



BT: A Service Management Journey

Three years ago, BT Wholesale, one of BT Group's three major business units, commenced a large-scale BOSS makeover. BT's goal was to create a more efficient BOSS infrastructure that supports current products and provides a flexible infrastructure for introducing new products. BT's long-term strategy is to initiate a multiphase project to create a common BOSS platform for many customer-, fulfillment- and assurance-related processes. Although BT has completed some of the initial phases of the project, it plans to continue implementing additional phases to this BOSS project over the next several years. A segment of the overall project focuses on service management; BT is creating a common infrastructure for fulfillment and assurance of many products. This case study will highlight BT's service management initiatives, a strategic segment of this overall project. First we will briefly describe some overall challenges BT faced updating its BOSS infrastructure.

Business Challenges

BT Wholesale's four most significant business challenges in implementing its new BOSS infrastructure are:

Network-Centric View of Business and Operations

Like most other large service providers, BT had a network-centric view of how it provided services to customers. BT did not emphasize the role of BOSS infrastructure as the enabling tool for accomplishing its business objectives.

IT Projects Alignment with Business Strategy

The projects BT's IT organization undertook were not always fully aligned with its business strategy. IT had difficulty evaluating the business impact (i.e., the ROI for a particular BOSS purchase) before it invested in a BOSS solution.

No Overarching BOSS Road Map

Like most service providers at the time, BT did not have a strategic road map for new BOSS investments. The IT projects BT Wholesale undertook were very ad hoc in nature, essentially building a new set of BOSSs for each service offered.

Redundant Systems and Processes

BT had many custom-built systems and processes in place for different products, which is typical for large service providers. The company had no common architecture or emphasis on implementing systems that would easily integrate to other BOSSs used for different products.

These challenges affected BT's ability to manage its repair intervals and SLA commitments. They also impacted its ability to achieve a higher degree of data integrity across fulfillment and assurance systems, as well as create greater process efficiencies across multiple domains.

The Solution and Best Practice

BT Wholesale's first step was to restructure its IT groups by creating a CIO position. The CIO's responsibilities included aligning IT more closely with the business organization to ensure that BOSS solutions matched BT's strategic business objectives, (i.e., to decrease operating costs and to improve customer service). To decrease operating costs, the CIO provided a strategic road map outlining how BT Wholesale would implement new BOSS systems more efficiently within its existing infrastructure. BT intended to create common and reusable systems and processes that could be leveraged across new and legacy product offerings. The plan to decrease operating costs also included consolidating BOSS systems to reduce redundancy and integrating complementary systems to reduce manual interaction.

However, this plan was not just about reducing costs. Although the above steps were justified by efficiency gains and reduced spending (and continue to be), the CIO and his officers were also laying the groundwork for a service management architecture that would increase customer service and provide BT with a comprehensive road map for developing its BOSS infrastructure to meet demands of the competitive marketplace in the 21st century. BT realized that to design an optimum service management architecture, it would need to create reusable business processes, integrate BOSS solutions, and implement an overarching process management system. Today, BT has already taken some important initial steps to create this service management architecture.

The CIO and his managers designed the BT Wholesale service management strategy based on a broader corporate strategy for reducing operational costs and laying the service management groundwork. BT Wholesale commenced this project by selecting and prioritizing specific BOSS projects or "journeys" based on the projected ROI and ease of implementation for each project. It focused on those projects with the highest ROI and lowest risk. BT segmented the journeys into eight different BOSS domains, including billing, CRM, fulfillment, assurance, portfolio management, financial management, network engineering, and business intelligence.

Service Management Guidelines

BT Wholesale adheres to the following best practice guidelines as it undertakes each journey:

Adhere to the Strategic IT Road Map

BT created a strategic road map that will ultimately lead to a complete IT and service management strategy. All business processes and BOSSs for each of the journeys map back to this strategic road map. A business process management backbone that eventually becomes a centralized platform for many fulfillment and assurance functions is central to this road map.

Design Generic, Reusable Business Processes

BT established a set of generic business processes it reuses for new product offerings as well as for some existing products. The generic processes comprise 50 to 70 percent of a complete business process. BT designs product-specific business processes for the other 30 to 50 percent of the process. Utilizing generic business processes allows BT to reduce development time for BOSSs, create operational efficiencies, and speed the time to launch new products.

Create Common Data Definitions Across the Fulfillment and Assurance Processes

BT created a common set of data definitions across its fulfillment and assurance systems to improve integration between systems that typically use different data definitions and are a challenge to integrate. This became even more valuable as BT began to consolidate cross-domain business processes such as customer and network trouble ticketing onto a single platform.

Purchase COTS BOSS Software

BT purchases packaged software where possible instead of building systems internally. BT did not want to maintain more custom-built proprietary systems, as these tend to be more expensive and less flexible than a COTS solution.

BT Implements Amdocs Clarify for Service Management

BT has implemented the Amdocs Clarify suite as a service management layer to handle fulfillment, elements of assurance, and network build and repair processes across both broadband and private-line services.

Background

In the mid-1990s, BT initially implemented Clarify ClearSupport trouble ticket software to manage both customer and network trouble tickets. Over time, BT has increased the number of Clarify trouble ticket seats it licenses to the thousands as Clarify systems have become BT's standard for problem management across the service management layer. This includes interfaces to field service dispatching systems, line testing systems, and fault alarm systems.

Because of the positive experience BT had using Clarify in the service assurance domain, it jointly created the business process manager product with Amdocs.

Amdocs Clarify Process Manager

To successfully create reusable business process within and across different domains, BT needed a business process management system that could track asynchronous business processes. Amdocs Clarify showed a high degree of flexibility in working with BT to create the process manager that aligned with BT's business processes.

BT determined that Amdocs Clarify Process Manager was better suited for completing these asynchronous business processes than other competing technologies it tested. A key reason was that it is flexible enough to automate complex business processes across multiple domains. In addition, because Amdocs Clarify Process Manager is tightly integrated to the order management and problem management systems, it allows for better jeopardy and escalation management.

Today, BT's engineers use Amdocs Clarify Process Manager to outline and manage the many tasks involved in completing broadband or private-line circuit orders or private-line network build work. BT also intends to leverage Amdocs Clarify Process Manager to automate assurance processes such as managing repair times to meet customer specific SLA requirements.

Summary

Today, BT uses Amdocs Clarify across multiple domains, including customer and network and IT service desk trouble ticketing, order fulfillment, network build and planned engineering repair projects, as well as aspects of assurance and service management.

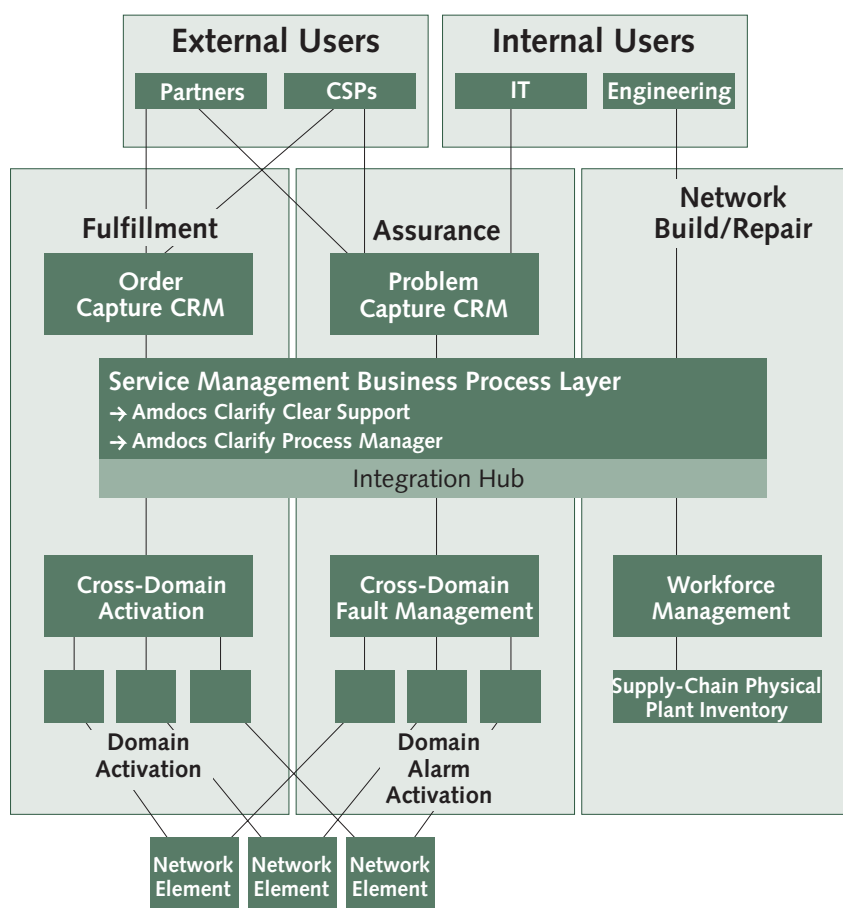
BT intends to create the following process improvements and efficiencies from implementing Amdocs Clarify across the service management layer for both problem and order management:

- Automate many manual and semi-automated processes in fulfillment, assurance and network build/repair domains
- Speed time-to-market for new services by leveraging reusable BOSS infrastructure
- Create a 360 degree view of customer services and network problems
- Provide proactive service-level management

As Exhibit 1 illustrates, the Amdocs Clarify suite is a central component across BT Wholesale's fulfillment, assurance and network build/repair processes. *BT's intent in using Amdocs Clarify is not only to automate processes across multiple domains, but also create common reusable infrastructure for fulfillment and assurance systems and processes.* This would allow BT Wholesale to manage service-affecting processes across multiple domains while simultaneously realizing cost efficiencies by integrating and rationalizing systems.

Exhibit 1 BT Wholesale's Service Management Infrastructure

Source: *The Yankee Group, 2004*



Business Value Derived from the Journeys

In October 2003, BT completed the first phase of the fulfillment journey focused on private-line services. Early indications show:

- **BT has decreased the internal process cycle time for private circuit provisioning by almost 50 percent depending on the order type.** BT attributes this decrease in provisioning time to the process efficiencies gained from using the Amdocs Clarify Process Manager.
- **BT has also decreased by 50 percent the time required to introduce a new service (i.e., designing necessary business processes).** Reusing generic processes created in Process Manager has helped create this operational efficiency—which will be vital for creating and provisioning new services quickly.

BT has also just commenced work on its assurance journey. Based on the ROI calculations it has created, BT projects the following savings from the assurance journey:

- Using Amdocs Clarify Process Manager, BT projects that during the next 3 years, it will be able to improve the operational efficiency of service assurance processes for broadband services by 7 percent.
- BT also projects that by using Amdocs Clarify Process Manager, it will be able to *expedite the time required to complete planned engineering work by 35 percent*. Decreasing customer downtime for network repairs will not only improve customer satisfaction, but also make BT's engineering workgroup operate more efficiently.

In addition, BT points to improved information on the status of its network and affected customers, lower operating costs of service delivery, higher order accuracy, improved delivery accuracy and the automation of many BOSS processes as other key benefits to its service management strategy.

Conclusions

- Creating reusable business processes, integrating BOSS systems, and implementing an overarching process management system are necessary components of a service management strategy. BT recognized this early on and has taken some of the first strategic steps to create this service management architecture.
- Reusing business processes to introduce, provision and support new services more cost effectively provided the ROI to justify its service management investment.
- The CIO position was instrumental in helping BT Wholesale undertake the service management investment based on a broader corporate strategy for reducing operational costs and laying the service management foundation. The CIO also provided BT with an inclusive road map for developing its BOSS infrastructure to meet demands of the competitive marketplace in the 21st century.
- To achieve operational excellence, operators must update and improve how they perform strategic business processes.

Recommendations

- **CSPs should be realistic about the time, energy and effort required to undertake a large-scale BOSS makeover.** Commitment from a top C-level executive will be crucial for overseeing the entire project through to completion.
- **Invest in a process manager and new BOSSs for specific products such as broadband and private-line circuits that show the quickest ROI.** This will deliver key elements of the infrastructure and help build positive momentum for the project.
- **Work with IT to help eliminate or reduce the time required to establish new business processes.** While investing in a process management solution that reuses generic processes will help to reduce time-to-market for new services, IT must create the service-specific processes for new products and, as a result, may present a bottleneck.
- **Employ a vendor with business processes re-engineering expertise.** These vendors will provide CSPs with a level of rigor in terms of documentation and experience that a CSP may not have to draw upon from its internal IT staff. An outside vendor will also help CSPs tie a business case for implementing any one phase of the project to the projected business benefits.

World Headquarters

31 St. James Avenue
BOSTON, MASSACHUSETTS 02116-4114
T 617.956.5000
F 617.956.5005
info@yankeegroup.com

Regional Headquarters

North America

31 St. James Avenue
BOSTON, MASSACHUSETTS 02116-4114
T 617.956.5000
F 617.956.5005
info@yankeegroup.com

951 Mariner's Island Boulevard, Suite 260
SAN MATEO, CALIFORNIA 94404-5023
T 650.522.3600
F 650.522.3666
info@yankeegroup.com

EMEA

55 Russell Square
LONDON WC1B 4HP
UNITED KINGDOM
T 44.20.7307.1050
F 44.20.7323.3747
euroinfo@yankeegroup.com

For More Information

T 617.956.5000
F 617.956.5005
E-mail: info@yankeegroup.com
Web site: www.yankeegroup.com

Advisory Services

Yankee Group advisory service annual memberships offer clients access to research and one-to-one expert guidance.

Advisory services represent our best value for clients. The services help our members understand industry, regulatory, competitive and market-demand influences, as well as opportunities and risks to their current strategies.

Membership includes an invaluable in-person strategy session with Yankee Group analysts, direct access to a team of analysts, research reports, forecasts, research notes and regular audioconferences on relevant topics.

We offer advisory services on almost 30 selected topics in Telecommunications; Wireless/Mobile Communications; Consumers, Media & Entertainment; and Information Technology Hardware, Software & Services.

Decision Instruments

The Yankee Group offers a full portfolio of technology and market forecasts, trackers, surveys, and total cost of ownership (TCO), return on investment (ROI), selection and migration tools. Decision instruments provide our clients the data required to compare, evaluate or justify strategic and tactical decisions—a hands-on perspective of yesterday, today and tomorrow—shaped and delivered through original research, in-depth market knowledge and the unparalleled insight of a Yankee Group analyst.

Trackers

Trackers enable accurate, up-to-date tactical comparison and strategic analysis of industry-specific metrics. This detailed and highly segmented tool provides discrete proprietary and performance data, as well as blended metrics interpreted and normalized by Yankee Group analysts.

Surveys

Surveys take the pulse of current attitudes, preferences and practices across the marketplace, including supply, delivery and demand. These powerful tools enable clients to understand their target customers, technology demand and shifting market dynamics.

Forecasts

Forecasts provide a basis for sound business planning. These market indicators are a distillation of continuing Yankee Group research, interpreted by our analysts and delivered from the pragmatic stance our clients have trusted for decades.

Signature Events

The Yankee Group's signature events provide a real-time opportunity to connect with the technologies, companies and visionaries that are transforming Telecommunications; Wireless/Mobile Communications; Consumers, Media & Entertainment; and Information Technology Hardware, Software & Services.

Our exclusive interactive forums are the ideal setting for Yankee Group analysts and other industry leaders to discuss and define the future of conversable technologies, business models and strategies.

Consulting Services

The Yankee Group's integrated model blends quantitative research, qualitative analysis and consulting. This approach maximizes the value of our solution and the return on our clients' consulting investment.

Each consulting project defines and follows research objectives, methodology, desired deliverables and project schedule. Many Yankee Group clients combine advisory service memberships with a custom-consulting project, enabling them to augment our ongoing research with proprietary studies.

Thousands of clients across the globe have engaged the Yankee Group for consulting services in order to hone their corporate strategies and maximize overall return.

www.yankeegroup.comSM

The Yankee Group believes the statements contained in this publication are based on accurate and reliable information. However, because our information is provided from various sources, including third parties, we cannot warrant that this publication is complete and error-free. The Yankee Group disclaims all implied warranties, including, without limitation, warranties of merchantability or fitness for a particular purpose. The Yankee Group shall have no liability for any direct, incidental, special, or consequential damages or lost profits. This publication was prepared by the Yankee Group for use by our clients.