

Vendor Managed Services case study

Telecom vendors are crossing into the Telecom Expense Management (TEM) market at a record pace. Some of these vendors are merging with TEM providers while others develop their own service models. Most often, these are referred to as Managed Service contracts. The engagement of such offers can be very enticing, but clients would be wise to court carefully. Contract promises are not fulfilled and the huge savings, supposedly generated by these contracts, are outweighed by costly errors and mammoth amounts of time trying to resolve them.

RadiusPoint manages the expenses for a manufacturing client with over 240 locations nationwide. This client, against the recommendation of RadiusPoint, signed a Managed Services contract that covered 2,700 landlines. This agreement charged a monthly fee for managing all moves, adds and changes plus gave them a reduced rate on their line and feature charges. The initial cost savings appeared to create a positive ROI benefit. However, the cost savings were hard for the client to identify and too time-consuming to validate. The benefit of consolidating the invoices and vendors became a nightmare as the vendor made the billing even more consuming. To compound the problem, the local representative assigned to the account was reassigned due to the vendor's merger. All knowledge of the billing issue, from the vendor's perspective was lost and the client was forced to train the new representative. As time continued, the promises made in the managed services agreement faded.

RadiusPoint used ExpenseLogic software to flag any charges outside the set parameters, which uncovered billing errors on these managed services accounts. The errors included billing for lines that were not ported over to the vendor, neglecting to give signing and anniversary credits, not charging the correct contract line rates, charging on features that should have been waived, and charging long distance accounts that did not belong to them.

results

RadiusPoint was able to shortpay the invoices and put the overcharged amounts in dispute. To convolute the billing further, as credits for errors were given, other erroneous charges were placed on the billing to offset the progress made. Only when RadiusPoint escalated and stressed that FCC complaints would be filed if corrections were not made in a reasonable timeframe did the vendor's representative coordinate a billing team to resolve the problems. Since the issues have been resolved, and the vendor knows we are watching, the continual errors have subsided.

what are your pain points?



lack of
RESOURCES



lack of
INVENTORY



lack of
AUTOMATION



decentralized
SPENDING



insufficient
EXPERTISE

www.radiuspoint.com
866-382-1336