



WHITE PAPER
**Top 13 Ways to Prepare for
the Switch from One TEM
Vendor to Another**

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Switching telecom expense management vendors can be associated with a level of complexity, which on the surface may appear difficult. However, shifting to a new TEM provider doesn't have to be scary. The combination of preparation and an effective vendor partnership can go a long way in simplifying this process.

Gartner estimates there are more than 200 TEM vendors across the globe. Each provider will have its own processes and methodologies for establishing a partnership, and those that take a consultative approach to onboarding can help you understand what to expect from the vendor you leave behind and what you can do to ensure a smooth transition. AOTMP found 47 percent of organizations will change providers over the course of their TEM program. You should kick this process off approximately six months prior to the termination of your agreement with your current partner.

Calero-MDSL has decades of experience helping companies change TEM vendors. These tips represent a repository of lessons learned during those projects, and will give you the same practical framework that we've successfully leveraged with our clients to help them make the switch.

Phase 1: Assemble Your Team

1. Establish your internal team:

Assign key project members up front and make sure they have bandwidth to support the initiative. This team will need to be able to garner executive sponsorship for the transition, handle project management and have enough business and subject matter expertise on your processes to ensure all decisions are well-informed.

- **Pro Tip:** The strongest teams are the ones that include active members from IT, finance and procurement. Don't forget to get buy-in up front and engagement early.

2. Get to know your new vendor team:

Ensure you are introduced to your new TEM vendor team. They typically help with support, operations and executive leadership, making them instrumental to the project's success. Look for a group that makes you confident in its ability to do a great job.

- **Pro Tip:** This group will be an extension of your team. Don't be afraid to ask for contact information, titles, roles and ways to access these individuals outside of traditional 1-800 support lines.

The strongest teams are the ones that include active members from IT, finance and procurement.

Phase 2: Gather the Right information

TEM vendors typically require a term obligation of at least 36 months.

3. Review your existing TEM vendor contract:

It's not uncommon for an organization to want to make a move to a new TEM vendor. However, doing so prior to the end of an existing contract can be a costly endeavor. TEM vendors typically require a term obligation of at least 36 months. The sweet spot to begin searching for a replacement TEM vendor is when you have roughly six months left on the existing contract.

- **Pro Tip:** Watch out for contract language about automatic renewals, and be sure to review the fine print for anything requiring “advanced notice” prior to the term expiration. This will save you headaches down the road.

4. Pull together your full list of vendors:

Compiling a complete list of the communications and IT asset vendors you work with gives you full visibility into partnerships and services you rely on. Compiling this list and sharing it with your new TEM vendor will help it get a clear picture of your current setup and accelerate the transition.

- **Pro Tip:** When gathering the vendor information, be sure to identify your username and password details. In many cases, your new TEM vendor will be able to support your organization by working directly with your communications vendors. By collecting authentication info up front, you can reduce redundant data gathering exercises.

5. Identify and get a hold of all contracts:

It's important to have your current contracts on hand so your new TEM vendor can analyze and compare your invoices to your contracts—to help automate the identification of cost savings. It's likely you don't have a catalog of contracts at your fingertips, and in many cases, your current TEM vendor may never have done this type of work.

- Pro Tip: Go to your procurement or finance departments to get these contracts. They will typically have digital or paper records.

6. Pull the latest copy of each vendor invoice:

Your new TEM vendor will want to assemble all invoices and catalog account numbers so it can properly set up billing. Typically, to accomplish this, the TEM vendor will request a Letter of Authorization (LOA) for each communication provider you work with. Your new TEM vendor can provide instruction on how to pull these documents.

- Pro Tip: If your current TEM vendor has been managing all invoices, then you can typically download the information from that TEM vendor's user portal. This saves you from having to hunt down an LOA with each communication provider. Your new TEM vendor should be able to give you step-by-step instructions on how to accomplish this.

To help automate the identification of cost savings, have all of your current contracts on hand.



If you don't have any type of existing documentation with your current TEM vendor, or you just simply have not historically kept track, your new TEM vendor should be able to act on your behalf.

7. Get inventory (centralize your asset database):

Gather all asset information, including LOAs, inventories, virtual service records and similar details into spreadsheets to create a complete asset database. Share this information with your new TEM vendor so it can catalog these assets and enter them into its application.

- **Pro Tip:** In some cases, organizations have trusted their inventory to their current TEM vendors but have little confidence in the data itself. In this case, your new TEM vendor would help you re-assemble and validate the full list using LOAs and portal access.
- **Bonus Pro Tip:** If you don't have any type of existing documentation with your current TEM vendor, or you just simply have not historically kept track, your new TEM vendor should be able to act on your behalf to get it from the various communication providers you work with.

8. Aggregate business process documentation:

One of the first goals of your new TEM vendor will be to help you optimize and evolve your existing processes and workflows. Upon engagement, the vendor will ask you for any existing workbooks, documentation or process flows (even if they're just in your head at the moment).

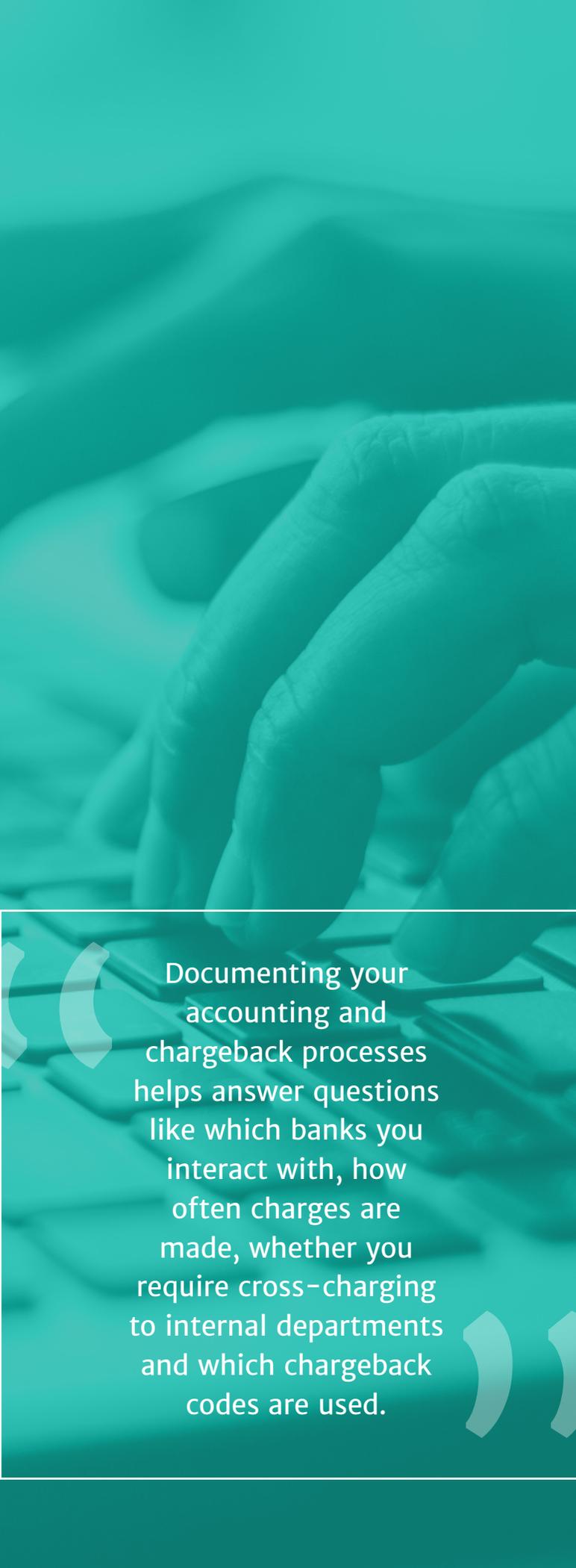
- **Pro Tip:** Pull this information together in advance of the formal engagement. Some TEM vendors will do a pre-engagement review to help identify the low-hanging process improvements.

9. Document your accounting and chargeback processes:

Depending on your engagement, it's likely your new TEM vendor will help you to set up invoice processing, bill-pay services and internal chargebacks. The provider will look for information on how this is all set up in its current state.

This step is designed to document all of your financial processes, helping answer questions like which banks you interact with, how often charges are made, whether you require cross-charging to internal departments and which chargeback codes are used. In addition, you'll want to outline which other types of systems come into play during the process (such as maintaining a general ledger).

- **Pro Tip:** Bring in your finance team early in the process. In fact, finance should be part of the decision-making team when you look at vendors (as outlined in step 1). It will be able to help find all the information required here and help ensure a smooth transition when it comes time to validate that bills get paid on time and internal departments are charged back properly.
- **Bonus Pro Tip:** Ask your new TEM vendor for a template to help you with the types of information needed here. This should be table stakes for any reputable TEM vendor.



Documenting your accounting and chargeback processes helps answer questions like which banks you interact with, how often charges are made, whether you require cross-charging to internal departments and which chargeback codes are used.

Phase 3: Communicate at the Right Time

10. When to alert your communications and asset service providers:

The best rule of thumb is to alert your telecom, mobile or asset vendors that would be involved in advance of selecting your new TEM vendor. The goal is to prevent late fees or service interruptions.

- **Pro Tip:** Carriers are fairly understanding if you're going through this process—as long as they know about it. They'll work with you and your new TEM provider to get everything up and running as fast as possible.

11. When to alert your current TEM provider:

Unfortunately, it's not uncommon in the market for some larger TEM vendors to force cutovers prematurely or attempt to push customers off their systems shortly after receiving the news that the client is going elsewhere. The recommended best practice is to get the ball rolling with your new vendor before telling your old TEM vendor. Your new TEM provider will help you navigate the waters.

- **Pro Tip:** Ask prospective TEM vendors about their experiences with moving organizations over when an old TEM vendor tries to rush the job. Probe around to find out if and how providers have been able to accelerate implementation schedules to eliminate any lapses in service.

Phase 4: Get Ready to Go Live

Confirming that your team is trained and your system is completely functional ahead of go live plays an essential role in ensuring a smooth transition.

12. Prepare for system training and testing: Confirming that your team is trained and your system is completely functional ahead of go live plays an essential role in ensuring a smooth transition. It's important to complete a thorough process test up front. In many cases, a TEM provider will simulate an end-of-month period to ensure proper process tracking and completion within the system.

- **Pro Tip:** Schedule training in a group setting at either your or your vendor's location. This helps to pull people away from the potential of multitasking while in a virtual setting.

13. Ensure you have a cutover plan:

A cutover plan lists the specific items that each team member must take care of during the go-live process. It is important to ensure you know exactly what's happening once the cutover begins.

- **Pro Tip:** Designate a quarterback to help orchestrate the moving parts. You'll often see reputable TEM vendors have whole teams focused just on implementation and cutover. They'll be able to support the quarterback role if you don't have an in-house resource.



One final bonus tip: Celebrate! Be sure to celebrate success! Everybody involved just made a substantial collective impact on the company's bottom line. Go out to dinner or have a cake brought into the office. It's time to thank the team!

Don't let any fears concerning a TEM migration keep you locked in to a partnership that isn't delivering value for your organization. Instead, find a TEM provider willing to consult with you throughout the process and follow these steps to ensure a smooth transition. The day-to-day process and workflow benefits to you and your peers can be tangibly felt, and your leadership will be thrilled with the rapid return on investment.

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