

Managing Telecom Inventory & Costs in a \$2 Trillion Market



ANN FLYNN

President & CEO, [IQ Telecom](#)
[LinkedIn](#)
ann.flynn@iqt360.com

The landscape of business, how and where we work, and how businesses support the technology needs of employees continues to undergo significant changes. Process management and the need for cost control are more important than ever and one thing is certain – “nothing will be quite the way it was”.



The global telecom services market is expected to grow at an annual growth rate (CAGR) of 5.0%, according to Grand View Research, and telecom services will continue to be a major expense for businesses. Statista forecasts state that global spending for telecom services is expected to reach \$1.595 trillion USD by 2024, and this market is estimated to reach \$2.53 trillion by 2027.

The Covid-19 pandemic has brought about swift changes and accelerated the implementation of a wide variety of new technology solutions. One sweeping change is the proliferation of full-time and hybrid work-from-home (WFH) models and the IT support that is needed to manage this new footprint.

Commercial real estate will continue to be impacted as businesses downsize office space in favor of WFH models. The trend is clear that corporate offices filled with workers with long commutes will be a thing of the past. Nevertheless, their technology needs will require support. Instead of managing and controlling this from within the defined walls of office buildings, IT departments will provide support for employees who are now geographically dispersed.

As the WFH trend continues, it creates a paradigm shift for IT managers. Prior to Covid-19, companies might have factored in a workstation with a desk phone, a telephone extension, and deployed wireless devices. Supporting a distributed workforce will necessitate visibility into the new requirements, which will alter budgets and expense allocations to support the “new normal.”

Large enterprises have and will continue to scrutinize their brick-and-mortar locations and will be shifting away from them to a remote work force. CNBC reported in May 2020 on two large employers' plans. Morgan Stanley is reducing its offices with the goal of having 90% of its employees work from home. Fortune 100 company insurance provider Nationwide has been investing in technology and leveraged that effort to transition to a WFH model for 98% of its employees. They are closing many offices through 2020 and into 2021 to adopt a permanent hybrid, WFH model.

Specialty outdoor retailer REI also announced in August 2020 that they are restructuring its offices regionally to support “remote working as an engrained, supported, and normalized model for headquarters' employees, offering flexibility for more employees to live and work” outside of the traditional local office.

Merger and acquisition activity will most likely accelerate in 2021. In December 2020, Computerworld reported on the “Biggest technology acquisitions of 2020.” They stated, “there will be no slowing of major deals across the industry, with security already proving to be a hot area.”

According to Telecom Cloud Market's Global Forecast to 2021, the overall telecom cloud market is expected to grow to \$30.79 billion USD by 2021. That is a CAGR of 23% from 2016 to 2021. They cite lower operational and administration costs as drivers of the global cloud market as organizations struggle to increase revenues and improve operational efficiency. Cost

management is now viewed as a required core competency.

Telecom remains as one of the top five business expenses. As the industry continues to evolve and expand, the spending on services required to support a reconfigured work force will also increase. Budget managers will need visibility of these services and their costs more than ever to control budgets and drive efficiencies.

Telecom managers face a daunting task to maintain control of expenses in this rapidly evolving situation. They will benefit greatly from a comprehensive approach that delivers ongoing savings, provides visibility, and creates efficiencies. With that in mind, they will need and seek managed solutions that seamlessly:

- Capture service types & costs by provider
- Validate services and identify where and how they are used
- Identify and remove services billed at closed or downsized office sites
- Flag and correct billing errors
- Utilize business intelligence tools for analysis and reporting for transparency and insight into inventory and costs
- Create processes to proactively manage and maintain costs

SUMMARY

The intersection of the global pandemic and accelerating technology advancements has and will continue to have a significant impact on the way businesses provide and manage telecom support across an enterprise. The WFH and hybrid models that businesses of all sizes are deploying, will create new and lasting telecom support challenges for technology managers. Among them will be efficient ways to manage and support employees who are geographically widespread. In addition, the growth of the telecom cloud market will continue to drive the need for operational efficiencies, while being held to high standards of performance.

As these changes rapidly sweep across the telecom landscape, managers of these services and budgets will require solutions to control and monitor costs and maintain inventories. Visibility of their inventory and associated costs will be of great value to managers who must address closing offices while they continue to support the needs of a distributed workforce, and complexity of mergers. The pace of

these elements in today's business world will continue to accelerate, heightening the need for managed solutions that go well beyond billing and offer long-term solutions that will grow with and adapt to their needs.

About the Author:

Ann Flynn saw a need for holistic, location-based, inventory-centric telecom management, cost containment, and high-quality customer service. In response, she established IQ Telecom in 2001, a certified, Woman-Owned Enterprise, and developed a proprietary telecom services solution, [IQ360°](#). Ann has received accolades from enterprise clients for outstanding performance and numerous awards, including *Women of Innovation*.

