



AFRICAN WIRELESS MANAGED SERVICES

AS TELCOS CONNECT AFRICA, DOES THEIR BUSINESS MODEL
STILL CONNECT WITH THEIR OPERATIONAL CAPABILITIES?

A WHITE PAPER



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Wikipedia tells us that Africa is the world's second-largest and second-most-populous continent. At about 30.3 million km² including adjacent islands, it covers six percent of Earth's total surface area and 20.4 percent of its total land area.

The continent's massive size alone has presented a connectivity challenge unlike anywhere else in the world. Africa's telecommunications service providers are deploying a variety of networks, from satellite to terrestrial, fiber to optical, to reach Africa's population with voice and internet services. But the intention is to do much more—delivering new digital services such as video, music, e-health and online education services is important not only to consumers, but to the operators that leverage these services to gain new customers, build revenues and develop competitive advantage.

Africa is home to the first 4.5G network trial, and the world's largest Wi-Fi shopping center deployment. Angola Cables is building the southern hemisphere's first subsea fiber-optic cable system to link Africa and South America, ultimately stretching to Miami, enabling Africa to connect directly to the U.S.

Facebook will also use satellite technology to provide high-speed broadband services to Africa as part of its Internet.org initiative to connect the world.

While many connectivity initiatives are underway, can service providers also connect all of the moving parts within their own operations to keep both traditional and new, digital services fit for purpose and operating efficiently?

Has the need to maintain basic voice, video and data revenue streams while innovating new ways to connect the population with new digital services brought African operators to a tipping point where it is now a must to outsource their back-office operations to third party specialists?



Third-party specialists operating in managed services programs are not new. For decades, managed services providers (MSPs) have done the heavy lifting of managing internal IT operations for a variety of businesses that wanted to save costs or augment in-house teams with additional staff. But in today's digital services era, managed service providers will be called upon to do much more.

MSPs in the telecom industry today will be called upon to align operations for not just digital services, but for full business model alignment to serve the digital consumer. Service providers can't follow the old-school MSP model of merely replacing technologies. The approach to fully transform into a digital business operation must take into consideration not just systems performance improvements, but improvements designed to impact business outcomes.

With the integration of cloud, data warehouses and various data services, MSPs are transitioning away from selling traditional IT and communication services to telecom customers and evolving to offer their customers a full solution strategy to align internal teams, processes and operating systems to support the digital transformation journey. Today's MSP needs to align people, process and technology in ways that internal teams often can't, or simply don't have the time, to do.

AFRICA IS HOME TO THE FIRST 4.5G NETWORK TRIAL, AND THE WORLD'S LARGEST WI-FI SHOPPING CENTER DEPLOYMENT.

A digital transformation is not simply an IT transformation. In reality, it is much more, and requires that a service provider's assets—whether human or operational system—are aligned to support the digital consumer alongside more traditional operations. IT transformation requires investments in new systems, whereas the focus for digital transformation needs to be centered on investing in new ways of thinking and strategy.

We know this is true from our own experience, but we also conducted a survey with Pipeline Market Research to poll communications service providers worldwide about their ability to transform their businesses for digital services using their existing, in-house resources. Survey results indicated that providers lack confidence that their Business Support Systems (BSS) and in-house teams are able to support the next generation of digital services. Respondents stated they would add IT infrastructure and process alignment; customer experience management (CEM); and Billing and BSS skills to their existing teams to better support future digital services.

Similarly, the service providers surveyed indicated "strategic transformation of existing business model, teams, or skills to support digital services" as their top organizational concern related to digital transformation. They also indicated "technology to support new digital services" as their second highest concern, and "processes to support new digital services" as their third.

The sentiment for using third-party managed service providers to augment internal resources and expertise appeared to be very positive. Almost all the service providers surveyed (97%) indicated they would find value in a third-party, managed service provider. The majority (68%) indicate that they currently rely on third-parties and 56% are either considering using or increasing the use of third-parties in the next 12 months.



The majority of service providers stated that they would recover between 10% and 50% of their existing team's time by using a third-party to manage their BSS, and a significant portion (13%) said they would recover more than 50% of their team's time to focus on innovation.

Survey results show us sentiment and trends, but can an MSP make a difference in every day operations? One of the largest communication service providers in Africa, as well as the world, leverages its managed services engagement to simplify and streamline its operations and focus its resources on core business lines across wholesale and retail billing.

Prior to its managed services engagement, the service provider's wholesale billing architecture was made up of many different software applications; each run independently of each other, by the different vendors and subcontractors, that originally provided or installed the system. Besides the inefficiencies this brought about in the support and management of these systems, the costs of contracting these support services from multiple vendors was escalating at a rate faster than the business was growing. In addition, new government regulatory changes had put tremendous pressure on the business's profitability.

Looking at business goals holistically led to a new approach designed to consolidate all of these contracts and vendors under a single managed service agreement across wholesale billing. The service provider leverages the MSP to manage a variety of complex solutions, including billing, routing to ensure the best wholesale rates and deliver the best quality of service, and interconnect for wholesale settlements, to home-grown tools and systems from other third-party provider technologies. This solution consolidates third party vendors, contractors and employees into one managed service.

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The business outcome has been a much shorter time to market for new products and services, because systems and the teams that support them are now streamlined behind a common purpose.

Done properly, an MSP can manage complex customer and revenue management processes, proactively translate strategy into a vision for how BSS should evolve, and de-layer current BSS infrastructure to create flexibility and agility.

This is clearly a much bigger order than simply aiming for cost reduction and staff augmentation. Arguably, to align a telecommunications business to support current operations alongside the need to innovate to reach new customers with digital services, a service provider should prioritize an approach that will:

- **Increase Efficiency and Competitiveness**
Organizations that try to do all IT services in-house themselves can have much higher research, development and implementation time, all of which increase costs and decreases time to market

- **Enable Fast Implementation of New Technologies**

MSPs can often provide an appropriate level of resources to start and implement projects, where handling the same project in-house might involve weeks or months to hire the right people, train them and provide the support they need. For most implementations, quality IT companies will bring years of experience and domain expertise, to save time and money

- **Reduce Risk**

Every business investment carries a certain amount of risk. Markets, competition, government regulations, financial conditions and technologies all change very quickly. Managed services program assumes and manages much of this risk, with specific industry knowledge, especially security and compliance issues



IN A NUTSHELL.

So is it time for African service providers to not only open the digital world to all of its possible consumers, but also to open its operations to third-party experts who can align them to manage both today's and tomorrow's services? The consumer demand for digital services everywhere in the world has caused an era of unprecedented change for the telecommunications industry as a whole.

Particularly in Africa where the change to digital is unfolding on networks crossing air, land and sea, drawing upon the knowledge of the industry at large may be the key to building the right connections between people and business operations.

ABOUT CSG

For more than 35 years, CSG has simplified the complexity of business, delivering innovative customer engagement solutions that help companies acquire, monetize, engage and retain customers. Operating across more than 120 countries worldwide, CSG manages billions of critical customer interactions annually, and its award-winning suite of software and services allow companies across dozens of industries to tackle their biggest business challenges and thrive in an ever-changing marketplace. CSG is the trusted partner for driving digital innovation for hundreds of leading global brands, including AT&T, Charter Communications, Comcast, DISH, Eastlink, Formula One, iflix, Maximus, MTN and Telstra. To learn more, visit our website at csgi.com and connect with us on [LinkedIn](#), [Twitter](#) and [Facebook](#).