Process Management @ TDC Switzerland AG

Amsterdam, May 18, 2006

M. Witschi & B. Pfeil, TDC Switzerland AG
Agenda

1. Process Management at TDC Switzerland AG
   1.1 TDC Switzerland & Corporate Vision
   1.2 Process Management

2. What can you do within 3 months?
   2.1 Business Issue
   2.2 Concept
   2.3 Live Demo

3. Can you prove the benefits?
Our investors & vision

• Tele Danmark was privatized in 1994

\rightarrow TDC

• Today, TDC has holdings in 18 companies in 12 European countries

• sunrise is a brand name of TDC Switzerland AG

• No. 2 in Switzerland

“We want to earn our customers’ life-long loyalty by offering the best customer experience and value for money.”

Jesper Theill Eriksen, CEO
A strong position

Quality, reliability and trust

Customer-friendly & customer-oriented

Image & lifestyle

Price

Established telco

swisscom
sunrise
TELE2
orange
Analysis of units that influence processes

- CEO
- Corporate Services
- Wireline & Internet
- Mobile
- Finance
- IT, Network
- Customer Care

- Process Planning (Design)
- Process Monitoring (Controlling)
- Process Execution (Implementation)
Running the Process Life Cycle

- **Process Planning (Design)**
- **Process Execution (Implementation)**
- **Intranet Publishing (2004, Work Instructions)**
- **Balance Score Card (2005, Prototype on Team Level)**

- **Process Design (2004, Use in Projects)**
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ADSL (Internet) order & commission payments

- Register order
- Pay commission to sales partner
- Activate line with partner
- Send modem
- Manage Problems
- Activate Network
- Close order after first product usage
Business situation

Partners receive **commission immediately** after order registration.

In **some** cases orders can **not be fulfilled** for various reasons (e.g. customer never ordered, ADSL not feasible).

But the partner **still gets the commission**!
Project objective

Hence we need to know the business status of each process in order to pay commission only when justified.

Therefore the key business objectives for this project are:

- Identify orders that need not be commissioned
- Prove that commission is not justified
Approach

Data is based on Time Stamps (log notes) → extract from DWH
Order statuses (Orders from Oct. 05)

- Order Intake ADSL
- Registered in October 2005
- Process Status
  - Cancelled
  - Closed
  - In Progress
- Analyzed on April 13, 2006
Overview order statuses

Status ADSL Orders
Registered Oct 05 - Mar 06

- Oct 05: 93% Order Closed, 8% Order Pending, 0% Order Cancelled
- Nov 05: 92% Order Closed, 8% Order Pending, 0% Order Cancelled
- Dec 05: 92% Order Closed, 8% Order Pending, 0% Order Cancelled
- Jan 06: 91% Order Closed, 8% Order Pending, 0% Order Cancelled
- Feb 06: 90% Order Closed, 8% Order Pending, 2% Order Cancelled
- Mar 06: 60% Order Closed, 16% Order Pending, 6% Order Cancelled

Analyzed on April 13, 2006
Drill Down → Orders not to be commissioned
**Drill Down → Orders not to be commissioned**

- **Cancelled**
- **Closed**
- **In Progress**

<table>
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<tr>
<th>Order Create Date (By day)</th>
<th>CLI</th>
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<th>Dealer</th>
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Prove why commission is not justified
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New ADSL (Internet) order & commission payments

- Register order and check validity
- Activate line with partner
- Send modem
- Manage Problems
- Pay commission to sales partner
- Close order after first product usage
Benefits of classical reengineering

- Planned Budget for Commission (2005)
- Savings due to old process (until Sept. 2005)
- Savings due to ADSL Commission Project (from Sept. 2005)
Benefits of Process Performance Monitoring

Benefits of Process Monitoring

Savings ready to be implemented due to Process Monitoring (ADSL only)

Planned Budget

Saving on commissions: 7% (cancelled orders)

We can prove it for each process instance for each partner

18'700'000

561'000
Running the Process Life Cycle

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Questions?

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Thank you