

# PROS AND CONS OF OPERATOR-SPECIFIC BUSINESS SUPPORT SYSTEMS

9.6.2014

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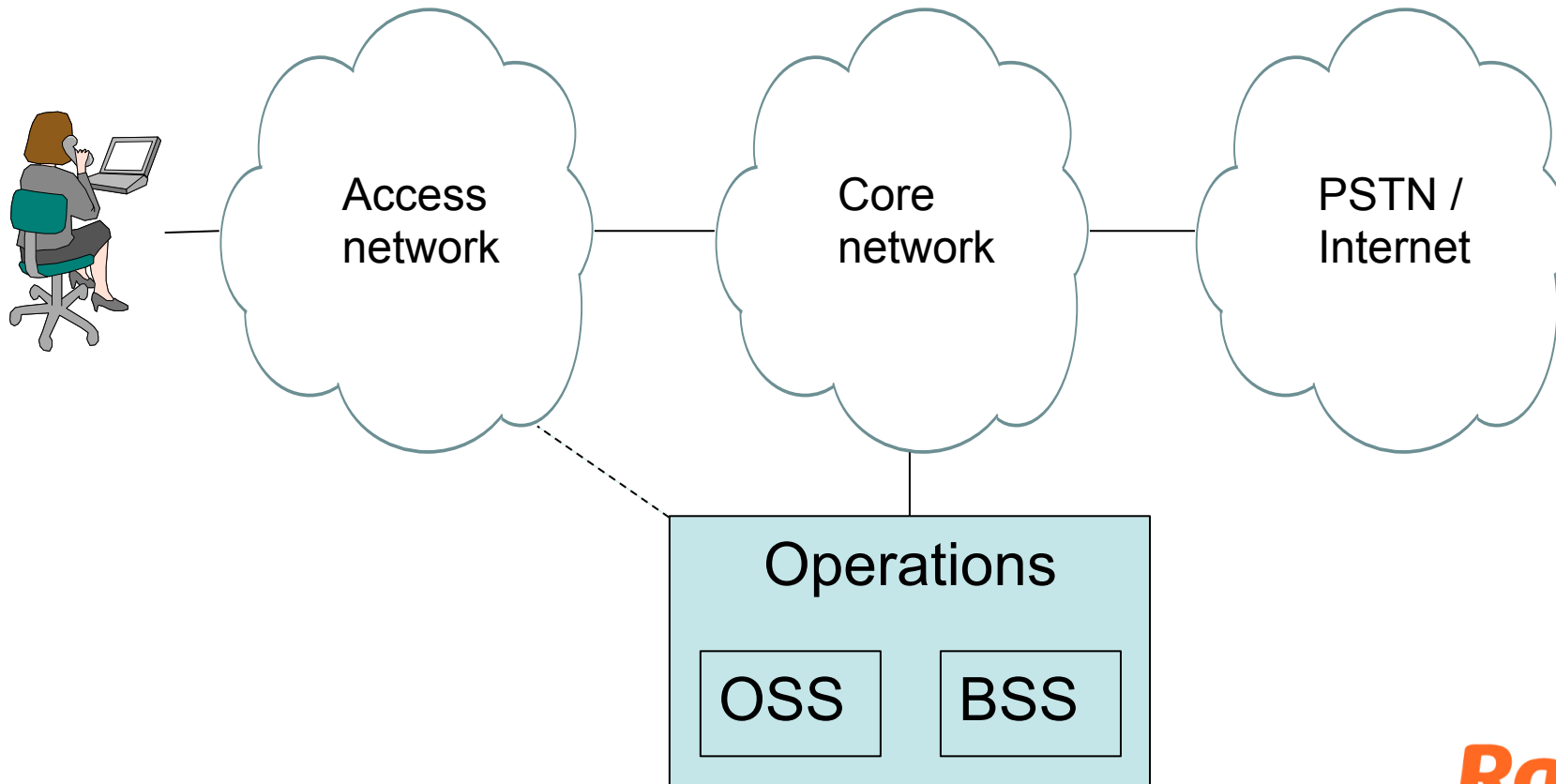
# ABOUT ME



- **TEEMU PELTONEN**
- **>30 successful major projects in >10 countries**
  - Nine mobile operator deployments
  - Three ISP deployments
  - >10 critical OSS/BSS projects
- **10 last years in project management roles / consulting**
- **Three years in OSS/BSS solution management (2004-2007, clients: Saunalahti, AinaCom)**
- **Formal education**
  - BS in Engineering (Software developer's business processes, EVTEK 2006)
  - MBA (Small business growth strategies, Aalto 2013)

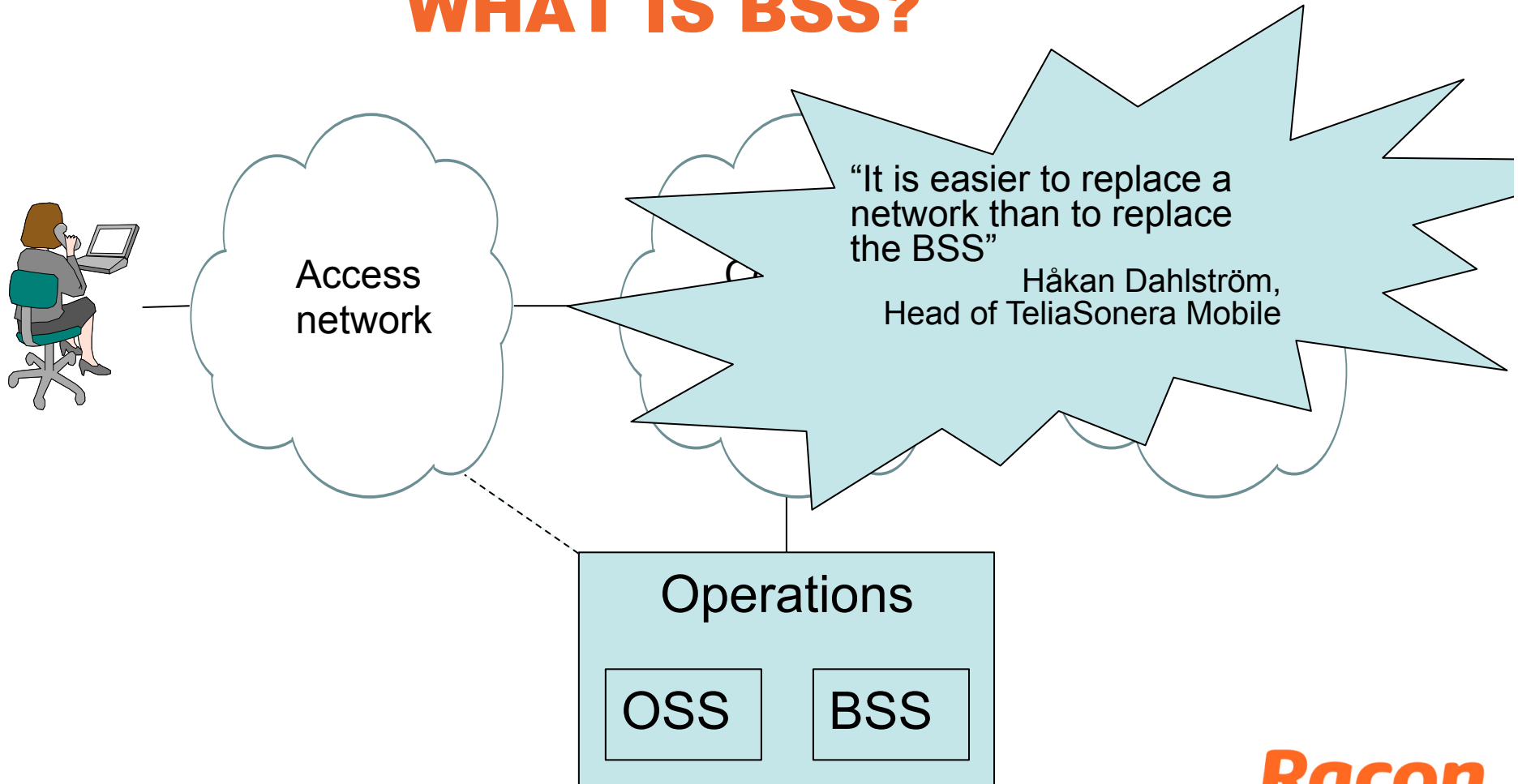
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# WHAT IS BSS?



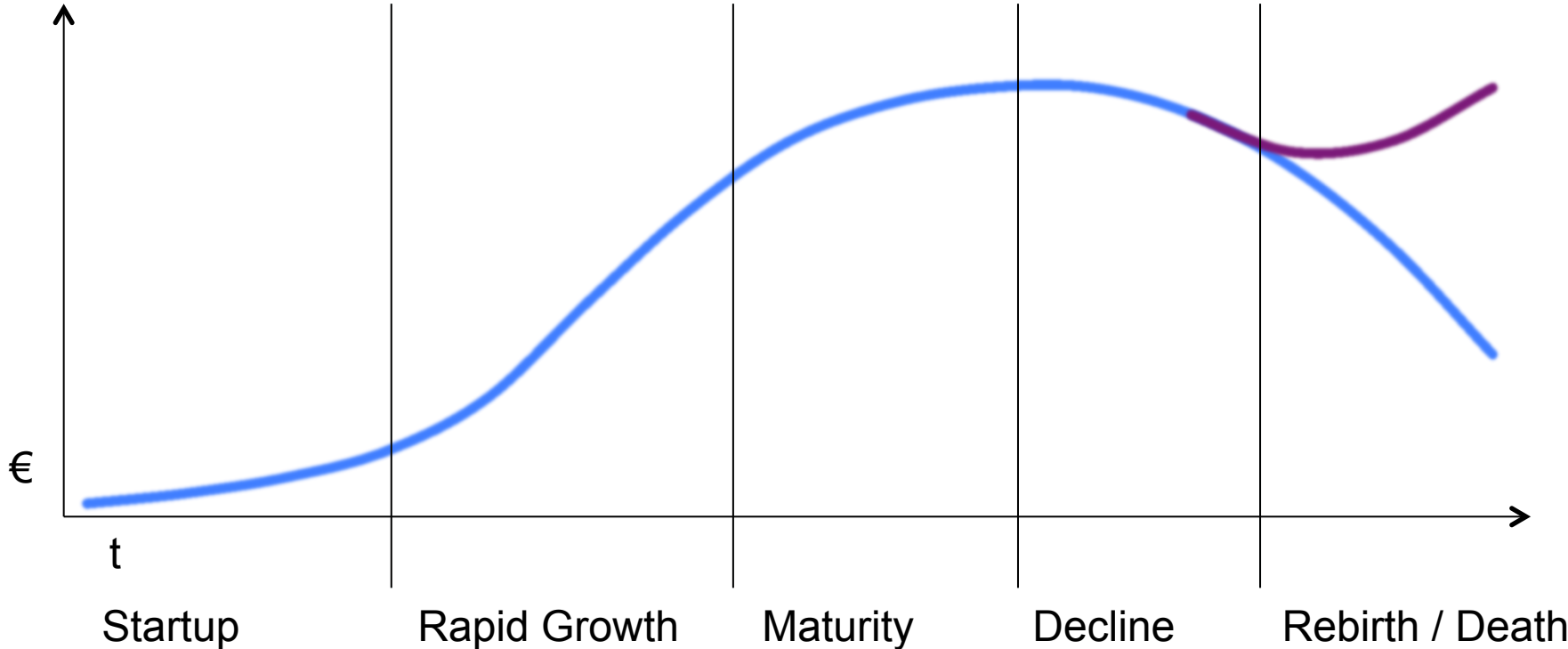
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# WHAT IS BSS?



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# ORGANIZATION LIFE CYCLE



Based on the work of JR Kimberly, RH Miles (1980)

## STEP 1

- **STARTUP: NO MONEY**

- **ASAP mentality**

- Focus in getting business up and running ASAP
- Engineer approach
- Don't worry future needs: fix issues as they emerge

- **Result**

- BSS fulfills “day 0” requirements
- Often self-made or adapted (budget pressure)



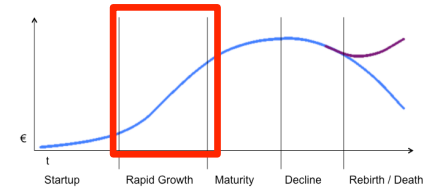
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## STEP 2

- **RAPID GROWTH: NO TIME**

- **Business is booming**

- Natural, but unlikely point for architecture consideration
- Focus on getting new, incremental products out to market
- Incremental changes (2G to 3G) often based on earlier technologies → no need for fundamental changes in support systems



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## STEP 3

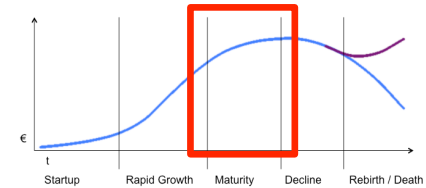
- **MATURITY: MUST SAVE**

- **Business growth slows down**

- Management talks about saving programs and core business
- Savings stop any BSS projects: no direct savings

- **Several simultaneously ongoing incremental development projects**

- BSS development becomes a bottleneck, restricts business
- Decision: do we continue with old BSS (accept the costs of slow market entry) or do we replace it (accept the costs of architecture renewal)?
- Changing the existing architecture can be VERY expensive and time-consuming (bad ROI)



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## STEP 4

- **DECLINE: DOWNSIZING**



- **PANIC! PROFITS ARE GOING DOWN!**

- Layoffs, tight saving programs, burning platform speeches
- Nobody dares to even think about starting new development initiatives
- Focus on selling and downsizing

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## STEP 5

- **REBIRTH / DEATH**



- Did you invest in new systems when business was booming?
- BSS needs to support new radical products
- Radical changes (ISP to mobile) change the invoicing basis → bigger changes in BSS needed
  - user instead of company
  - phone number instead of email address
  - minutes and SMS instead of monthly fees

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# TAILOR-MADE VS. PLASTIC WRAP

Tailor-made	Plastic wrap
+ Full control and flexibility	- No control, some flexibility possible (€!)
+ Initial cost small	- Initial cost high
+ Software supports business processes	- Business processes support software
+ Own source code	- Developer owns source code
+ Meets purpose exactly	- Many unnecessary features
- Management costs skyrocket over time (development, testing, specifications)	+ Management costs well known in advance
- Often only one guru	+ Professional management + support
- Often no clear strategy	+ Usually documented roadmaps
- Often no documentation	+ Professional documentation
- Only one company using the software	+ Support for industry-wide features

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# CONCLUSIONS

- **Tailor-made is generally good for prototyping and startups**
  - Some exceptions:
    - large companies with significant resources and specific development needs
    - market leaders and innovators: plastic wrap too rigid, “best practices” not enough
    - some government, military and facility providers
  - **Most of the successful companies migrate away from tailor-made solutions before or during maturity phase**
    - Allows rebirth
  - **Decisions on replacing critical elements should always be made after careful examination**

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**Thank you!**

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