

REALITY-BASED NETWORK EXPENSE MANAGEMENT



Testing assumptions, biases and other obstacles
to drive out cost in your company's network services

OBJECTIVES:

Three key areas that reveal the health of the financial performance of your network services & infrastructure

- Test your awareness
- Test your processes
- Test for any gaps

AWARENESS TEST:

WHAT IS THE MOST EFFECTIVE
VS
WHAT YOU'VE BEEN DOING



Point #1: Is yours a ‘10% strategy’?

Stopping at saving 10% and the potential for leaving money on the table.

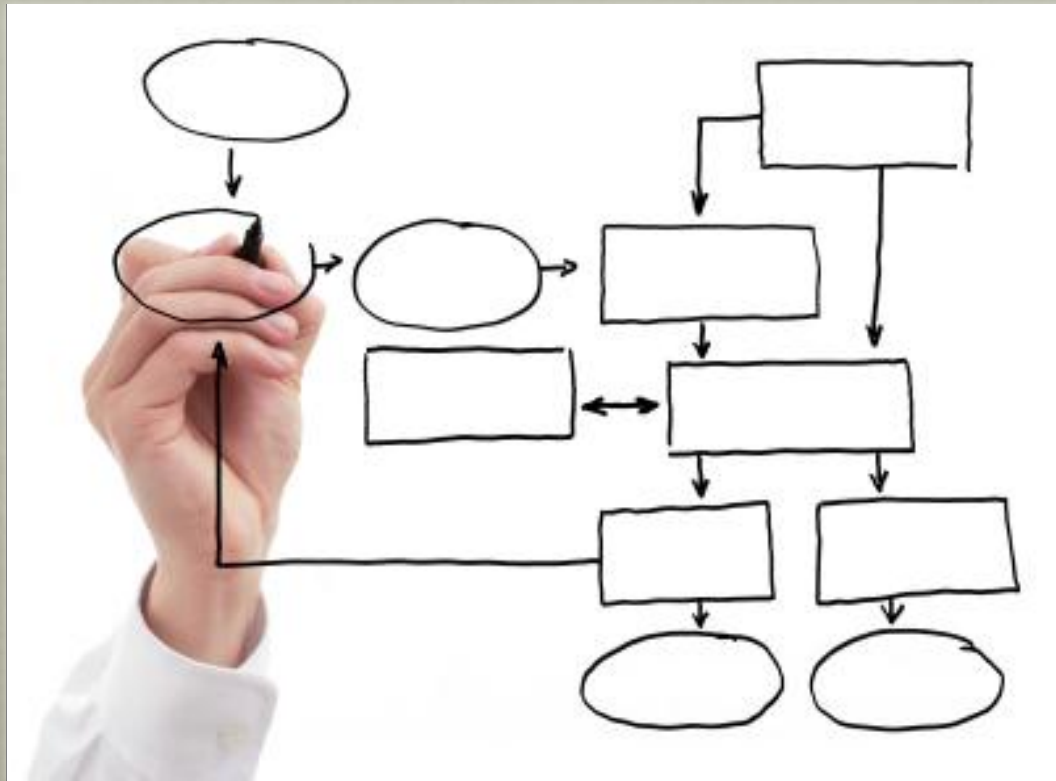
AN
ALTERNATIVE:
A NEW METRIC
CALLED
THE IDEAL
NUMBER

Quantifying the full potential of savings before deciding what's a satisfactory outcome.

- **Conventional Wisdom:** Pick a number, claim victory and go see your boss.
- **Best in Class:** It's not about what you *did* save, it's about what *could* be saved.
- **Proactive vs Reactive:** Want to be back here again in two years?

PROCESSES TEST:

CONFIDENCE LEVEL WITH QUALITY
OF DATA



Point # 2: How do you know what you know?

Bring more confidence to your data for budget forecasts and decisions

HOW YOU KNOW...

1. *Define everything that goes into your budget*
2. *Data is validated and from a reliable source*
3. *'Significant few' are granular enough to measure*
4. *Controls in place to reveal issues and prevent gaps*
5. *Processes strong enough to flag problems*

GAPS TEST:

THOSE AREAS MOST PRONE TO BE
ROOT CAUSE OF EXCESS COST

TOP 5 FAT ZONES

- **Technology / Office Changes** - Services not disconnected in a timely manner
- **Non-Validated Accounts** – Accounts for various services not required for business use
- **Off-Contract Usage** – Any service that has a contract rate where accounts are not coupled to contract
- **Capacity Voids** – Vastly underutilized services that carry substantial fixed costs
- **Unsubstantiated Service Fees** – Charges for changes that are not matched to the needs of the business



Point #3: What kind of change profile do you have?

Understanding the potential for cost increases during change

YOUR CHANGE PROFILE:

External/internal factors will
impact potential liabilities.

- **Rapid Change** - An acquisition due to M&A activity.
- **Continual Change** - Projects that affect variables each or most quarters.
- **Status Quo** – Minimal change in locations, providers, technologies and personnel.

CHANGE FACTORS

- **Locations:** *How many offices have you opened, closed or moved in last 12 months?*
- **Personnel:** *What was the difference in headcount in the last year?*
- **Technology:** *When was the last significant capital investment made in the network?*

COST AVOIDANCE

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COST MANAGEMENT

COST AVOIDANCE

Taking a strategic stance to avoid cost and explore more effective alternatives.

- Technology decisions based on better information
- Development of options that improve more favorable outcomes
- Determining tipping points beforehand and being ready to capitalize on them quickly

COST MANAGEMENT

Tactical approach to making the best use of what you have.

- Process Visibility into processes
- Manage by the numbers
- Technology consumption mindset
- Identify key indicators
- Processes and controls
- Track remedies and results

LEVERS OF CONTROL





Call and request a free 30 minute evaluation session to locate some of your pain points

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