



Case Study

Adapt IT EPM Saves A South African Health Risk Management Services Provider R2 Million In Telecommunication Costs Over Five Years

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Customer Overview

Our client stands out as South Africa's largest health risk management services provider, ranking as the country's second-largest medical aid administrator. They have an extensive reach and serve over three million individuals across South Africa and neighbouring regions. This client has a strategic partnership with an in-house Information and Communication Technology (ICT) solutions provider that bridges healthcare and ICT operations. This ICT partner is a vital vendor and stakeholder that requires consistent and comprehensive updates on software or technology implementations within the client's operations. This collaboration ensures seamless integration and optimal utilisation of technological solutions to enhance healthcare service delivery.

Overview of The Customer's Telecommunications Ecosystem

With an annual telecom expenditure averaging approximately R34 million, this client operates across six regions, utilising services from 5 different Telco providers and 2 PABX vendors (Avaya and Grandstream). Their infrastructure comprises 5,600 fixed-line devices and 1,500 mobile SIMs, serving 5,300 employees. Their telecom services encompass APN, 3G data, and fixed-line services, with ongoing efforts to transition to SIP for fixed-line connectivity. They hold contracts with multiple vendors, primarily through service providers (SP), focusing on optimising costs through PSP contracts and seeking improved rates.





Business Challenges

This client approached Adapt IT EPM with a need to streamline and optimise their telecom expenditure, mainly focusing on their mobile data environment. They were grappling with several telecom management challenges, which included:

Service Provider Volume and Cost Management

They struggled to efficiently manage the volumes and costs associated with multiple service providers, mainly through their PABXs.

Lack of Centralised View

To allocate service provider costs accurately based on call routes, the PABX call manager needed a centralised view of their regions.

Telephony Cost Allocation

Allocating telephony costs per business unit was a challenge, which hindered accurate budgeting and financial planning.

Fraud and Investigative Data Analysis

The customer lacked the capability to conduct thorough fraud and investigative data analysis on their call centre agents' interactions with customers, leaving them vulnerable to potential risks and losses.

Collaboration Needs

There was a need for collaboration with their ICT vendor to ensure alignment.

Addressing these challenges required a comprehensive approach to optimising telecom spend, enhancing visibility, allocating costs effectively, mitigating risks, and fostering collaboration with key partners.



Adapt IT EPM's Solution

Adapt IT EPM suggested implementing its innovative Streamline Usage solution to solve all of this client's telecommunications challenges.

Adapt IT EPM's Streamline Usage solution, which falls under its Telco Expense Management (TEM) offering, is an advanced telephone management system software capable of processing call data records and various itemised data feeds from diverse sources. It has comprehensive data analysis and data usage reporting capabilities and has been specifically designed for organisations wanting to optimise operational efficiency and cost-effectiveness. The below features of this solution aimed to assist the client with solving the challenges they were facing with managing their telecommunications ecosystem:

● Call Rating

This comprehensive solution ensures that calls are rated according to the varied rates offered by the client's multiple service providers. By doing so, the client could accurately track and manage its telecom expenses in alignment with its contractual agreements.

● Validation of Volume Against Contract Discounts

The solution generates detailed reports that enable the client to verify call volumes against the discounts stipulated in their service provider contracts. This validation process ensures they receive the agreed-upon pricing benefits, which maximise cost savings and optimise their telecom spend.

● Automated Trunk Allocation

Any new trunks required by the client are seamlessly allocated through the platform to the respective service provider cost tables. This automated process streamlines the management of telecom resources, ensuring efficient utilisation and cost-effective allocation of services.

● Accurate Telephony Cost Recovery

Integration with the client's HR system allows the usage management solution to accurately recover telephony costs from various cost centres. By leveraging the integrated directory, the solution ensures precise cost allocation, minimises discrepancies and facilitates transparent financial management.

● Continuous Comparison and Invoicing Alignment

With this solution, the client can conduct ongoing comparisons of calls and costs through its centralised call manager. This ensures that invoiced charges from service providers align with the usage recorded by the system. This proactive approach helps to identify discrepancies quickly, enabling timely resolution and accurate cost reconciliation.



● Monthly Engagement and Advisory Services

Adapt IT EPM maintains regular monthly engagement with the client and their ICT partner, staying informed about technological changes and market conditions. This ongoing partnership allows Adapt IT EPM to provide timely advice on market-related rates, ensuring the client remains competitive and cost-effective in its telecom operations.

● Integration Across the Business

The usage management solution has become deeply entrenched across the client's business operations. Multiple stakeholders rely on the monthly reports generated by the system for cost recovery and behaviour monitoring. This widespread integration ensures that telecom costs are effectively managed and abusive usage patterns are identified and addressed.

● Awareness at the Board Level

Adapt IT EPM actively creates awareness at the board level within the client's organisation. Monthly presentations to business unit owners and executives highlight vital metrics such as cost control, volume management, and cost recovery strategies. This engagement ensures that telecom expenditure remains a priority at the highest levels of the business, fostering a culture of fiscal responsibility and accountability.

The Result

By implementing Adapt IT EPM's Streamline Usage solution, the client realised substantial annual savings in their telecom expenses and telecommunications operational processes. These include the following:

Reduction in Usage Cost

From 2012 to 2016, the client's usage cost decreased significantly, from R7.7 million to R5.6 million. This represents a substantial saving of R2.1 million over the five years.

Optimisation of Average Call Cost

Despite an increase in total outbound calls by 1.3 million, the average cost per call dropped significantly, from R2.24 in 2012 to R1.17 in 2016. This optimisation resulted in further cost savings for the client.

Better Optimisation of Call Routing

The client achieved significant cost reductions by optimising call routing strategies. This optimisation ensured that calls were routed efficiently, minimising unnecessary expenses and maximising cost-effectiveness.

Improved Vendor Management on Contract Rates

Through effective vendor management, the client secured favourable contract rates, resulting in cost savings. By negotiating better terms with service providers, the client could reduce its telecom expenses without compromising on service quality.



Conclusion

From the above, it is clear that the partnership between the client, their ICT partner, and Adapt IT EPM highlighted a successful collaboration aimed at optimising telecom spend and enhancing operational efficiency. By implementing Adapt IT EPM's Streamline Usage solution, the client achieved significant cost savings and streamlined its telecommunications processes. Through careful management of service provider volumes, centralisation of telecom data, accurate cost allocation, and ongoing advisory services, The client realised annualised savings of R2 million over five years. The solution also facilitated better optimisation of call routing and improved vendor management, leading to enhanced cost-effectiveness and service quality. This case study showcases the importance of strategic partnerships and innovative solutions in driving cost savings and operational excellence for businesses needing to gain control over their telecommunications expenses.

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