



POWERING RESULTS

Optimizing Total Cost of Ownership for Mobile Devices

Not long ago, enterprise mobility was a novelty, a luxury, an exception. But, today, it's how we do business. Thanks to innovative technology – and, unfortunately, the COVID-19 pandemic – remote work is constantly growing in practicality and popularity. We now live in a “work from anywhere” world.

The instant explosion in enterprise mobility now requires more resources to manage than ever before. It's not only the devices; it's contracts, logistics, support and more. Now, more than ever, businesses must consider the total cost of ownership (TCO) and management of their entire inventory of mobile devices.

TCO goes well beyond the initial hardware costs, encompassing the end-to-end mobile lifecycle. Without proper planning and management, your mobile devices could cost you a lot more than you think.

This eBook introduces mobile device TCO and simple strategies that can have a big impact on your bottom line.

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PART 1: HARD COSTS VS. SOFT COSTS

To optimize TCO for mobility devices, you must look not only at the hard costs but also at the soft costs. Appropriately managing and budgeting for all the facets of your enterprise mobility environment will enable you to control costs and even reduce them.

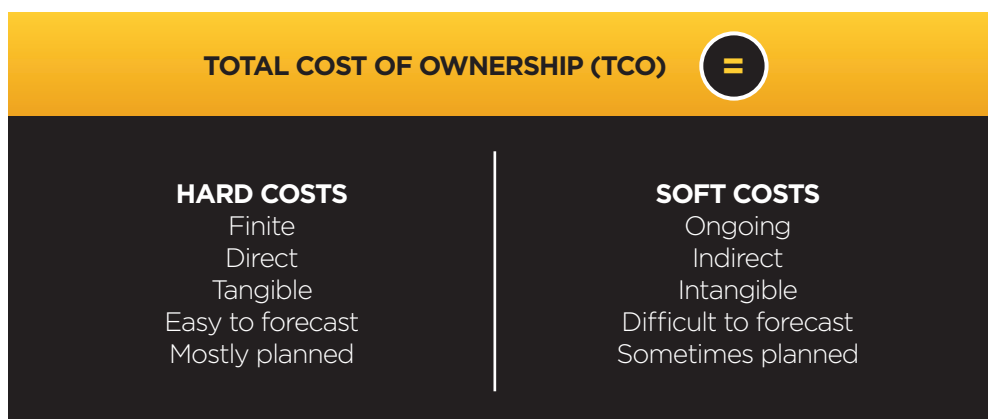
What are Hard Costs?

Hard costs are usually fixed costs. Whether they are one-time costs like the price of hardware, or ongoing, contractually fixed costs like monthly data rates, hard costs are generally predictable, expected and easy to forecast.

What are Soft Costs?

Soft costs – support, logistics, maintenance and even insurance – are not as easily quantifiable and, as a result, are often overlooked or underestimated in enterprise mobility planning. This oversight can cause significant accounting, budgeting, logistics and management issues since soft costs make up most of enterprise mobility TCO. In fact, researchers estimate soft costs account for at least 80 percent of the costs associated with enterprise mobility.

Soft costs account for at least 80 percent of all the costs associated with enterprise mobility.



PART 2: HARDWARE COSTS

Initial mobile device hardware expenditures are considered hard costs because you can plan for them in advance. But don't forget the soft costs associated with hardware, including ongoing maintenance and replacement. These soft costs drive up the TCO for mobile devices. Fortunately, there are many ways to optimize mobile hardware costs.

6 Ways to Optimize Costs for Enterprise Mobility

1

Refresh Cycles: Hardware costs go up when employees are permitted to exchange or upgrade their devices in short intervals. Instead, set your refresh cycle policy at two years or possibly stretch it to three.

2

Reuse: When employees get a new device or leave the company, be sure to collect, clean, reset (for security) and reissue their devices to other employees. While remote workforces and multi-country environments complicate this effort, redeployment is key to optimizing device TCO.

3

Recycle: Another way to claim residual value in a device is recycling. With continued inflation in device costs, the value of second-hand devices is on the rise, and many recycling programs will pay cash or provide kickbacks for recycling mobile devices.

Pro Tip: Work with a reputable organization that can assist in the proper disposal/recycling of your devices to protect your company's security.

4

Refurbish: To reduce costs, consider sourcing refurbished mobile devices. Many suppliers offer high-quality devices that are 30 percent cheaper than new devices and nearly indistinguishable in quality.

5

Lease: Device leasing has become a popular alternative to purchasing over the last five years as companies look to move hardware costs from CapEx to OpEx. Leasing allows you to acquire the latest devices at a lower price point with the option to refresh the devices on an agreed timeframe (typically 24 or 36 months). This option could minimize the soft costs of maintenance (or break-fix).

6

Amnesty: Consider a device amnesty policy to encourage employees to return old devices they no longer need.

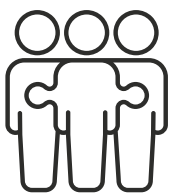
Pro Tip: Gamify the device return process to help drive participation rates and employee engagement.



PART 3: MONTHLY RECURRING CHARGES

Monthly recurring charges (MRC), such as line charges, fall under hard or soft costs and are a key target for optimization. Recent moves toward all-inclusive and “self-optimizing” plans make MRCs the most likely places to uncover and eliminate hidden or “baked in” costs. Pay close attention to your plan size, billing statements and current market rates.

Where to Look for Unnecessary Monthly Recurring Charges



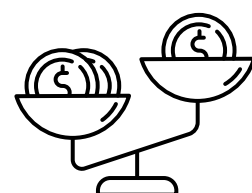
PLAN FIT

Make sure your mobile voice and data plans are right-sized for your usage – no more, no less. Carriers make money by selling you more than you need. A well-managed and optimized mobile plan is more cost-effective than an all-inclusive plan.



LOW OR NO USAGE

Downgrade plans for mobile devices that have low usage to minimize MRC. Disconnect devices with no usage. These devices may have been lost, stolen, kept by employees who have left the company, or in the queue to be reissued or recycled.



COST COMPARISONS

Mobile rates evolve quickly, so benchmark your current rate plan against market pricing when you negotiate your carrier contract. Consider issuing a competitive RFP for your mobile telecom spend with the support of an expert partner.



PART 4: OVERAGE CHARGES

The leading causes of bill shock are overage charges or extra fees incurred for exceeding the monthly mobile plan limit on voice or data. Fortunately, there are several strategies for shrinking usage and overages.

4 Strategies for Shrinking Overage Charges

1

Tailor Plans: [Customize plans](#) and add-ons to individual users' needs and usage profiles to avoid overages. A mobility management strategy driven by data, analytics and industry knowledge can reduce your usage costs significantly.

2

Get Real-Time Data: [Use real-time usage metrics and alerts](#) to avoid overages. Some carriers offer real-time usage reporting and third parties like [vMOX](#) can help fill in gaps with proprietary, on-device software to manage usage.

3

Share User Profiles: Enable your users to access their usage profiles so they can monitor the costs they incur to the business. An educated user will realize that a \$1,000 corporate phone bill means less money for other investments like employee benefits.

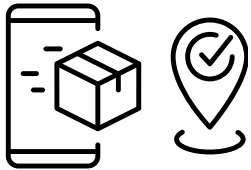
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Set Usage Policies: To reduce costs, consider sourcing refurbished mobile devices. Many suppliers offer high-quality devices that are 30 percent cheaper than new devices and nearly indistinguishable in quality.

PART 5: BREAK-FIX COSTS

Mobile devices are meant to be portable, so they are at risk of being dropped, broken and needing repair. On average, one in 20 devices will break each year. Surprise repairs and purchases are not only inconvenient, but they're also costly in terms of productivity, hardware and logistics. To optimize TCO, you must have processes – and budgets – in place to get users reconnected quickly and cost-effectively. Try the following tactics for taming break-fix costs.

Tactics for Taming Break-Fix Costs



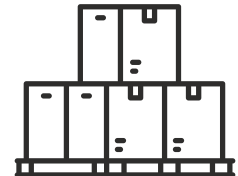
LOGISTICS

Device lifecycle logistics –staging, kitting and distributing – for every employee can add up to a significant expense. Optimize your logistics costs by creating or outsourcing processes for mobile device shipments from the vendor to your warehouse to the employee. Don't forget reverse logistics for collection, repair and redeployment!



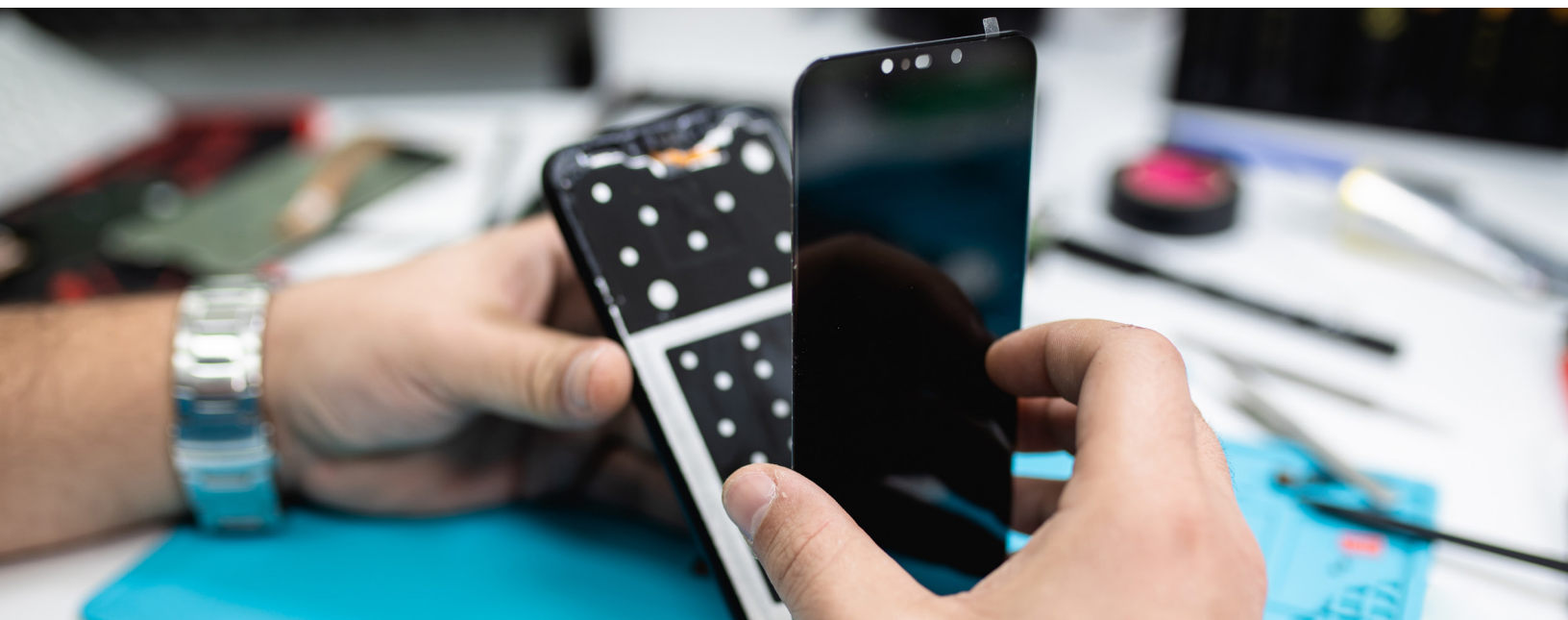
WARRANTIES

If devices are in warranty, you can save money on repairs. But you must create or outsource the process for completing a warranty exchange with the vendor. If devices are out of warranty (or the damage isn't covered), you'll need a replacement policy specifying the number of repairs covered before users become responsible for the expense.



'COLD STORAGE'

Holding a cold storage of devices locally can be an excellent way to get users back up and running quickly when devices break. However, if you support remote workers, your users may not have easy access to your centralized stock. An alternative is developing or outsourcing a process for staging, kitting and shipping devices to a distributed workforce.



PART 6: SUPPORT COSTS

Support is the most significant soft cost impacting TCO for enterprise mobility. Users require varying levels of support, making this line-item particularly difficult to estimate, especially across geographies and time zones.

When forecasting support costs, use these rules of thumb to figure personnel costs:

- About 5 percent of your mobile users will contact your IT support team every month.
- Each call to your mobile support desk will last an average of 15 minutes.
- More complicated setup and configuration calls, such as those for new employees, may last more than an hour.

Pro Tip: Don't forget to count the lost productivity and wages for both the IT team and the inactive mobile user.

Additional factors that figure into support costs include duration, response time and expertise desired or required.

Factors that Figure into Support Costs



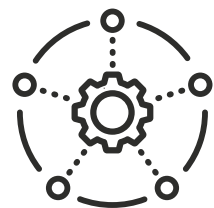
24/7 SUPPORT

Will you offer [24/7 end-user support](#)? With the surge in remote work, your team could be distributed across time zones. You may need to outfit or outsource an around-the-clock help desk to avoid lost productivity while employees wait for trouble tickets to be resolved.



LOST/STOLEN DEVICES

Reports of lost and stolen devices need immediate attention to protect company data and prevent a potentially costly data breach or cyberattack. Gear up or outsource for emergency hours, response times and escalation processes for these “red alert” scenarios.



UEM/DEP ADMINISTRATION

Keep in mind that administering Unified Endpoint Manager (UEM) and Device Enrollment Programs (DEP) requires both [time and specialist knowledge](#). If not proactively managed, UEM/DEP can lead to gaps in your security and/or productivity.

PART 7: THE BOTTOM LINE

Once you have a complete view of the hard and soft costs associated with your mobile enterprise, you can begin to optimize TCO and improve your bottom line.

In addition to cost optimization, your company also will benefit from increased productivity and higher employee satisfaction that comes when enterprise mobility policies, procedures and support are in place.

BENEFITS BEYOND COST OPTIMIZATION

INCREASED PRODUCTIVITY AND EFFICIENCY

Enterprise mobility is all about keeping teams connected and your business up and running.

That's why dedication to optimal mobility operations is critical. When you optimize TCO with efficient logistics, fast-acting support and security practices to prevent a disabling cyberattack, you also increase overall productivity and performance.

EMPLOYEE SATISFACTION

Managing mobility locally and globally can be complex; it's often difficult to provide a consistent, first-class user experience for your employees. Valuable byproducts of optimizing your mobile device TCO are improvements to your enterprise mobility processes across the board that drive employee satisfaction and boost employee retention.

Byproducts of Mobile Device TCO

Zeroing in on mobile device TCO touches so many processes and systems that it can positively impact employee productivity, efficiency, satisfaction and retention.



PART 8: OUTSOURCING OPTIMIZATION

Gone are the days of administering mobile assets manually via spreadsheets or e-mails or only investigating new service plans after contracts expire. Today, enterprise mobility optimization and management must be done regularly and proactively. Tools and automated processes are necessary to keep businesses on top of their providers, users and costs.

That's why so many multi-location and distributed organizations around the world are turning to enterprise mobility management experts like vMOX.

Why vMOX?

vMOX has the experience and expertise in enterprise mobility to optimize your company's mobile device asset management from end to end. Our customizable, scalable solution for procurement and logistics enables you to equip your employees with little to no ongoing effort from your IT team. We use the perfect balance of technology, process and people, so you see lightning-fast deployments and returns, improved visibility, consistent quality and smooth processes that save time and money.

What Makes vMOX Different?

- **Continual Optimization at Each Lifecycle Stage.** Find maximum cost control, increase agility and free up valuable time and resources.
- **Fully Automated Processes and Specialized Integrations.** Quickly and easily manage in a single place, avoiding unnecessary effort, expense and risk.
- **Powerful Granular Analytics and Custom Reporting.** Obtain near real-time clarity and pinpoint accuracy for strategic financial decisions.
- **Customizable Software and Services.** Receive a unique and streamlined experience that fits your business needs and drivers.
- **Expert Knowledge and Support.** Secure competitive contracts and stay ahead of mobility demands and trends.

Ready to Optimize Your Corporate Mobility Program?

Contact a vMOX enterprise mobility specialist today to get started.

