Cass Information Systems, Inc.®

The Ultimate Guide

The Pros and Cons of Outsourcing Telecom Expense Management vs. In-House Solutions
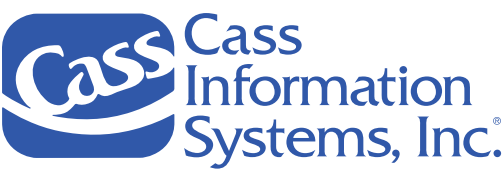
Table of Contents

Introduction

In every facet of business management, metrics, key performance indicators (KPIs), and a laser-like focus on the function's profitability are always at the top of stakeholders' minds.

However, many organizations struggle with the administrative burdens of managing their telecom expenses, including processing invoices on time, extracting meaningful data from their expense management systems, and managing the lifecycle of their telecom devices. Slowly, these direct and indirect costs creep up until their heavy weight is suddenly felt on the balance sheets.

This is when the power of telecom expense management (TEM) can become a crucial method to control costs, plan mobile device lifecycles, and remove the administrative burden on internal staff—especially for global businesses and those organizations experiencing rapid growth or evolving to meet new market pressures. Similarly, as enterprises grow, their telecom expenses can rise to meet increasing demands from hybrid work models, cloud applications and services, and all the mobile devices enabling their employees.

In other words, effectively managing these costs with TEM is key to maintaining a healthy bottom line. But the next decision is: Should my business manage TEM internally or outsource it to an outside provider?

This guide will help businesses understand the benefits of TEM and determine which approach—keeping TEM internal or working with an outside expert—best aligns with their goals.

Cass Information Systems, Inc.®

Cass Information Systems, Inc.

What Is Telecom Expense Management?

TEM comprises many elements, but it broadly refers to the processes and strategies that businesses can use to manage and optimize their telecom costs and assets.

In particular, TEM provides tools to streamline and optimize every part of the telecom lifecycle, including:

✓ **Ordering and Provisioning:**
Providing consistent procurement and activation of telecom services.

✓ **Invoice Audits and Payments:**
Reviewing invoices for accurate charges, terms, and timely payments.

✓ **Contract Negotiation and Benchmarking:**
Securing the best terms with regional carriers and the industry knowledge and data to reduce telecom expenses.

✓ **Inventory and Asset Tracking:**
Maintaining a comprehensive database of telecom assets to prevent overspending.

✓ **Mobility Management:**
Managing mobile device expenses, security, and usage.

✓ **Dispute Resolution:**
Identifying billing discrepancies and resolving them with carriers.

TEM expertise spans the entire telecom device and operational lifecycle, enabling businesses to gain insights that can drive efficiency, cost reduction, and employee satisfaction—particularly for organizations with global operations.

Cass Information Systems, Inc.

Outsourcing vs. In-House TEM: Breaking Down the Options

TEM can be managed by in-house teams using internal data and tools or by a dedicated external partner. Each approach has its own benefits:

> **Outsourcing TEM**
> Working with an external TEM provider means leveraging their expertise, tools, global reach, and industry relationships to manage telecom expenses on behalf of their client.
>
> Partners like Cass bring decades of best practices, automation, and regional knowledge to deliver personalized and effective TEM.

> **In-House TEM**
> Internal teams manage telecom expenses using existing resources, tools, and processes. This approach gives companies full control but may require significant investment in personnel, software, and industry expertise.

Outsourcing vs In-House TEM

Overall Comparison		
Factor	**Outsourcing TEM**	**In-House TEM**
Expertise	TEM providers specialize in cost optimization, contract negotiation, and dispute resolution.	Internal teams may lack the broad industry knowledge and benchmarking data that providers can bring.
Cost Control	Partners identify opportunities to reduce telecom expenses and optimize services.	Internal teams must develop their own cost control processes, which can be time-consuming.
Visibility	Outsourced TEM provides centralized, real-time data visibility.	Visibility depends on the capabilities of in-house tools and resources.
Flexibility	Providers scale operations to support business growth and global needs.	Internal teams may struggle with scaling operations across regions.
Lifecycle Support	TEM partners handle every aspect of the telecom lifecycle, from procurement to dispute resolution.	Internal teams must build and maintain all lifecycle processes independently.

Key Benefits of Outsourcing Telecom Expense Management

> **1. Improve the Visibility of Your Telecom Environment**
> Global businesses and their employees use telecom services across multiple carriers, currencies, and contract terms. Outsourcing TEM consolidates usage and cost data into one centralized platform that offers dashboards, automated reports, and a unified view of telecom expenses and assets.

> **2. Understand Your Telecom Billing**
> No matter the source of an invoice, TEM companies consolidate and simplify billing complexity on behalf of their clients by normalizing invoices to identify trends, monitor usage patterns, and make it easier to compare telecom services and costs across regions. TEM providers can also use this data and their experience to conduct audits and proactively dispute billing errors directly with the carrier.

> **3. Dedicated Expertise: TEM Is Their Sole Focus**
> While internal teams likely juggle multiple responsibilities, TEM providers will focus exclusively on optimizing telecom expenses. They bring experts, advanced technology, benchmarking data, and global best practices—all aimed at maximizing savings.

> **4. Global Scalability and Flexibility**
> As an organization's telecom needs change and evolve, it can be difficult to predict and plan for changes in related carrier costs using internal staff. On the other hand, outsourcing TEM allows businesses to scale telecom expense management quickly without hiring and training new staff. TEM providers can adjust their services based on company needs and regional expansion.

> **5. Centralized, Consistent Processes**
> In-house TEM programs can lead to inconsistent processes and duplicate data across different regions. Outsourced TEM can include managed Move, Add, Change and Disconnect (MACD) services which standardize inventory tracking, billing, and contract management for greater efficiency and cost control.

6. Expert Benchmarking and Negotiation Power

TEM partners can negotiate hundreds of telecom contracts annually, leveraging market data, internal benchmarking, and existing carrier relationships to secure better rates and terms than businesses could achieve alone.

7. Reduced Administrative Burden

Handling TEM internally means dealing with an overwhelming number of invoices, contract renewals, and vendor disputes. This challenge only grows more complex as telecom services span multiple locations. Outsourcing shifts this work to experts with existing processes and tools, allowing internal teams to focus more on strategic initiatives.

8. Compliance and Risk Mitigation

Regulatory requirements can vary by region—and any compliance missteps can be costly. TEM companies can help businesses monitor their compliance with telecom regulations, preventing potential financial penalties.

9. Advanced Technology and Automation

TEM providers leverage AI-driven analytics and automation tools to enhance telecom expense tracking, detect anomalies, and generate real-time cost-saving recommendations. Years of support have refined these tools to deliver the insights businesses need to optimize their telecom services.
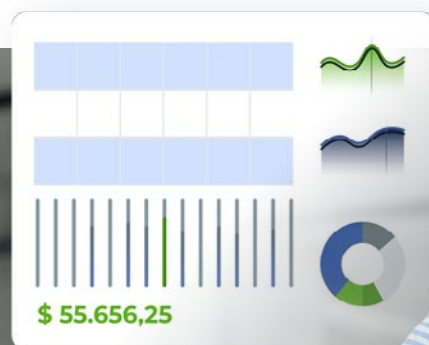
When Does In-House TEM Make More Sense?

For some organizations, managing TEM in-house is a better fit. Here are some of the situations where in-house TEM programs could work:

- A business has a simple telecom environment with minimal contracts, carriers, and expenses.

- A business's internal TEM platforms and processes can confidently, consistently, and effectively track, audit, and manage telecom costs and assets.

- A business must fully control its telecom data, devices, and processes due to compliance or other reasons.

- A business has an experienced, well-resourced team with deep knowledge of telecom cost management across its global footprint.

Note: Even when a business has its own in-house TEM program, these organizations often partner with TEM experts for specific needs, such as audits, contract negotiations, or global process improvements.

Cass
Information
Systems, Inc.

Nationwide Restaurant Chain Outsources Telecom Expense Management

Challenge:

A rapidly expanding national restaurant chain was moving into new regional markets. This growth was matched with rising telecom costs and a growing inability to consistently monitor and control its related expenses. Administratively, telecom bills were also routed to individual locations instead of the restaurant's central headquarters, which led to confusion over who should pay (the local store or the central office) late payments, and service disruptions.

Why They Chose Cass:

› A global reach able to centralize and manage telecom expenses across multiple regions.

› Scalability to support rapid expansion while providing consistent visibility and service.

› Proven TEM solutions to optimize billing, negotiate contract terms, and enhance data insights.

› Expertise in cost recovery and end-to-end telecom lifecycle management.

Results:

✓ Significant savings from optimized telecom spend

✓ Streamlined processes with centralized invoice and expense management

✓ Enhanced visibility and control over telecom assets

✓ Consistent telecom management to enable growth

"Things are 100 times better since we started doing business with Cass!"

Senior Director of Accounting, Multinational Chain of Fast Casual Restaurants.

Bring Proven Telecom Expense Management Solutions to Your Business

Whether your business chooses to manage TEM in-house or is considering outsourcing these services to an expert provider, thinking comprehensively and strategically about telecom expense management is business-critical.

While both approaches have advantages, leading TEM partners like Cass have proven their ability to deliver greater scalability, cost control, and visibility—especially for growing global enterprises. As a global leader in TEM, Cass offers expertise, regional knowledge, and proven solutions to help organizations optimize telecom expenses and gain better control over their operations.

Want to learn more about what Cass's TEM expertise can do to transform your telecom services? Schedule a time to talk with one of our experts:

Talk to Our Experts