AMDOCS CUSTOMER SUCCESS STORY

KYIVSTAR IMPROVES RESOURCE UTILIZATION AND SPEEDS ROLLOUT OF NEW SERVICES BY CONSOLIDATING NETWORK DATA

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HEAD OF MANAGEMENT SYSTEM UNIT, KYIVSTAR

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AT A GLANCE

Lines of Business: wireless

Services: prepaid, postpaid, voice, data, roaming

Headquarters: Kiev, Ukraine

Web site: www.kyivstar.net

Employees: 4,152

Subscribers: 23.7 million

Annual revenue: $2.1 billion (2007)

Ownership: Telenor (56.52%), Storm (43.48%)

CHALLENGES

> Need for increased levels of OSS automation to speed service rollout to improve competitiveness

> Reduce OPEX and CAPEX by optimizing existing network capacity and improving capacity planning

> Increase customer satisfaction by improving the customer experience

SOLUTIONS

> Inventory Management

> Data Integrity Management

> Integration with IBM Tivoli Netcool

MODULES

> Resource Manager

> Task Engine

> Sync engine

RESULTS

> Single, reliable source of network data provides solid resource management foundation

> Lower OPEX and CAPEX due to better resource utilization

> Faster fault correction via integration with Netcool, improving customer satisfaction

> Faster rollout of new services, improving competitive positioning

EXECUTIVE SUMMARY

Kyivstar operates in the high-growth Ukrainian market, providing mobile services to a fast-growing subscriber base. The company recognized that it needed a common platform for fulfillment, planning and assurance which would support further subscriber growth, allow it to manage services and network resources more effectively, and roll out new services faster. To this end Kyivstar has successfully deployed a number of Amdocs OSS suite products which have enabled it to consolidate its inventory systems and speed its fulfillment processes, thereby enhancing its customer experience.

"Amdocs brought a wealth and breadth of knowledge and skills to this project, helping us develop a strategic vision for our OSS evolution and inspiring us to discover new approaches to our business processes."

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Kyivstar is the largest wireless operator in the high-growth Ukrainian market. Since launching its GSM network in 1997, its subscriber numbers have grown rapidly—more than doubling in 2005 alone—and reaching 23.7 million by early 2008. The Ukraine market is highly competitive, supporting four major wireless operators and more than 10 MVNOs. However, while penetration continues to rise, average revenue per user (ARPU) is falling. The challenges facing Kyivstar are to lower its operational costs so that it can maintain its competitive edge, and to launch new value-added services quickly and reliably in order to boost ARPU.

Kyivstar's IT systems have an important role to play in helping tackle these business imperatives. Lower operational expenditure has been achieved by consolidating its OSS infrastructure, including inventory systems. Not only has inventory consolidation lowered its OPEX directly, but it has also enabled Kyivstar to improve resource utilization by maximizing the effectiveness of its network management and capacity planning.

With the majority of subscribers on prepaid tariffs, Kyivstar needs to offer innovative, value-added services in order to reverse the downward trend in ARPUs. Increasing the level of OSS automation has enabled faster rollout of new services, and faster and more accurate service fulfillment. This reduces costs and decreases time to new revenues, and also enhances the customer experience—enabling Kyivstar to retain existing customers and attract new ones.

NEED FOR A SINGLE DATA SOURCE

Kyivstar needed to consolidate its inventory data because it had many different data sources and connection information stored outside its management systems. Information was still being handled manually and there were no standard processes or tools. Worse still, some information was not being administered at all and there were few internal conventions for handling the data. This had led to a situation where Kyivstar did not have a complete picture of its transmission network, impairing operational efficiency and leading to higher costs and slower service rollouts. To achieve its commercial goals, Kyivstar needed to reduce its cost base, speed service rollout and enhance its customer experience. It determined that the way to achieve this was to begin by implementing a single, accurate data source—a consolidated inventory—which could become the foundation for better capacity planning, improved and more automated fulfillment, and improved fault management.

OSS VISION AND EVOLUTION

Kyvistar's vision for its OSS was to develop a common platform for fulfilment, planning and assurance based on a consistent, configurable network model across legacy and future technologies. Persistent and technology-agnostic automation capabilities would be supported on this platform.

This provides Kyivstar with a single, reliable source of network data, which is accurate, complete and available throughout the enterprise. Kyivstar planned to consolidate all its transmission equipment, links and circuit data in the Amdocs inventory, and to synchronise this with its six network management systems (NMS) to ensure that the inventory had up-to-date information about the network. Kyivstar also aimed to improve its service assurance by integrating its new consolidated inventory with IBM's Netcool suite. This would enable Kyvistar to more effectively determine which circuits and services were affected by a network fault. "Our main strategic goal when we started this program in 2004 was to build a single unified inventory," explains Vitaliy Gubenko, Head of Management System Unit at Kyivstar. "The unified inventory gives us a better view of our network resources, and enables us to improve capacity planning and enhance our service assurance."

In terms of planning, Kyvistar determined a phased approach which would deliver resource-level automation, high-level automation and optimization, and 'what-if' scenarios. In the first phase, it planned to reduce emergency activities by automated threshold supervision, by accelerating network rollout and by improving consistency using Stand Build Administration. High-level automation would be achieved via a time-lined view of network capacity and consumption, and targeted, just-in-time network build through trend projections. In the final phase, optimization would be achieved using optimum-cost design under constraints (such as diversity and delay) and load-balancing support.

IMPLEMENTATION BY S&T SOFT-TRONIK

Kyivstar's OSS project involved consolidating inventory data using the Amdocs solution and building interfaces to six underlying network management systems to ensure that the new consolidated inventory remained an up-to-date and accurate source of data. The Amdocs inventory was also interfaced with IBM's Netcool service assurance system to enable service impact reports, fault correlation and root-cause analysis.

The project was delivered by Kyvistar's implementation partner, S&T Soft-Tronik (S&T AG Group), a leading provider of IT solutions and services in central and Eastern Europe. S&T Soft-Tronik belongs to S&T System Integration & Technology Distribution AG (Vienna), which operates across the telecoms, financial, manufacturing and government sectors, employs more than 3100 people and had annual revenues of €522 million in 2007. "Kyivstar is one of our most important customers in the Ukraine," says S&T's CEO Christian Rosner "and for many years we have worked closely with them to implement several, complex IT solutions. Amdocs OSS solutions stand out in the market and will enable us to continue our strong record with Kyivstar. This deployment demonstrates the success of Amdocs and S&T working together to bring further efficiency to Kyivstar's network management process."

IMPROVED CUSTOMER EXPERIENCE AND COMPETITIVE POSITION

The Amdocs inventory is now central to Kyivstar's OSS evolution program, serving as the basis for increased automation in its OSS processes. The increase in automation has resulted in reduced operational expenditure and faster time to market for new innovative services. This delivers a vital competitive advantage to Kyivstar over its competitors and provides an improved customer experience.

Having a single, accurate view of its transmission network allows Kyivstar to improve its capacity utilization and planning, resulting in lower capital and operational expenditure. This helps maintain its profitability and competitive positioning in the face of increasing price competition.

Increased customer satisfaction is also achieved due to improved fault management, enabled by the flow-through of information between the Amdocs inventory and IBM's Netcool suite. This integration has helped Kyivstar achieve its objective of substantially reducing its mean-time-to-restore (MTR) when a fault is discovered, thereby minimizing the impact on its customers.

AMDOCS OSS SOLUTIONS

Kyivstar has completed implementation of the Inventory Management solution from Amdocs OSS Division, including Resource Manager, Task Engine and Sync Engine. Kyivstar also uses Amdocs' technology for data integrity, supporting synching of new elements from the network to Resource Manager. This ensures that Kyivstar has an up-to-date view of the entire network, enabling better service provisioning and network planning and supporting service assurance through integration with IBM's Netcool solution.

Resource Manager

Resource Manager maintains an accurate model of all network resources. It is built using an abstraction layer, which means 'any' service, technology or vendor can be modeled quickly and consistently. This enables both current and future OSS requirements to be met. Resource Manager enables existing inventory systems to be consolidated to provide an accurate and comprehensive view of network resources across the enterprise, allowing processes to be streamlined and automated, and business and technical rules to be enforced.

Task Engine

Task Engine provides the ability to automate complex activities and processes associated with service fulfillment and network build. This empowers individuals with limited experience or technical knowledge to complete both simple and complex tasks associated with order management and network rollout. Task Engine ensures all activities, including manual tasks, are completed in the correct sequence to eliminate potential errors. Based on a template approach, Task Engine optimizes processes while validating business rules and technical constraints.

Sync Engine

Sync Engine provides multi-technology, multi-vendor data integrity management for the Amdocs inventory, providing alignment of external network and OSS data sources. It can be used for inventory data load, where it provides an efficient way to load network and OSS data from a wide range of sources. Multi-level data comparison options permit staged data transfer from external sources for phased migration of data into the inventory. Sync Engine can also be used for reconciliation, providing a powerful comparison engine that joins information from multiple data sources and compares it to the Resource Manager inventory. The resultant discrepancies can then be automatically or manually processed to maintain the inventory alignment. Using Sync Engine the fulfillment process is monitored and differences between the planned and built network are captured. Corrective action can be driven automatically to maintain the accuracy of the Resource Manager model.

WHY AMDOCS OSS

"Initially there were three main reasons why we selected the Amdocs OSS to form the basis of our OSS vision," says Vitaliy Gubenko. "Firstly, the Amdocs solution is truly carrier-grade, which was important to us as we have a fast-growing business and we needed a solution that could grow with us. Secondly we believe that Amdocs OSS provides the most solid resource management foundation, and thirdly we think that Amdocs has the most complete concept for OSS evolution."

Gubenko says that Kyivstar's local implementation partner S&T Soft-Tronik brought detailed specific knowledge of its architecture, processes and problems, but it has also benefited greatly from Amdocs' strategic vision and experience. "Amdocs brought a wealth and breadth of knowledge and skills to this project, helping us develop a strategic vision for our OSS evolution and inspiring us to discover new approaches to our business processes," says Gubenko.

ABOUT AMDOCS

Amdocs is the market leader in customer experience systems innovation. The company combines business and operational support systems, service delivery platforms, proven services, and deep industry expertise to enable service providers and their customers to do more in the connected world. Amdocs' offerings help service providers explore new business models, differentiate through personalized customer experiences, and streamline operations. A global company with revenue of $2.86 billion in fiscal 2009, Amdocs has approximately 17,000 employees and serves customers in more than 60 countries worldwide. For more information, visit Amdocs at www.amdocs.com.

For the most up-to-date contact information for all Amdocs offices worldwide, please visit our website at www.amdocs.com/corporate.asp

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