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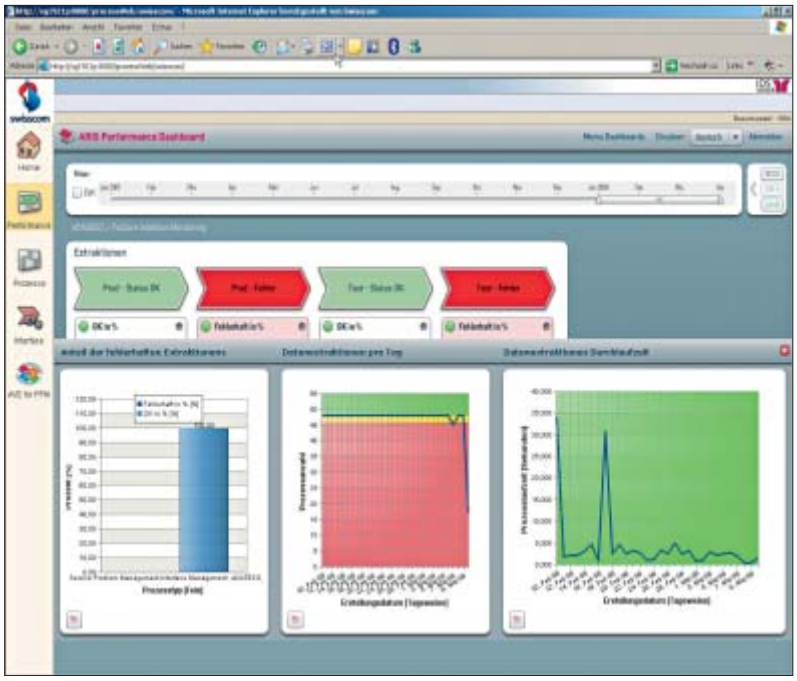
Process Controlling Creates Transparency

Swisscom, the Swiss telecommunications provider, uses a software application to accelerate completion of contracts and monitor workflows.

BY BERND MÜLLER*

A conference room at Swisscom's headquarters in Bern: Markus Witschi opens two screens on his laptop. „Before and after," explains Markus, who is responsible for SMEs within Swisscom. The screen on the left — the „before" screen — shows a cryptic Excel spreadsheet with a string of figures that indicate the time it took to process orders. It would only begin to make any sense if you spent days wading through the data. It's a different story completely with the „after" screen: a cockpit boasting colored bars, tachometers and linear graphics showing the same data but in way that could be understood by a layman.

The difference between the two is down to a software application for process controlling. One of the software applications that the Swiss company relies on in relation to Business Process Management (BPM) is Aris Process Performance Manager (Aris PPM) from IDS Scheer. The company has been using this program since September last year. The software reads data from the source system, which was launched at Swisscom in April 2006 and manages orders and contracts. This works by using DSL access from the moment the contract is signed in the retail outlet to the moment the bill is sent out. The Aris software converts data from the source system and uses graphs to map the process. This is intended to make the processing sequence easier to understand. It links any data the user wants to view with a click of the mouse.



Controlling tools allow the user to map process performance indicators in a clear manner.

The software pays for itself in just three years.

In future, Markus Witschi will be required to present results and experiences with the new Process Performance Monitoring tool to the management once a quarter. „I am confident that we will outperform the business case," he comments. The specific business benefit is that reporting for the SME division will become more transparent in certain business transactions. Establishing DSL access is one example of this. The main objective was not cost savings, explains Witschi, even though these savings already amount to more than just nickels

and dimes. Nevertheless, Witschi informs us that the six-figure sum invested by Swisscom, and the operating costs, will have paid for themselves after three years. The reason? The time it takes to process a contract will be cut dramatically, which in turn means the money from the customer will be received sooner. At the same time, the quality of the data and the satisfaction of employees and customers will improve. The entire project is ultimately expected to finance itself.

Markus explains that „In the past, we knew roughly where we stood but we didn't have exact data on the time it took to process individual orders." The person processing the order only knew that there were delays if the customer complained — 14 days later on average. Now, the controlling tool automatically alerts Swisscom, using alarms, if the contract has not been received five days later or if other performance indicators — shown in the cockpit by green, amber and red bars — deviate from the norm. „This means we can now be proactive instead of just reactive," Witschi explains.

He clicks on a long, red bar that indicates something is seriously amiss on September 14, 2007. Orders received on this day took more than 40 days to process. Without the controlling system, no one would have noticed this, much less have been able to provide an explanation. Clicking in the order list pulls in product, order type (e.g. new order), contract number or other data. On September 14, seven Virtual Private Network access applications were received in one hit, which means greater outlay — so no change there then!

Cycle times for orders are getting shorter

However, there were also unnecessary anomalies. „In October 2007, we found orders from 2006 that were not yet closed off in the system." This didn't represent a problem for the customers as they had already been provided with internet access. But for Swisscom, the delay meant a loss of income. And customers do expect the order to be placed and executed and the bill to be sent in a sequential and timely manner.

The controlling software automatically identifies conspicuous data.

Thanks to the support provided by the software, the cycle times have been reduced considerably. Since December, they have remained consistently below the target of ten days. Product managers and other decision-takers can transfer conspicuous data to Excel with a click of the mouse, meaning that the information is available offline as the basis for a decision. The controlling tool sometimes finds discrepancies in the data records that indicate errors in the source system that nobody would have spotted previously. The monitoring system practically monitors itself too. Witschi looks at the time, then at the screen: „16:45, 34 upload processes — everything is in order." The BPM software retrieves data from the source system every half hour. If there are any errors in the comparison and if transfer should fail, this is flagged up.

Any initial fears that Process Performance Monitoring could be misused for performance evaluation have been dispelled. Whilst it is true that it is possible to trace who was involved in which process, not everybody has access to the tool. There are 70 users at Swisscom, of whom 15 are power users. Employees have recognized the benefits of improved transparency. If no progress is being made with an order, the team can investigate the reasons why within the space of a few hours and can respond before any dissatisfied customers ring up. This ability to respond quickly serves to increase customer satisfaction, and in turn the satisfaction of Swisscom staff. And in addition, the team leaders can show the management concrete figures as evidence of the increased performance of their colleagues.

Users required a flexible reporting system

Witschi is satisfied with the implementation of the new software. Two years ago, when the IT department set up the new source system, data was selected using implanted scripts and populated in Excel spreadsheets. It wasn't long before there were calls for a convenient and flexible reporting system. The team overruled the option of incorporating reporting functions into the source system, as a change to the system would have resulted in the write-back of bigger investments. Moreover, modifications mean considerable programming effort. „If there were changes to be made, we had to announce this many months in advance and then the chances were that circumstances would have changed in the meantime," recalls Witschi. A colleague from the IT department, who wasn't familiar with the process controlling software, put the requirements together. The main priorities were traceability and flexibility. Once IDS Scheer had developed a prototype, Witschi made his presentation to the management, who gave the project the green light.

The cooperation between IDS Scheer and the Basel-based company E2E was a convincing argument in favor of the Aris solution. The E2E bridge taps the source system database and makes the data available for the controlling software. Witschi can imagine incorporating other source systems into the reporting process, for example Customer Relationship Management. He qualifies this by explaining that, at the end of the day, there needs to be a business case that justifies the investment: „Process controlling needs to be implemented where the need for it is greatest." (wh) ◆

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