendors operate the same way and local regulation knowledge is a must.

Our capability to deliver the services you need is proven through past experience. Our excellent performance record adds credibility to our ability to deliver on our promise.

We feel confident that MDSL's experience in deploying global solutions offers your company the best combination of experience and innovation.

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