



The time has come for BSS/OSS managed services

In an era of intensifying competition, demanding customers, shrinking margins and near flat top lines, it is imperative to manage business and operations support systems (BSS & OSS) effectively. With a dearth of domain experts, Commercial off The Shelf (COTS) software products, while implemented, are not being utilised to their maximum capabilities. There is continuous pressure to manage with limited resources; even though output expectations are sky high, writes Ashwin Chalapathy

The telecoms industry is passing through unprecedented changes and obviously CSPs need to match its pace. Naturally BSS functions also have to evolve as the industry evolves. However, a common concern across the industry has been that the value derived from an investment in BSS solutions diminishes with time. This, despite employing the best of breed solutions, robust implementations and well organised BSS operations.

A thorough look at the problem indicates that the causes are multi-fold – from shortage of skilled staff for operating BSS products to their maximum capabilities, lack of domain knowledge as well as absence of processes and methodologies to migrate the BSS function to its maturity.

While a future proof technology seemed like an ideal solution to these challenges, CSPs are now realising that alone is not sufficient and they are moving towards managed services.

For CSPs now, the necessity to focus on core business competencies is the prime driving factor. Other factors like high cost of ownership of in-house software, knowledge and resource constraints, and increasing complexities of processes also influence this inclination. In the tough competitive landscape of the industry, engaging in a managed services programme enables CSPs to arrive at a more cost-effective method of managing enterprise systems, network and applications. Higher flexibility, scalability, reduced risk and greater control are some of the other

advantages of operating in a managed services model.

How managed services is different

While managed services and outsourcing may seem similar to many at the outset, the intrinsic differences in both these engagement models reveal that the processes, agreements, objectives and outcomes of the two models are entirely different.

First and the foremost, the expectations from both these engagement models vary vastly. While a CSP's expectation from a managed services programme would be to ensure process enhancement without operational disruption, their expectation from outsourcing will often be limited to just cost reduction. Another key difference can be observed in the nature of contracts for outsourcing and managed services. While outsourcing projects are billed based on their sheer completion, billing for managed services engagements is driven by service level agreements (SLA) and stringent key performance indicators (KPI).

What this indicates is that the quality of work that comes out of a managed services engagement is far superior to when compared to outsourcing, simply because there is a greater accountability. It is also interesting to note how each of these providers are perceived by CSPs engaging with them. While managed services providers are typically viewed as company partners or staff augmentation, outsourcing contracts are managed with a vendor/outsider relationship. This, to a great extent reflects on the approach of the teams towards a programme as well. While the objectives of a managed services team ▶



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would align with that of the CSP they are engaged with, an outsourcing team would focus on job completion within the stipulated time.

Put together, managed services facilitate CSPs to bring in the expertise required to become more effective, agile and lean while ensuring a definite and quick ROI on a controlled and completely visible investment.

Recognizing the strategic imperative of outsourcing in today's environment, Subex offers a flexible and scalable managed services programme that enables service providers to successfully meet the ever changing business, technology and customer requirements. Subex's managed services offering is designed to deliver true competitive advantage by focusing on strategic, operational and cost benefits that address service providers' current and future challenges and risks.

SMART (Subex Managed Accountable ROC-enabled Tailored) services are derived out of our vast experience and expertise across the telecoms domain, people and processes. It also offers CSPs the important cost advantage with an optimum mix of on-shore and off-shore resources – best shoring, well negotiated infrastructure and hosting agreements and streamlined processes.

The concept behind it is quite simple; A unique combination of product, domain and operations expertise that managed services can bring to bear, while using proven technology that automates processes and a three stage framework consisting of

Subex Managed Accountable ROC-enabled Tailored Services



consolidation, enhancement and optimisation, is what results in a sustainable long term value delivery to the customer.

Understanding the varying needs of different CSPs, Subex also offers a variety of models in managed services such as: Traditional License model, Bureau/Hosted model, Applications MS model and Business MS model. Subex's managed services programme is designed to add both strategic and tactical value to CSPs' operations and enable better customer experience while also enhancing their operational efficiency, service agility and profitability. With Subex at the helm of its operations, CSPs can redirect critical resources at core business functions generating more revenue and saving costs.

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SMART services success stories

With more than 30 managed services programmes running successfully across the globe, processing over 20 billion CDRs monthly, running applications in over 100 servers, Subex can proudly list numerous instances of rapid ROI and extended value delivery to customers.

A tier 1 APAC operator whose engagement scope with Subex includes managing end-to-end operations and proactive fraud prevention through new product risk assessment and mitigation of risk advisory from industry forums observed a 200% monthly ROI since inception. Prior to the managed services engagement, the operator faced stiff challenges due to lack of domain expertise and absence of proactive methods of fraud management. Average fraud loss avoidance post managed services implementation was in excess of US\$400,000 per month.

A tier 1 Middle East CSP, engaged in a business managed services model with Subex, benefited from the 200% increase in fraud coverage and an average reduction of 84% in the fraud run time across various types of frauds. The CSP's prime requirements were to find a partner to drive the fraud management application, fine tune and assess their current FMS application status.

Another tier 1 APAC CSP, whose scope includes application hosting, monitoring and first level analysis, saw a 100% ROI in the first 10 months of a multimillion dollar contract. Resource constraints and limited capabilities of the CSP's in-house revenue assurance tool were the main concerns of the CSP in this case.

A tier 1 North American CSP has been able to observe direct cost savings in revenue assurance operations in a bureau model. The model itself substantially brings down the risk involved for the CSP and provides great control.