Enterprise Success Studies - Intellibuzz Telecom Management

For our esteemed clients like ICICI Bank, HDFC Bank, FedEx Group, IndusInd Bank Ltd., HDFC Ergo, Jubilant Foodworks, Cleartrip, Marriott Hotels, Renaissance Hotel, Oberoi Hotels, Sharepro Services, Taj Hotels, etc. Intellibuzz has saved tens of thousands of dollars of monthly recurring communications spend. The value of the Intellibuzz Telecom Management program goes beyond just cost savings, it has driven financial and operational efficiencies into their fixed & mobile telecom environment.

"Amazing data-driven output & surprisingly cost-effective, we keep renewing and offloading to experts at Intellibuzz, planning to fully outsource to them our Telecom Lifecycle Management piece"

-Senior VP, Large Insurance House

Intellibuzz has helped centralize the telecom environment, and helped deployed the database for collecting invoices from various telecom service providers for invoice management across our 650+ stores and other office locations, call centers, and head offices. This is a lot in the first place for us! Moreover, we follow with them a Six Sigma methodology and strict process controls, and we're happy that they reciprocate to us in the manner we want – easily adapts to the client environment. Our people in telecom team, systems, process and technology have blended and we work in unison.

-Sig-Sigma Process Manager & Telecom Team

In a year of our continued engagement with you which I plan to keep on rolling, I'd like to mention that you did a great job and have wonderful people working with you! During the Telecom Refunds & Recoveries project which consisted of processing Invoices every month for our wireless and fixed line inventories across the locations, you have provided us with great actionable reports and insights.

-Sameer Barve, Vice President, Finance & Facilities

On behalf of our CFO and Operations team, I would like to appreciate the intensive focus you put on expense part of fixed telecom inventory for our Hotel while conducting the Telecom Expense Management project here. Your processes makes inventory gathering and auditing a simple process with your years of experience in the telecom domain. The domain experts provide very detailed reports & supporting documentation that you're not likely to easily find elsewhere.

-Dharam Reshamwalla, Director, Marriott India

I would recommend that anyone working on a TEM solution gain insight from Intellibuzz to make an informed decision while procuring and managing communications expense. All delivered services assisted our company with making proper and appropriate decisions, including for newer procurement. And thanks for your involvement in the CSR initiative of the company for environment sustainability while achieving the dual benefit of efficient invoice management and green credits.

-Captain Jagmohan Mehta, Head of Admin, IndusInd Bank

My team and I have gained a wealth of relevant information from our interactions and meetings. I would like to appreciate your patience in professionally taking us through the entire project and systematically providing us with reports, results & certification! All delivered services assisted our company with making proper and appropriate decisions. I have certainly referred and recommended your services.

-Indranil Ghosh, Director of Finance, Marriott Hotel

| Case Study 1 | Operational Efficiency Improvement Program for Dominos Pizza |

About the client

Jubilant FoodWorks Limited and its subsidiary operate Domino's Pizza with exclusive rights for India, Nepal, Bangladesh and Sri Lanka. The company is India's largest and fastest-growing food services company, with a network of 650 Domino's Pizza restaurants (as of 31 October 2013). The company is the market leader in the organized pizza market, with a 67% market share in India.

Business Challenges

The client wanted to reduce telecom expenses and improve the telecom invoicing process with scalability and reusability, vendor management and zero-touch telecom processes, and improved speed to market. Like most retail companies, this food chain lacks the resources, tools and experience to properly manage telecommunications expense. The following challenges needed to be immediately addressed.

- Although the company had many employees and resources in its admin and telecom departments, the biggest challenge was the various pizza restaurants scattered across the country, with many disparate, untracked and unidentified telecom inventories for outbound, inbound and EDC.
- The restaurants manager was sometimes responsible for procuring connections, managing them and paying the bills at the respective pizza restaurants.
- The telecom invoices were received via different sources (CD, email, paper, portals, etc.), and the company also had different billing dates, making it even tougher for the central administrative unit to manage them on a cyclical monthly basis.
- Billing errors accumulated on the accounts month after month because not enough time and expertise were available to detect the errors.
- The company was paying thousands of dollars per month in late fees because the bills were being processed manually and in a decentralized system.
- Opportunities to optimize billing were missed due to lack of telecom management experience and analytics tools.
- The business intelligence that came from billing data was never distributed to restaurant managers, who could have monitored the expenses against a telecom budget for each store and for the organization as a whole.
- The organization incurred costs that were anywhere from 22% to 27% higher than necessary.

Intellibuzz Solution

A series of initiatives were conceived based on our initial analysis. We started with the primary financial center and the capital location and with a single telecom service provider. A preliminary audit report was generated, which contained spending trends, an expense analysis, top-expense location reports, and various MIS reports that clearly identified the areas to address and stop the leakages. Intellibuzz started by optimizing the telecom spend by 19% for just those two regions for that single vendor. Besides leveraging best practices and industry frameworks (such as Six Sigma, FMEA, etc.) to build a roadmap, the analysts also helped deploy a new centralized database and developed a process at the client's end for collecting all telecom invoices electronically (by registering for e-billing) and assigning all telecom invoices from across the restaurants to one email ID. Moreover, as a part of its managed services, the Intellibuzz team quickened the internal steps of downloading monthly invoices from the service provider's portal and ensured smooth management of the telecom lifecycle.

Business Benefits

- Hard cash savings of thousands of dollars every month by transitioning invoice management to Intellibuzz
- Productivity benefits to the tune of 9 FTEs on telecom vendor management and invoice processing
- Improved the cycle time (CT) by 39% per instance by reducing the manual workload of collecting and gathering invoices
- Reduced the workload of client's team by auditing and optimizing service inventories — outsourced to Intellibuzz at much cheaper rate, with a contingency-based pricing structure (gain share, value-based contracting)
- Retired the number of redundant systems and helped to roll out a new database, leading to OPEX savings
- Improved overall RFT by 18% in 2013 through process reengineering and process excellence initiatives by Intellibuzz
- Team to measure and enhance changes
- Overall RFT improvement of 18% in 2013 through process compliance, enhancement and measure changes

Case Study 2	Regular Invoice Auditing Transition for HDFC Ergo

About the client

HDFC Ergo is a joint venture between a very large banking group in India named HDFC and a European insurance group named Ergo. Ergo is represented in more than 30 countries, and 50,000 people work full-time for the group, serving 40 million customers. Its Indian counterpart, Housing Development Finance Corporation Limited (HDFC) is an Indian financial conglomerate based in Mumbai, India.

Business Challenges

The client has more than 100 locations and wanted to audit its telecom bills for refunds and recoveries, as well as process those invoices on a monthly basis. Although the company had huge ERP systems and other expensive business-management technology systems deployed for various functions, telecom was a pain point for the senior vice-president and the telecom managers.

- The client did not have the right mix of human resources and tools to achieve total control over its telecom spending, and it wanted to check all telecom expenses for contractual compliance.
- Billing errors were piling up on accounts month after month because not enough time and expertise were available to resolve the errors.
- Telecom service agreements were not stored centrally and were scattered among the various offices and departments.
- Client had one person in each of the 22 circles involved in insignificant and unproductive telecom management activities.

Intellibuzz Solution

- Helped to create a standard process to have a single authority for nationwide order-management process (MACD)
- Identified contractual and billing errors in fixed and wireless front via in-depth audit, and recovered the same by building systematic billing collaterals and regularly following up with service providers
- Competitive offers from other service providers were sought to ensure that current service providers offered rates and services on par with market floor rate plans
- Helped to set up a secure cloud repository for storing service contracts across the globe for quick reference

Business Benefits

- Optimization of role of admin managers across 22 circles, who were relieved of daily low-end telecom duties averaging 5 to 6 working days per month
- Recovered $10,000 by instantly detecting billing errors, as well as disputed $50,000 more and corrected recurring billing errors, thus saving thousands more dollars
- All telecom contracts can now be accessed across the globe, saving time and providing accurate and current information for ordering and renewing services

Case Study 3	Telecom Expense Reduction for IndusInd Bank Limited

About the client

IndusInd Bank Limited is one of the fastest-growing banks in India, catering to both consumer and corporate customers. As of 30 September 2013, IndusInd Bank has 850 branches and 1025 ATMs, spread across 388 locations in the country. The bank also has offices in London and Dubai.

Business challenges

- Client was not fully aware of its telecom spending for vendors or its multiple locations and cost centers across the country (the heads of facilities and admin were finding it tough to accurately budget for annual telecom spending).
- Most of the contracts were outdated, and some employees had left organization without a proper handover of collaterals and documents.
- In some of telecom inventories, cost codes were not mapped and the bank was unable to trace the installation locations.
- MIS did not highlight usage and spending across months because there was no billing data analysis.
- Vendors had allocated different account managers each for billing, services and procurement, resulting in delays and multiple follow-ups to resolve issues.
- Some remote locations procured local wired lines and paid bills without prior notice to the administrative team, resulting in haphazard procurement.
- The bank had limited resources for handling the various responsibilities related to administration and facilities on a weekly basis.
- In some cases, the branch and admin managers were responsible for procuring connections, managing them and paying the bills at their respective branch or regional office, paving the way for decentralization of telecommunications for the bank.
- Moreover, bills not only came from different sources, but had different billing dates. This complexity added to challenge of managing, centralizing and controlling spending.
- Billing errors accumulated on accounts month after month because not enough time and expertise were available to isolate the problems.

Intellibuzz's solution

- Started to cover the territory region by region, starting with the Financial District, which had maximum spending, and focusing on head offices, call centers, etc., to isolate the services with maximum spending, using a Pareto analysis
- Conducted an online reverse auction for audio-conferencing services across nine vendors
- Identified underutilized and unidentified lines where higher rents was being charged relative to usage
- Eliminated 77 needless services, including Walky Centrex and toll-free numbers
- Drafted a mobile and data reimbursement wireless policy for 8000+ employees
- Physical site inspection carried out across various branches
- Instituted a contract-management process for handling multiple contracts for four vendors across different connection types, including PRI, audio conferencing and Centrex
- Registered all inventories for e-billing (assigning PDF copies to a centralized email inbox for all telecom activities)
- Designed a vendor escalation matrix for multiple vendors for service, billing and support, all flowing through a common channel
- MIS highlighting spikes on usage for wired lines

Business Benefits

- Reverse auction helped in contract negotiations on highest used charging component, thus saving $250,000+ in 2013-2014 fiscal year alone
- Invoice follow-up cycle reduced from two days to zero, saving 16 work hours a month for each vendor
- No paper clutter or huge stacks of bills on admin desk saved 5000 to 8000 pages a month, thus boosting environment responsibility
- Invoice-processing speed accelerated by 20%, thereby ensuring no late fees charged to customers
- Usage spikes in MIS helped bank in controlling 36 lakhs annually

Case Study 4 | Telecom Cost Management for Marriott Hotels [Courtyard by Marriott, Renaissance, J.W. Marriott & more]

About the client

Marriott International, Inc. is a leading hospitality company, with more than 3,800 properties, 19 brands (including brand extensions), and associates at more than 3,800 managed and franchised properties around the world. Founded by J. Willard and Alice Marriott and guided by the Marriott family's leadership for more than 80 years, the company is headquartered in Bethesda, Maryland, US, and reported revenues of nearly $12 billion in the 2012 fiscal year.

Business challenges

- The CFO and telecom admins lacked requisite domain experience for managing telecom spending and procurement, being mostly CAs with financial backgrounds.
- Unfavorable terms and conditions were being signed with vendors when negotiating for telecom inventory because each hotel property was operating in a silo.
- Market floor rate plans across different locations were unknown among them.
- Calculating chargebacks for outbound calls was difficult because of the lack of tools to distinguish between hotel guest calls and internal admin calls, and because bills were blindly paid without analysis, auditing or validation.
- The procurement team faced challenges in demand management, forecasting usages and bandwidth planning for the hotel guest and admin teams.
- Asset tracking (BlackBerry, iPhone, iPad and data cards) was not in place and was hardly updated by HR to distinguish between guests and employees.
- The wireless policy was hard to enforce because of the confusion in identifying needed value-added services versus unnecessary add-on packs, which sometimes were unknowingly activated by service providers without the consent of employees, resulting in employees inadvertently bearing the cost against their reimbursement limits and then complaining about it.
- The central mobility procurement team never had usage statistics (i.e. spending trends) on hand when negotiating carrier contracts and only talked to vendors about fixed commitments.
- The organization incurred costs anywhere from 25% to 55% higher than necessary.

Intellibuzz's solution

- Intellibuzz's aggregated buying power helped hotels get market rates according to fair usage
- Generated and submitted vendor comparison reports to procurement teams for demand management and for determining capacity utilization
- Mapping user data to assets helped the finance and HR departments reallocate unused assets (rotating SIM cards, data cards, etc.) according to data from HR
- MIS reports on wireless highlighted needed and unneeded value-added services and educated the team on activating and deactivating the add-on packs for employees, thereby enforcing mobile policy

Business Benefits

- Self-funded project with contingency-based pricing structure achieved a ROI of more than 150%
- Telecom expense reduction resulted in savings of:
    - up to 53% on wireline,
    - 13% on wireless,
    - 15% on data.
- Thousand of dollars saved from asset-tracking strategy.
- Centralized procurement for 3 hotel properties
    - Annual savings of $83,000 in just 6 months

| Case Study 5 | Telecom Audit, Refunds & Recoveries Detection and Wireless Optimisation Strategies for ICICI Bank |

About the client

ICICI Bank is an Indian multinational bank and financial services company headquartered in Mumbai, Maharashtra, India. The bank has a vast network of 4,850 branches and 14,404 ATMs in India, and has a presence in 17 countries including India. It is the third largest bank in India in terms of assets and fourth in term of market capitalisation. It offers a wide range of banking products and financial services for corporate and retail customers through a variety of delivery channels and specialised subsidiaries in the areas of investment banking, life, non-life insurance, venture capital and asset management.

Business challenges

- 100,000 telecom connections across thousands of branches and sites, most of them decentralised, outside of the central processing unit from multiple service providers in various categories, an enormously complex communications landscape
- Different Bank departments handled by respective heads handling fixed wireline & mobile telecom environment were mostly not in synchronization with each other
  o Bank had its own database for maintaining inventories, but count of inventories was never matching with MS Excel spreadsheets used for making payments;
  o separate un-synced spreadsheet for new & disconnected connections
- As they had multiple locations, bill volumes were huge and used to change every month, as the Move Add Change Disconnection of inventories used to happen in hundreds every billing cycle
- Bill payments were processed on excel summary sheet received from service providers,
  o Payment was approved by the administrative team to be remitted by finance team without inspecting bills physically or even from CD as their primary focus was on bill payment in order to meet the monthly due date cycles.
- Administrators were lacking billing intelligence & used to frequently move across the departments/even depart the organisation leaving a gap in knowledge transition or a proper handover leading to mismanagement
- An inaccurate justification was provided for overshot telecom budgets [for eg haphazard procurements]
- Several rate-plans added to complexity, and they finally designed a one-size-fits-all contract terms, which was way too sub-optimal in such a large organisation

Intellibuzz's solution

- Inventory Management methodology helped bank to collate inventories and contracts under one umbrella
- Telecom Audit service helped bank to validate rate plans against multiple contracts.
- Generated and submitted refunds & recoveries reports to the bank and to service provider to track Disputed v/s recovered amounts.

Business Benefits

- Telecom Refunds & Recoveries resulted in detection of bill anomalies from their long standing TSPs
- Compared & analysed multiple rate plans which were sub-optimal in the context of their usage;
  o The potential savings identified was in multiple digits of lakhs
  o Non-value added service like Caller tunes wrongly charged
  o International Roaming rental incorrectly charged
  o Discount not applied correctly vis-à-vis the terms mentioned in the contract
- For dramatic Expense Reduction, suggested to form limited optimised buckets for rate plans for their 50,000 mobile SIM cards
  o This would help to perfectly fit the corresponding category of mobile users across departments

| Case Study 6 | Telecom Inventory Audit, Cleansining, Mapping & Management for HDFC Bank |

About the client

HDFC Bank Limited is an Indian banking and financial services company headquartered in Mumbai, Maharashtra. It has 88,253 permanent employees and has a presence in Bahrain, Hong Kong and Dubai. The bank's distribution network was at 4,715 branches and 12,260 ATMs across 2,657 cities and towns. The bank also installed 4.30 Lacs POS terminals. HDFC Bank provides a number of products and services including wholesale banking, retail banking, treasury, auto loans, digital payment solutions, two wheeler loans, personal loans, loans against property and credit cards.

Business challenges

- Three complete man days of key persons at mid to senior level each month were utilised in validating summary of connections provider from different service providers, due to lack of understanding of the billing pattern, lack of centralisation, etc.
- Departments & codes were wrongly mapped against inventory line items
- Out of date count of obsolete inventory, usually passed on emails or spreadsheet
- Payment reconciliation, dispute tracking was inefficient. Follow ups were to be made for reconciliation and resolution
- Historical audit data and contract management were missing
- Inaccurate or unverified Telecom bill payment methods caused late payments [often deposited into wrong telecom accounts at the TSP end]
- Missing in-depth charge validation; some pockets of wireline and a major wireless [mobile] category leaking expenses on a monthly expense

Intellibuzz's solution

- Intellibuzz's Service Inventory Management helped the bank to arrive to a single version of truth for count of inventories
- MIS reports on region & provider wise Inventories highlighted needed and unneeded telecom inventories
- Trained the team on deactivating some unneeded and invalid services/line items (before inventory cleansing)
- Generated and submitted audit reports to administration teams for expense reduction & inventory cleansing

Business Benefits

- Self-funded project achieved a ROI of more than 127%
- Around 28% of the inventory were invalid meaning not matching as per data on bills, either was incorrect or were wrongly captured
- On physically inspecting the inventory phone numbers, around 96 high billing connections were found not belonging to bank
- 804 new connections (8%) were getting pulsed & billed, but were not a part of the inventory database maintained by bank.
- Telecom expense reduction resulted in savings of multiple lakhs in the wireline category, [major in toll-free]
- Thousands of dollars further saved annually from asset-tracking strategy that uncovered 39% of inventory count deviation