A New Foundation For The Shifting Sands Of The Communications Industry:
Business Process Management.

A Savvion Solution Brief
Purpose

This Solution Brief highlights the issues facing both communications equipment providers and telecommunications carriers as they strive to deal with a changing competitive landscape of hybrid players, legacy systems and customer churn. Case studies from the biggest and best telecommunications companies show you how IT and Business have used BPM (Business Process Management) disciplines and technologies to streamline mission-critical processes and gain competitive advantage. Through BPM’s efficiencies and cost reductions, telecommunications companies have found ways to adapt quickly to a shifting industry landscape—resulting in more market share and lower costs.

Intended Audience

IT and Business strategists working on process and operations initiatives in cable companies, communication equipment providers, telecommunications equipment and services players and network providers. People in the following roles in such companies will find particular interest in this brief: EVP Operations, SVP Service Delivery, VP IT, VP Network Planning & Engineering, VP Service Delivery, Director Equipment Inventory Mgmt, VP Carrier Relations, Director Access Management, VP Field Services, VP Regulatory Affairs, VP Operations, SVP Service Assurance, VP Product Management, VP marketing, Director of NPI/PMO, VP Network Planning & engineering, Director Vendor Management, VP Engineering, VP Customer Care, VP Sales, SVP Operations, VP Service Delivery & Logistics.

Introduction

Today’s telecommunications industry is virtually unrecognizable from the one of ten, or even five, years ago. The convergence of voice, data, content, and mobile services has created a telecommunications super-industry, in which traditional telecom providers are vying against non-traditional competitors for market share and mind share. And the lines between the different companies—and their offerings—are blurring.

Traditional telecommunications companies—such as ILEC/CLECs and Regional Bell Operating Companies (RBOCs)—faced with declining revenue in voice services thanks to the introduction of Voice-over-IP (VoIP) technology, are leveraging their IP infrastructures to offer content through IPTV and advanced business offerings through IP Virtual Private Networks (IPVPNs). Cable companies, on the other hand, are using their high-speed internet service offerings to introduce IP-based local and long-distance voice offerings to their large base of home subscribers. For their part, mobile services providers are deploying
next-generation 3G and WiMax broadband technologies to deliver
value-based content offerings, such as location-based advertising and
mobile commerce, which will entice customers to use their services.
Even traditional content providers, such as AOL and Yahoo, and
consumer retailers are getting into the act, partnering with multi-vendor
network operators (MVNOs)-who provide the underlying network
infrastructure to drive their own branded communications services.

These firms not only face increasing competitive pressure from each other, but also from
consumers, who increasingly demand lower rates and more comprehensive service offerings.
As the lines between companies and their offerings blur, consumers can more easily switch
providers to the one that offers the most comprehensive offering at the best price—with no
downside to the consumer.

While every company is betting on different strategy, there is one
constant: each company wants to leverage its subscriber base and
brand recognition to upsell services to new and existing customers.
Accomplishing this goal is not easy, thanks the lightning-fast pace
of change in the telecommunications industry. Companies must be
increasingly agile to keep up with this pace and, in doing so, face
several challenges:

Struggling to React
First, the functional architecture of most service providers, commonly known as Operational
Support System (OSS) or Business Support System (BSS), was developed at a time when
service providers offered relatively few, geographically specialized services. Thus, these
systems were typically highly customized, making them simply too rigid to handle today’s
rapidly changing underlying technology and business requirements. In today’s business
environment, by the time a change for, say, a new product introduction, is implemented in
these older systems, it can already be outdated when the product is actually launched, leaving
new product introductions and other operational changes critical to a carrier’s success
dependent on slow applications and delivery cycles.

Inconsistent Handoffs and Ownership
Second, many of the processes within telecommunications firms exist in silos in the
organization. That is, order management, CRM, provisioning, customer care, and billing
functions are managed by different applications, do not always share information, view
information differently. Reality is, however, that customer-facing processes span departments
and functions, making it difficult to get a single, 360-degree of the customer across all
relevant departments and to satisfy customers. Often, decisions must be made and actions
must be taken without the support of these applications, or an audit trail, leading to errors and
inaccuracies as well as long cycle times—not to mention customer dissatisfaction.
Meeting Tighter and Tighter Delivery Timeframes

Third, the rapid pace of change in technology requires service providers to constantly test and certify network and supporting equipment and incorporate it into the order provisioning process lifecycle. The challenge is to ensure successful certification and process controls and meet ever-faster delivery schedules while keeping operating costs under control.

Keeping up with Regulations

Finally, the regulatory environment in the telecommunications industry is also shifting quickly. With this change comes the need for firms to maintain compliance with these FCC and other regulations surrounding revenue assurance and customer contracts to bill alignment.

In order to meet the pace of change, reduce exposure to risk, keep down operating costs, and improve customer satisfaction, telecommunications companies must improve their business processes, while many leading-edge telecommunications firms have explored process improvement and quality initiatives, most have not had success in implementing business process management software to manage and control the lifecycle of key processes. A vast majority of current solutions deal with system and document integration but do not factor people into the processes, making it more-rather than less-difficult to design repeatable business functions throughout the entire process lifecycle.

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Some of the business processes ripe for improvement in telecommunications companies include:

- **Order Management** - Includes customer order management, network order management and provisioning, special access management, and reverse logistics
- **Special Programs Management** - Includes cell site construction, reallocation of wireless bandwidth frequencies, new product introductions, rate changes and other complex projects that involve a number of different groups or business units within and outside of the company
- **Exception and Error Handling** - Includes trouble ticketing, customer service and repair, and help desk functions, as well as any error resolution processes that maintain timely and continuous service to customers
- **Partner and Customer Relationship Management** - Includes partner on- and off-boarding and customer self-care management

This solution brief describes how these processes are typically implemented in telecommunications firms today and how Savvion’s business process management solutions put people in the center of the process, thereby enabling better collaboration, control and performance.
If employees can clearly see the process, control it, collaborate on it, and adapt it to changing circumstances, they can improve not only the process itself, but also the business as a whole. The ability to articulate and give people the power to improve the processes across the company can result in significant gains in efficiency, reduced overhead costs, and better customer service.

Improving Critical Telecommunications Business Processes

Let’s take a look at a few of the most important processes in the telecommunications industry, how they are executed today, and how firms can improve the efficiency of these processes through automation and streamlining.

**Order Management**

In a customer-centric business like telecommunications, streamlining customer and network order management as well as the network provisioning process is critical to maintaining customer loyalty and growing revenue. The speed and ease with which a new customer can sign up for service, ensure that he or she is getting the best or latest offer, and actually use the new service is mission critical. One of the primary challenges for telecommunications companies is ensuring that their systems accurately reflect the latest offerings given the rate of change in equipment and services. Often, existing systems are highly customized and inflexible, making change difficult, if not impossible, to accomplish in the time now required by the industry—and consumers.

With Savvion BusinessManager, telecommunications companies gain the ability to rapidly deploy changes to their service offerings as business changes occur, ensuring the customer is offered the right offering every time. Thanks to its inherent flexibility, businesses can use Savvion to incorporate bundled services with multiple OSS frameworks (e.g., different provisioning, billing, and order entry systems for different products) quickly and seamlessly to the customer. This is especially important in an industry, such as telecommunications, where mergers and acquisitions are commonplace. By coordinating efforts across different systems in the company, such as order entry, network inventory, billing and provisioning, the order management process is streamlined, improving customer loyalty and revenue generation.

Savvion can allow these processes and tasks to be extended to your customer and trading partner to engage all participants in a carrier’s eco-system allowing complete end-to-end
control and visibility into the core operations of a service provider as well as establishing a stronger alignment, relationship, and level of service with key business customers.

**Special Programs Management**

In telecommunications firms, new product introductions and price revisions happen on a near-daily basis. In additions, these firms are constantly dealing with expanding their service areas by adding new cell sites and must react to the reallocation of spectrum licenses across all licensed carriers. The sheer number of groups and individuals involved in each of these special programs is mind-boggling, making manual coordination difficult and error-prone. What’s more, because of the vast number of people and systems involved, pinpointing and then correcting a problem when it does occur is arduous and time-consuming.

Savvion BusinessManager streamlines the management of complex special programs by enabling telecommunications firms to track, control, and have visibility into the end-to-end program lifecycle—across all departments involved in the rate change, product introduction, or cell site construction project. Every change is immediately visible to all participants, ensuring that a new cellular handset is available at the retail store the day it is introduced, for example, or that a new rate package can be created and launched in response to a competitive move—without costly delays.

**Exception and Error Handling**

A critical part of every telecommunications company's image is how it handles customer service—not just new customer subscriptions but also existing customer problems, such as trouble tickets, service and repair, and other help desk functions. Similarly, how effective a carrier is in handling issues that occur against regular operational activities can make the difference between a successful operational model and one with constant delays and breakdowns. The ability to provide timely, courteous, and continuous service to customers can mean the difference between customer loyalty and customer churn, especially in today’s near-level playing field. Problems must be resolved quickly or customers will turn elsewhere.

With Savvion BusinessManager, telecommunications firms can implement a single, process for exceptions and error handling and can consistently follow that process every time a customer calls in with a problem or needs service. Built-in business rules automatically ensure that each step in the process—from call initiation to the trouble ticket to the actual equipment repair or resolution of the problem—is integrated with the next, and that specific requirements are met before moving to the next step. By automating the process, telecommunications firms can ensure that customers are served quickly and with quality in mind—securing customers’ ongoing loyalty.
Partner and Customer Relationship Management

Partners and suppliers play a significant role for every telecommunications firm, from handset manufacturers to content providers to network operators. And with the sheer number of partners involved in various aspects of the business, managing the on- and off-boarding in a manual manner is a tenuous prospect. Mishandling the on-boarding of a new partner or supplier can mean the difference between launching a new product in a timely manner and losing hundreds or even thousands of customers overnight because a competitor was able to deliver additional quantities of a popular handset to retail stores more quickly. Similar obstacles stand in the way of the smooth on- and off-boarding of customers—if a customer cannot quickly find the help he needs, he will switch providers without another thought.

Savvion BusinessManager helps telecommunications firms manage their interactions with trading partners and suppliers, ensuring proper and timely inventory tracking to meet customer requirements. In addition, using Savvion, telecom providers can create partner self-care portals, allowing partners to view the provider’s inventory levels and replenish them automatically, before they reach critical levels that could impact customer satisfaction. Similarly, Savvion enables telecommunications firms to create customer self-care portals, giving customers visibility into upgrades and new rate plans at a glance—and the ability to initiate the purchase of new equipment or change of plan without even requiring a phone call.

How Savvion Helps Telecommunications Companies Bring People into the Process

Today, more than 300 companies across all industries rely on Savvion to improve their business processes. Here are some examples of how companies in the telecommunications industry are using Savvion to improve their business processes and improve efficiency, reduce overhead costs, and enhance customer service.

Customer Case Study #1: Introducing New Plans and Products Quickly

One of the nation’s largest wireless carriers offers nearly 1,000 different rate plans to its millions of customers. Making a change to an existing plan or introducing a new one involves more than 100 different employees across the company before the plan can be rolled out to customers. Often, this process was manual and fax-based, taking more than 90 days for the change to take effect—about 88 days too long for impatient customers looking for the best deal, especially with competitors already offering a similar plan breathing down their necks.

Since implementing Savvion BusinessManager, the wireless provider has been able to reduce the time it takes to roll-out new rate plans to a mere 36 hours. Thanks to the automation of the rate change process, the telecommunications provider now has crystal-clear visibility
into the state of any rate change plan or bundle-and can identify and solve bottlenecks and delays almost instantly. The best benefit? Reduced customer churn and increased customer satisfaction, which has translated to improved revenues for the company.

Customer Case Study #2: Seamless Process Integration During Mergers and Acquisitions

As one of the largest network infrastructure providers found, the pain of mergers and acquisitions so common in the telecommunications industry catches up at some point. And it caught up with this provider in a big way: after a whirlwind two-year acquisition spree intended to build-out the company’s infrastructure, it had four different order management solutions, each responsible for the same basic workflow. Not only was the order entry, decomposition, and provision process not repeatable, it was error-prone and redundant, causing expensive delays and mistakes.

After implementing Savvion BusinessManager to streamline its order management and service delivery processes, the telecommunications firm can now provision a new customer in less than 24 hours, instead of the 1-1/2 weeks it took under the old system. The company is able to simply and easily orchestrate all the activities required to activate a new customer, from subscription and installation and provisioning to designing, testing, and installing the service. With the quicker time-to-service delivery, the company can reap the benefits of new customer revenue more quickly as well. And, the company has a repeatable process that it can extend to newly acquired companies as the company continues on its growth trajectory.

Customer Case Study #3: Meeting Service Level Agreements for Customers and Partners

One of the world’s biggest names in cellular handset equipment had a big problem: because of internal process issues, it was not meeting delivery date requests by customers, leading to a less-than-acceptable 41% compliance rate with service-level agreements—and the potential loss of one of its biggest carrier customers. Without clear visibility and control into the tasks that manage their service level agreements with their customers, meeting customer’s expectations was a constant challenge.

Savvion BusinessManager helped the equipment manufacturer not only turn its business around with a 68% improvement in SLA compliance—but also realize a multi-million dollar return on its investment in less than two months. Now, the carrier in question can actively participate in the order lifecycle with online access to the equipment manufacturer’s quote system. This means the carrier can submit a request for equipment at a certain price and the manufacturer can decide whether or not to accept the amount the carrier will pay—instantly—helping the carrier meet customer demand and ensuring that the manufacturer meets its SLA requirement.
Customer Case Study #4: Improving Returns Management—and Customer Service in the Process

A worldwide telecommunications provider was encountering difficulty in handling reverse logistics at its retail stores. That is, store clerks could not correctly find and determine the right warranty claims for broken cellular handsets, leading to long delays in making handset repairs, incorrect hot-swapping of phones and, ultimately unhappy customers and lost business.

The company turned to Savvion to help improve its handset reverse logistics process in its retail stores, and Savvion came to the rescue. By combining the in-store repair, centralized refurbishment, handset performance data gathering, and exchange and buy-back processes into a single, holistic customer experience, the telecommunications provider now has a repeatable process across the company. Called the e-ticket solution, it enables the company to track all wireless device and related service information from initial customer touchpoint to problem resolution, and gather business intelligence throughout the process. In addition, the solution communicates known device problems and solutions directly to front-line employees and provides early warnings of future problems, thereby improving customer satisfaction and reducing customer churn as well as improve device manufacturer service levels.
Conclusion

Because Savvion BusinessManager puts people in the center of every process, telecommunications firms can improve their processes based on how people really work. When employees can visualize the process, control it and collaborate on it, they can improve not only the process but also the overall business. The bottom line? Improved efficiency, faster time-to-market, reduced overhead costs, and greater customer satisfaction.

Companies are implementing Savvion business process management solutions and are experiencing real results and true innovations in the way they do business. Perhaps it’s time you looked at Savvion to improve your processes and your business too.

To begin improving your business processes and reaping the benefits today, download Savvion Process Modeler for free at www.savvion.com.

For more information or to discuss your business process needs contact Savvion today at 1 (888) 544-5511.

About Savvion

Savvion is the pioneer and leader in business process management (BPM) and provides software and services to the world’s largest and most respected organizations. Our comprehensive BPM suite, Savvion BusinessManager, helps people in industry-leading organizations create innovative process solutions. These solutions make it easier for them to manage the mission critical processes which help them bring world class goods and services to market. As needs change, people can optimize these solutions based on real-world experiences, extending them across functional and trading partner boundaries. Savvion delivers high value and bottom line revenue impact to our clients, often delivering return on investment as high as 300%. Learn more at www.savvion.com.