

WHITE PAPER:

The growing need for a smarter wireless management strategy for business

How a business can support personal liability mobile phones with the controls and cost savings of corporate liability plans.

Trends in Enterprise Wireless

Enterprises now look at mobility as a strategic advantage for their business and are looking at applications and tools for their mobile workforce to enhance their productivity, control costs, and overall, improve business operations.

But with the rapid increase of wireless use by employees come the issues of managing costs and mobile productivity including:

55% of enterprises support personal liability programs for wireless phones.

Source: I-Stat Research, WSJ, 06/09

Employees expense personal liability costs 30% higher than actual.

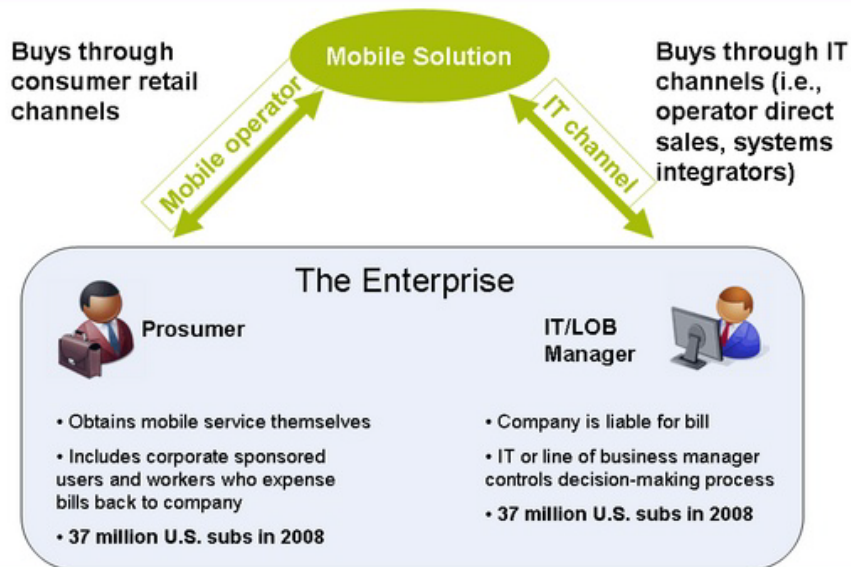
Source: Yankee Group, 2008

- Rising costs of managing personal and corporate liability plans
- Need to separate personal and business calls
- Accurate directories and numbers for mobile people
- Company information on handheld devices
- Loss of control over customer relationships
- Compliance with IRS requirements

Despite the apparent cost savings of moving to corporate liability, the trend toward personal liability plans continues. Today's "prosumer" prefers their own devices which they also use for business. IT departments are hesitant to take on new responsibility for managing wireless devices and plans. The challenge becomes separating personal and business use to accurately reimburse for usage and comply with IRS requirements.

In a May 2009 report "A Strategic Approach to Mobility", Yankee Group showed that the number of individuals operating under personal liability and corporate liability was split 50/50 with 37 million handsets apiece in the US, observing that enterprises will see growing pressure from their employees ('prosumers') to support personal liability arrangements with expensing of business use.

The "Prosumer" will Influence Decision Making



Enterprise Example

Corporation: 1,000 wireless users
 Spending: \$1,800 /yr/employee

With more stringent controls would mean an annual savings of up to \$540,000.

(Source: ISI Telemanagement Solutions as reported in BCR).

Like ISI and other companies in the Telecommunications Expense Management (TEM) industry, despite the potential savings opportunity, analysts find that enterprises are just as likely to allow personal cell phone liability as they are to convert to corporate.

Contributing to this situation is that IT departments are often ill-equipped to take on the added complexities of wireless management, while employees continue to press for freedom of cell phone choice. Therefore solutions are required that support personal liability mobile phones. In April, 2009, the Aberdeen Group observed: "we expect that the shift toward employee-provided mobile devices will continue".

Solutions for Personal Liability Enterprises

In a 2009 review of the wireless management space, Gartner reports that 300 companies now service the wireless management space. Across the board, these companies offer programs of invoice review, inventory control, carrier negotiation of issues, and other services that allow enterprises to outsource corporate liability of wireless. Mobiso, through cloud-based centralized services and synchronization with handheld devices, eliminates the need for **post-analysis** by automating the calling activity at the outset; trapping call detail and providing mobile services that are cost-effective and managed.

Mobiso is a way for enterprises to allow personal liability with the controls of corporate liability implemented in technology.

While most TEM vendors are carrier-based solutions, i.e. they analyze carrier bills and negotiate with carriers; Mobiso is a **device-based** solution, capturing the call detail needed for TEM regardless of carrier.

Mobiso has Two Key Functions

Mobiso, a Software-as-a-Service (SaaS), is a combination of handheld software and cloud-based services that combine to deliver two key capabilities to enterprise wireless users.

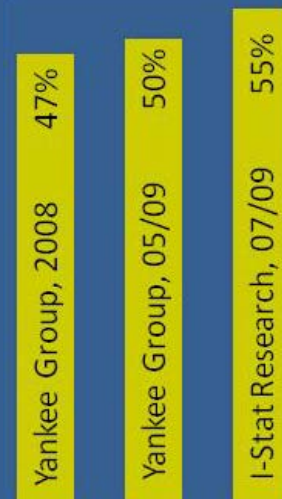
First, and transparent to mobile users, Mobiso software collects usage details and automates the expensing of business use saving much time and costs on the part of both the users and their IT and financial organizations in accurately tracking and expensing wireless expense.

The second value enhances the mobile experience beyond the automated accounting of expenses. Mobiso is an advanced, cloud-based address book, unifying the various sources of contact information so that mobile teams are relieved of managing, updating, and navigating increasingly large and volatile contact lists.

So the benefit to the mobile worker is twofold, relief in monthly accounting and freedom of choice in wireless plans while also gaining the productivity gains of an advanced, cloud-based address book that speeds connections to people and groups on the move.

Research indicates a shift toward use of personal liability cell phones within the business environment.

% of US companies supporting personal liability plans





Through the shared use of a common office tool – the address book -- Mobiso both enhances the productivity of mobile teams while enhancing management’s visibility of wireless usage and costs. As discussed within this white paper, Mobiso services an important trend: the ability for enterprises to allow the freedom of personal choice in wireless without losing control, gaining the visibility into business usage that allows them to gain the savings of corporate liability plans but without the staff and costs of managing corporate plans.

Needs of Mobile Employees and Management

IT departments may accede to employees’ wishes and allow personal liability plans, but they must then process expense reports and accept that their costs will be higher, due to individual mismanagement of plans, overages, roaming, rounding, and errors.

The table below summarizes the dual value propositions and the key aspects of the SaaS price structure.

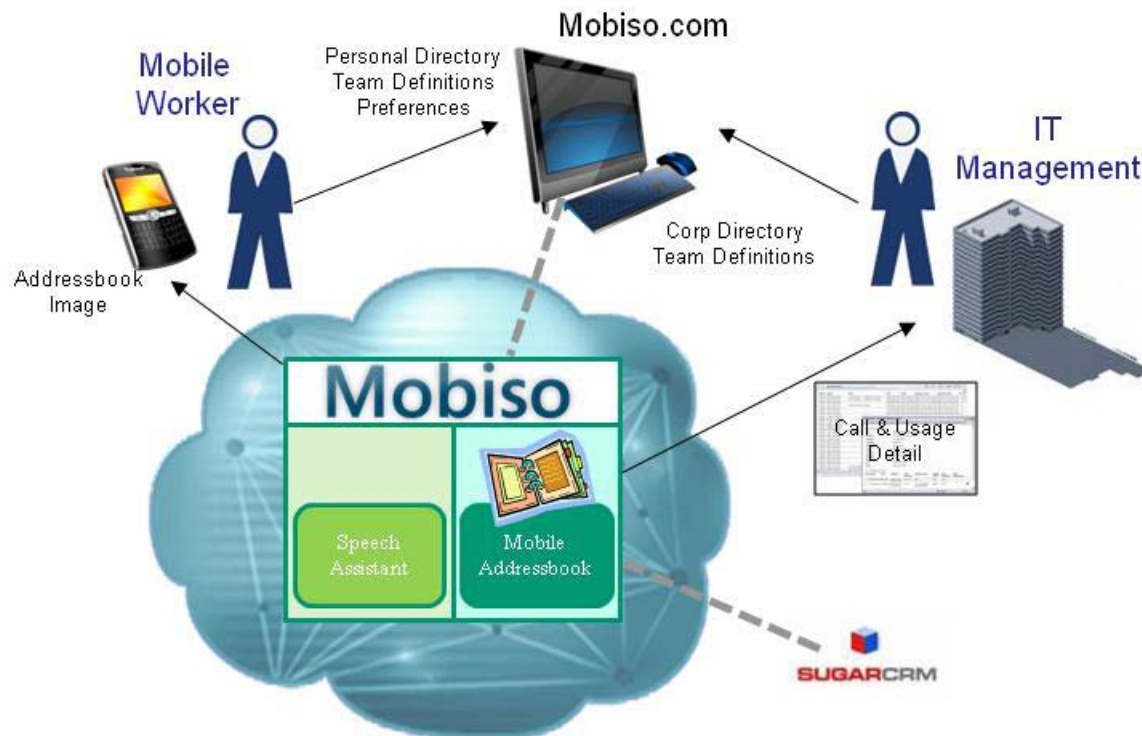
Target	Value Propositions	Service Pricing
Mobile Workers	Corporate directories that are always accurate without any need for personal maintenance A web cockpit for managing contacts synced to Blackberry, iPhone, gPhone Handsfree connections for safety Join meetings without numbers Improved connections (follow, vmail) Reduced monthly expense reporting Freedom of choice for devices Enhanced connectivity with CRM software	Free personal use. Service fees are incurred when the Mobiso portal is used for telephony or UC features, or when enterprise features are enabled (CRM integration, corporate directory, expense reporting)
IT Management	Support Personal Liab without losing control No Need to fund corp liability, pay for TEM Automated accounting/reduced expense mgt Reduce personal liability costs by 40% Security of corporate directory Enhanced insight into customer communications Mobile users see benefits in time saved, new productivity tools	In establishing an enterprise deployment of Mobiso, a per-handset fee is set. All user features included in this monthly fee. Variations to the fee would be based on the extent of accounting integration, custom services, and Help Desk support.

A solution such as Mobiso allows enterprises to avoid taking on corporate liability, freeing employees to make choices on plans and devices. The IT department can

focus on application distribution, access, and security. For SMEs and commercial enterprises who have not yet developed a wireless management strategy and where individuals have their own plans, Mobiso is a cloud service that allows them those controls without building IT programs.

Architecture

In the cloud, Mobiso integrates the key sources of people information (corporate, personal, CRM, and social) and delivers the consolidated address book to the mobile person. When the mobile worker uses the address book, it collects usage information and transparently delivers the data back to Mobiso for compilation and reporting to IT management.





Reducing Costs through Lower Risk and Better Control

When all customer, prospect, and partner calls come into the Mobiso number, the call is better serviced, with a consistent look and feel, FindMe to improve connecting, voice messaging, and physical emergencies don't interfere with communications. Beyond improved customer service; centralized control reduces risks such as not having visibility to the communications between employees and prospects. When mobile employees leave companies, they often take their contacts, and a copy of the company's main directory, with them.

Mobiso helps maintain that knowledge and provides a means for a seamless transition for the new employee to step in and take over. Mobiso provides superior call coverage and connectivity with physical anonymity and centralized control. By not revealing or publishing employee phone numbers, the company improves flexibility of locations and people while protecting privacy.

Another risk associated with wireless plans involves the separation of personal and business use of a wireless device. The IRS has ruled that companies must recognize the personal use of the device as a taxable benefit, when the device is provided by the company. This issue may further incent companies to switch to personal liability plans, limiting this exposure, but increasing the need for the benefits provided by Mobiso. Pressing the Mobiso button on a wireless phone is the first step to separating business and personal usage.

TAX Issues

University of California, San Diego in 06/2009 paid \$186,471 in back taxes for failing to keep logs of end users' cell phone usage.

University of California, Los Angeles agreed in 04/2009 to pay \$239,196 for the same reason.

Source: *Voice Report* reported in its Aug. 14, 2008 issue

Suggestions for a Personal Liability Wireless Management Program

Managing and improving on how employees are using wireless devices in support of the business starts with well understood policies, establishing the terms of business use of the device and the accommodations the company is making to support that usage. An improved wireless management plan, support by the Mobiso SaaS, would feature the following:

- All company contacts (people, places, teams) are maintained centrally
- Employees can view the directory on the web
- The directory is sync'd to the employee's Blackberry, iPhone, etc.
- As the employee connects through the address book, call detail is captured and compiled into expense reports
- Calls are placed directly from the handheld, incurring no charges, and can connect to any landline, wireless, or IP phone (Skype, Google Voice)

- The employee has the option to text-annotate the call record for improved updating of CRM
- Employees now have accurate directories with no maintenance needed, and need not submit expense sheets at the end of the month for telephony
- To better control and service incoming calls, an improved wireless management program can require that all customer, prospect, and partner calls should be directed to the main Mobiso number
 - Customers can simply speak the name of the person
 - A user-controlled “FindMe” improves connectivity
 - Built-in messaging assures completion and integration to company email
 - Substitutions can be made due to employee churn
 - Mobiso maintains all knowledge of incoming calls
- Sample policies for compensating employees under personal liability:
 - ‘Business calls will be reimbursed automatically at month end at a rate of \$0.xx per minute’
 - ‘You do not need to submit expense reports’
 - ‘Make your own arrangements for phone and plan’
 - ‘We will reimburse data plans at a fixed rate of \$50 per month’
- For communicating to employees under corporate liability:
 - ‘Use the company’s address book – saves you time’
 - ‘We will use call detail for validation of carrier invoices, negotiation’
 - ‘Need to separate your personal use for compliance/IRS’ (see below)
- Security of company directory
 - Train employees that directory will not display physical employee information but that all calls can be made. This is the “numberless enterprise” feature of Mobiso where the absence of numbers protects company data while making connections more efficient since employees need not look up numbers (speech interface) nor care where people are currently located.
 - A company may decide, as a security policy, that no corporate records will be synchronized to the handheld and that all corporate calls must be made through the Mobiso speech interface. These calls will incur a telecomm usage charge in exchange for the higher level of security.
- Use of Mobiso’s telephony features
 - When mobile users access SaaS-based messaging, conferencing, translation services, hands-free connecting – they have their own communications portal on demand. There are no licensing or maintenance costs - the service fee is charged only as used. Users need to be aware of which services incur costs so that they manage their services in the best interests of the company. For example, voice messaging is free though calling an ad-hoc conference would incur a usage fee.



Summary

The rapid increase of wireless use by employees is creating significant business issues managing costs and mobile productivity. Particularly for personal liability based companies which represent over 50% of businesses these issues include: rising costs, the need to separate personal and business calls, loss of control over customer relationships, and compliance with IRS requirements

Solutions are required that provide device based enhanced control and visibility over wireless usage so that employers can deploy smarter wireless management programs that reduce costs and risks to the business, all while making mobile teams more productive.

About Lyrix

Since 1996, Lyrix has been providing the industry's most accurate speech-enhanced directories for use as Speech Attendants and Speech-assisted Mobile Address books. Deployed worldwide by the world's most successful enterprises and technology vendors, Mobiso delivers better business agility while easing the costs and inefficiencies of communicating in an increasingly mobile and distributed world.

Mobiso 6.0 Includes

- Automated Business Call Tracking
- Personal and Corporate Address Book
- Automated Expense Reporting for Personal Liability
- CRM Integration
- Speech Enabled Interface
- Built in Employee Telephony Features - Auto Attendant, Voice Messaging, Conferencing, FindME

Mobiso 6.0 is a unique SaaS (Software as a Service) that delivers two benefits: improved productivity of mobile people as they manage and navigate increasingly large directories and the ability for IT management to better control the escalating costs of wireless usage. Mobiso 6.0 captures a unifying view of wireless usage across the enterprise while making mobile people more productive.