CASE STUDY

INFRASTRUCTURE TRANSFORMATION

Global Telecom Services Outsourcing

50 countries. 200+ contracts. One global agreement.
Signed in three months.

50+	200+	16%	3 Months
COUNTRIES	CONTRACTS	COST REDUCTION	CONTRACT SIGNATURE

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Geneva, Switzerland

In most large multinationals, network services accumulate the same way infrastructure fragmentation does; gradually, silently, and at the local level.

This programme consolidated 200+ contracts into one global agreement.

By 2003, the organisation operated across 50+ countries. Each country managed its own network contracts with local telecoms. All sourced domestically, governed locally, invoiced separately.

The result was 200+ individual contracts with no unified standard, no central visibility, and no consistent service quality.

The CFO saw a different model. Rather than managing structural complexity that had no place in a company focused on its core business, why not outsource the entire global network estate to a single provider, under one contract, with local billing structures that avoided the tax implications of cross-border intercompany charging.

What followed was not a simple procurement exercise.

It was the organisation's first full global outsourcing programme, covering due diligence, contract negotiation, transition, and full operational handover across 50+ countries and 300+ locations.

Outsourcing decisions are often framed as cost decisions. This one was a governance decision

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The Situation

In most large multinationals, network services accumulate the same way infrastructure fragmentation does; gradually, silently, and at the local level.

By 2003, the organisation operated across 50+ countries. Each country managed its own network contracts with local telecoms. WAN, LAN, internet, security, voice, mobile, contact centres; all sourced domestically, governed locally, invoiced separately.

The result was 200+ individual contracts across 50 countries, with no unified standard, no central visibility, and no consistent service quality.

At the same time, a parallel programme was underway, deploying a global MPLS network to replace the existing Frame Relay connections between country HQs and headquarters. Local networks were being centralised for the first time.

It was in this context that the CFO made a decision that changed the entire operating model.

Rather than simply centralising network governance, why not outsource it entirely to a single global provider, under one contract, with local billing structures that avoided the tax implications of cross-border intercompany charging.

The logic was clear. IT was not the core business of the company. Managing 200+ local contracts and large local IT headcounts across 50 countries was not where the organisation should be investing its energy.

KEY CONTEXT

"Outsourcing decisions are often framed as cost decisions. This one was a governance decision."

THE BASELINE

200+ individual contracts across 50 countries. No unified standard. No central visibility. No consistent service quality.

CFO DECISION

CFO decision: outsource the entire global network estate to a single provider under one contract.

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The Challenge

Three factors made this programme exceptionally demanding.

The timeline was non-negotiable. The CFO wanted the contract signed within three months. Due diligence, provider selection, commercial negotiation, and contract finalization, all within a single quarter, with the CFO as programme sponsor and signatory.

The scope was genuinely global. The outsourcing covered WAN, LAN, internet, security, contact centres, fixed voice, mobile voice, and remote access services across 50+ countries and 300+ locations. Every service line, every market, every local arrangement had to be assessed, priced, and transferred.

The transition was politically complex. Moving 200+ domestic contracts to a single global provider meant novating agreements that local telecoms had held for years and removing budget and vendor ownership from local IT teams who had managed those relationships directly. Neither group had any incentive to cooperate.

CRITICAL FACTOR 1

Non-negotiable timeline, contract to be signed within three months, CFO as sponsor and signatory.

CRITICAL FACTOR 2

Genuinely global scope; WAN, LAN, internet, security, voice, mobile, contact centres across 50+ countries and 300+ locations.

KEY CONTEXT

"The hardest part of global outsourcing is not the contract. It is the transition."

POLITICAL COMPLEXITY

Local telecoms and local IT teams both resisted, neither had any incentive to cooperate with the novation process.

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The Approach — Part 1 of 2: Due Diligence & Contract

The programme ran in two distinct phases; due diligence and contract, followed by transition.

Due Diligence (June–November 2003)

I led the data collection and due diligence process across all markets; building an accurate picture of every service, every contract, every provider relationship, and every cost across the global estate.

This was the foundation that made everything else possible. Without a complete and accurate baseline, no provider could commit to a meaningful commercial proposal, and no contract could be structured to deliver real savings.

Contract (December 2003–March 2004)

Working under direct CFO sponsorship, I led the finalisation of the outsourcing contract, the organisation's first full global outsourcing agreement. The contract delivered globally harmonised standard services and a committed 16% cost reduction across all service lines.

The three-month delivery target was met.

DUE DILIGENCE
Due diligence across all markets; every service, contract, provider relationship, and cost baseline documented before any commercial proposal.

SERVICE SCOPE
WAN, LAN, internet, security, contact centres, fixed voice, mobile voice, remote access, all service lines, all markets.

KEY CONTEXT
"Data accuracy first, no provider can commit to a meaningful proposal without a complete baseline."

CONTRACT OUTCOME
Contract signed in three months. CFO as sponsor, globally harmonised services, 16% cost reduction committed.

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The Approach — Part 2 of 2: Transition & Delivery

The transition phase was where the real execution complexity lived.

Every domestic contract had to be novated to the new global provider. Local telecoms resisted, their direct relationships and local revenue were disappearing. Local IT teams resisted, their budget ownership and vendor management responsibilities were being centralised.

There was no escalation path that would resolve this at scale. What resolved it was close and persistent follow-up, market by market, contract by contract; supported by Legal and Procurement teams who gave the novations contractual teeth when local resistance created delays.

Simultaneously, the transition established the provider-side Network Service Desk, deployed local billing in 29 countries with local currencies, eliminating the intercompany cross-charging and withholding tax exposure that had made centralised management impractical and embedded the new operational governance model across all markets.

This was not exceptional activity.

It was disciplined, market-by-market delivery. 200+ novations. 50+ countries. One outcome.

LOCAL BILLING

Local billing deployed in 29 countries with local currencies, eliminating intercompany cross-charging and withholding tax exposure.

GOVERNANCE MODEL

Provider-side Network Service Desk established. Operational governance model embedded across all markets.

KEY CONTEXT

"No escalation. No pressure from above. Close follow-up, Legal and Procurement support, and persistent execution across 50+ markets.”

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The Outcome

All 200+ domestic contracts were successfully novated to the global provider across 50+ countries and 300+ locations.

The organisation achieved a 16% cost reduction across WAN, LAN, internet, security, contact centres, fixed voice, mobile voice, and remote access services; its first globally harmonised service standard across the full network estate.

Local billing in 29 countries eliminated intercompany cross-charging and withholding tax exposure, realising the financial structure the CFO had envisioned from the outset.

For the first time, the organisation had a single point of accountability for its entire global network; one provider, one contract, one governance framework.

RESULT 1

16% cost reduction across all service lines; WAN, LAN, internet, security, voice, mobile, contact centres.

RESULT 2

200+ domestic contracts novated. Single global provider. One governance framework.

RESULT 3

Local billing in 29 countries eliminated intercompany cross-charging and withholding tax exposure.

KEY CONTEXT

"For the first time, one provider, one contract, one view of the entire global network."

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The Insight

Outsourcing decisions are often framed as cost decisions. This one was a governance decision.

The CFO's logic was not simply about saving money on telecoms. It was about removing structural complexity that had no place in a company focused on its core business — 200+ contracts, managed by local teams, in 50 countries, with no central visibility and no unified standard.

The 16% cost reduction was significant. But the more important outcome was clarity. A single operating model, a single point of accountability, and a financial structure that could scale with the organisation.

Executing that vision required understanding that the hardest part of global outsourcing is not the contract. It is the transition and specifically, the human resistance that surfaces when local ownership is centralised.

Close follow-up, internal alignment, and persistent execution are what move 200+ contract novations across the line. Not escalation. Not pressure from above. Disciplined, market-by-market delivery.

KEY CONTEXT

"The hardest part of global outsourcing is not the contract. It is the transition and the human resistance that surfaces when local ownership is centralised."

LESSON 1

Outsourcing is a governance decision first, a cost decision second. Clarity and accountability are the outcomes that matter most.

LESSON 2

Disciplined execution, market by market, contract by contract, is what delivers 200+ novations without escalation.

Erdinc Betin
Geneva, Switzerland

Programme at a glance

50+ Countries	300+ Locations	200+ Contracts Consolidated	16% Cost Reduction	6 Months Due Diligence
6 Service Blocks Outsourced	29 Countries Local Billing Deployed	3 Months To Contract Signature	1 Global Provider	5 Programme Phases

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