

Achieving Real Business value with Revenue Assurance



Doubling revenue recovery within a year was an ambitious target that turned into reality for an established fixed and mobile operator in Latin America. A team of security experts from Nokia Siemens Networks combed through the operator's systems, detected leakages and determined the necessary fixes.

Focusing on process analysis across the organization's systems, finding the evidence and recommending solutions, the project exceeded its targets.

The combination of skills, expertise and experience was vital to achieving the project's goals.

Losing money from rating and billing systems

Like every player in the area, an established fixed and mobile operator in Latin America knew it was leaking money from its rating and billing systems, but didn't know where the leakages were occurring, nor how much revenue it was losing. The operator turned to Nokia Siemens Networks for help in tracking down the leakages and plugging them.

The combination of skills, expertise and experience was vital to achieving the project's goals.

During the following four to six weeks, the project focused on critical points within the business processes and selected switches in the network. Then the team moved on from the critical sample areas of the systems to examine the entire fixed network in full detail, using the Revenue Assurance tool.

Analyzing the problem

Working with the customer, the Nokia Siemens Networks team determined that the first step was to get a firm idea of the scale of the problem. Opinions of the leakage rate ranged from **five to fifteen per cent of revenues** but no one really knew for sure. The team assigned for the job consisted of technical consultants and process specialists, people from the global expert center and others with strong local environment experience.

The whole project consisted of measurement of the digital switches of several telecom vendors, process maps and KPI definition for the areas of call-to-switch, switch-to-bill, provisioning and interconnection and dashboard customization. Additionally, the revenue model to assess potential leakages was developed and estimates of the amount of revenue recovery were provided.

The core of the success was the relationship and trust.

Measuring the results

Due to the significance of the project, the operator and Nokia Siemens Networks appointed a steering committee to monitor project progress and provide support from both sides in case of problems. The committee followed the progress of the work and the KPIs (Key Performance Indicators) that were jointly agreed on. The KPIs ensured that everyone knew what the project was trying to achieve and how the team would present its findings. The KPI set created a common language that allowed the team to analyze the operator's systems, as well as providing a scale for baseline measurement.

A Nokia Siemens Networks security consultant commented: "For example, the measured KPI for a provisioning system may be 80 per cent and we may find the root cause [of leakages] in the parameter settings. So we change the parameters, and measure again. Experience from other customers told us when the KPIs we were measuring were too low, or within a good range. For example, in prepaid mobile provisioning, we can say that 90 per cent is okay, whereas in a switch we wouldn't accept less than 99.5 per cent. So we have a feeling for how to analyze each process."

Accurate and informed benchmarking of this kind allowed the team to characterize the customer's performance in relation to industry norms. The team was then able to apply its knowledge of best practice to tackle the causes of each underperforming KPI.

From advice to implementation

The gap between discovering the cause of a problem and fixing it can be small – or vast. Some fixes were relatively easy to make, such as a parameter needing a simple adjustment. However, other fixes might require bigger investment and effort, for example, to replace a poorly performing switch.

In every case, the Nokia Siemens Networks team not only defined and analyzed the problems, but also suggested solutions to fix them. However as in all proper consulting engagements, the operator was free to select vendors based its own business criteria.

The situation is similar to that of the airline business, where every empty seat on a flight represents lost income.

Doubling of revenue recovery within year one

The project exceeded its targets and revenue recovery was doubled within one year. Established methodology, an expert team and the right tools ensured that the revenue assurance project did not interrupt the operator's daily business and did not generate extra costs in either temporary systems access or accommodation of people.

The core of the success was the relationship and trust between the two parties. The Nokia Siemens Networks team had constant dialogue with the customer to understand and verify its real needs and then worked to find the best combination of technology, knowledge and understanding of the customer's business to meet those needs. The experience Nokia Siemens Networks has with other customers provided the technical and operational knowledge required for the project, but best practice was adapted to new circumstances to bring maximum benefit to the operator.

About Revenue Assurance

Revenue Assurance aims to ensure that every call or service used by a network's end customers is billed correctly. Sometimes call records are lost or attached to the wrong customer. In other cases, incorrect parameter settings cause inaccurate billing. Chargeable items that can't be billed to any customer mount up. These represent lost revenue to the network operator. Revenue leakage undermines the performance of the business and, in the long term, may lead to increased charges for network users.

The situation is similar to that of the airline business, where every empty seat on a flight represents lost income. But in the case of telecoms networks, the "lost seats" may be retrievable. By analyzing the data flowing through the network's systems, it's possible to trap and identify leaks at their source. The owner can then process those captured records or – more usefully – fix the underlying cause of the leak, so that such exceptions are no longer created.

Customer challenge:


- Losing money from provisioning and billing systems
- Lack of structure, process and methodology to tackle revenue assurance

Nokia Siemens Networks solution:

- Tracking down the leakages and recommending solutions for plugging them
- Professional, forensic service that produced measurable business benefits, with well-contained cost implications

Real Business benefits:

- Doubling of revenue recovery within year one
- Save recurring lost network revenue without disturbing service
- Customized methodology for the management of KPI discrepancies
- Optimized flow processes for leakage analysis
- Customized software tools and dashboard for the corresponding processes



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