



# Komatsu Australia Unearths Major Savings with Technology Expense Management

Tangoe Grants Visibility into Telecom and Mobile Inventory, Usage, and Spend to Support Company Initiatives

## Background

Komatsu Australia: One of the world's largest manufacturer and supplier of earthmoving equipment for construction and mining achieves targeted savings through Technology Expense Management.

## Exploring Better Approaches to Telecom Spend and Mobility Management

Komatsu Australia provides earthmoving, mining, construction, and utility equipment to clients in Australia, New Zealand, and New Caledonia. Komatsu worked with a local provider for telecom services and technology expense management in the past. However, they found themselves struggling to implement a more robust approach to expense management and perform complex tasks, such as the identification of redundant landlines and tracking of unallocated mobile devices

With that in mind, IT Service Delivery Manager, Matthew Baker, and an evaluation team (including Komatsu's CIO and local IT Management experts) began exploring other TEM solutions to meet Komatsu's cost savings objectives and need for in-depth reporting enhancements.

### Key Pain Points

- Identification of redundant landlines
- Tracking unallocated mobile devices
- Need for targeted cost savings

### The Overarching Solution

#### Tangoe Fixed and Mobile Expense Management

### Outcomes

- \$123,000 yearly savings in zero usage.
- \$5,000 credit from vendor for incorrect rate plan combination going back to 2007.
- Support in the identification of service owners, cost owners, and sites for 4,500 inventory items.



## The Tangoe Solution

### Project Execution: Fulfilling Mission Critical Requirements

The IT experts at Komatsu selected Tangoe's solution and related technologies based on the following requirements:

1. Straight validation reporting against entire telecom spend.
2. Monthly validation reporting.
3. Misalignment reporting.
4. Detailed view of spend and allocation.
5. Generation of cost savings.

The rigor in the Tangoe solution provided a more mature, detailed view of spend, where it was going, how it was being used, and where unallocated spend could be found. They determined that the maturity of the platform would foster greater maturity in their methodology and fill in the gaps to allow for the discovery of additional cost savings.


Tangoe's Expense Management solution was implemented in 12 weeks to provide detailed analysis and exception reporting across four outsourced spend categories for both Australia and New Zealand. The two organizations worked together to systematically review invoices, inventory reports, current state expense management processes, and reporting requirements.

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"The team at Tangoe are always keen to look for other opportunities to help us save money and get better value out of the solution."

– Matthew Baker, IT Service Delivery Manager, Komatsu





Case Study: Komatsu Australia

## Over \$400,000 in Targeted Potential Savings

Shortly after implementation, Tangoe identified approximately \$84,000 in potential fixed line savings and an estimated \$200,000 in potential savings through mobile services rationalization and plan adjustments. The Tangoe team also identified and reclaimed approximately \$140,000 in a one-time overcharge from Komatsu's mobile phone spend.

Komatsu highlights hard, actionable data about redundant services and the proactiveness of the Tangoe team as two of the greatest results beyond the impressive cost savings.

## Key Solution Points

- Tangoe helped achieve \$123,000 per year savings in zero usage.
- Komatsu received a \$5,000 credit from vendor for incorrect rate plan combination going back to 2007.
- Tangoe supported Komatsu in the identification of services owners, cost owners, and sites for over 4,500 inventory items.
- Cost center manager reports actively submitted to over 450 cost center managers, providing increased ownership and visibility.
- Reporting features leveraged to identify out-of-threshold usage (wireless calls services over \$200, fixed calls over \$10 per call).

## Long-term, Strategic Planning Leads to Swift Savings and Process Improvements

Using a systematic approach, Tangoe delivered a customized, metrics-based solution to achieve cost savings and process enhancements in a relatively short time. The solution has already paid for itself in hard savings while the decrease in processing times has led to faster turnarounds for reports. Moreover, the solution has generated the higher level of visibility into inventory and usage necessary to support any transformation initiative.



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**About Tangoe**

Tangoe helps its customers grow their bottom line. Leading global brands rely on Tangoe to increase productivity, reduce costs, and drive predictable results. The company's technology solutions are the global expense management and mobility services standards for the world's greatest brands who believe, like us, people work smarter when technology works for them. Learn how technology can make you work smarter at [www.tangoe.com](http://www.tangoe.com).