

High-Level Guide for Managers

The Business Process Framework

March 2010



The Business Process Framework

1. Executive Summary

Framework is the next evolutionary step in the development of the highly successful TM Forum standard, NGOSS. Framework is the industry's most comprehensive reference architecture for the implementation of a service oriented enterprise.

As Service Providers seek to become more agile to enable them rapidly adapt to new business models and software driven products they are turning to service oriented concepts as a key technology in the development of their system and enterprise architectures.

The Business Process Framework, a component of Framework, provides an enterprise-wide view of all the process areas needed to run a service providers' business. End-to-end processes can be constructed from standard process steps that can then be used as the basis for optimizing costs, automating tasks or working with partners or suppliers. This is done through definition of each area of business activity, in the form of process components or process elements that can be decomposed to expose progressive detail. These process elements can then be positioned within a model to show organizational, functional and other relationships, and can also be combined within process flows that trace activity paths through the business.

The Business Process Framework provides a vital common reference that is industry-recognized by the ITU-T as an international standard and that now has embedded direct support for ITIL processes by integrating these as best practices processes.

The key benefits of the Business Process Framework include:

- **Reduces risk and allows future proof plans:** Service providers use it as a master plan for process direction and as a reference for internal process engineering needs (portfolios of applications in terms of business process requirements).
- **Clarifies potential boundaries for software:** The framework provides insight on required functions to system integrators and vendors, and the inputs and outputs to be supported by products.
- **Reduces time to launch and streamlines services:** Service providers can refine or implement re-useable, consistent, complete and robust end-to-end process flows.
- **Improves partnership:** Actors of the value chain use it as a reference for partnership, alliances, outsourcing and general agreements.
- **Reduces implementation cost and risk:** System integrators and service providers create consistent and high-quality end-to-end process flows, with opportunities for cost and performance improvement.

The Information Framework has supported many operators, systems integrators and vendors in achieving their projects. For example, AAPT, Australia's third-largest telco, faced the complexity of its offerings and the reliance on 100-plus legacy IT systems that were reducing its profitability. The use of the TM Forum frameworks, and in particular of the Business Process Framework, enabled AAPT to offer its customers a seamless online "quote-to-cash" experience.

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2. Challenges addressed by the Business Process Framework

Traditionally in the telecommunications industry, service providers delivered end-to-end services to their customers. As such, the entire value chain was controlled by a single enterprise, if necessary via interconnection arrangements with other service providers. However, in a liberalized marketplace, service providers have to respond both to the customer's increased demands for superior customer service and to stiffer competition. Consequently, they have been expanding their markets beyond their self-contained boundaries and broadening their business relationships.

The focus of the Framework is on the business processes used by providers of services, the linkages between these processes, the identification of interfaces, and the use of customer, service, resource, supplier/partner and other information by multiple processes. The Business Process Framework also takes into account the ever-changing technology mix that the information, communications and entertainment industries are confronted with, by retaining a technology-neutral position, while allowing technology specific views to be developed.

Business Process Framework usage by different industry players:

- Refine and implement process flow

There is the need to move to an end-to-end process management approach developed from the customer's point of view. **Service providers** use the Framework to refine and implement process flows, as it allows for building re-useable, consistent, complete and robust end-to-end process flows.

- Identify clear software boundaries

It is necessary for **system integrators** and **vendors** to identify the potential boundaries of the software. The framework will provide the insight on required functions, and help analyze the inputs and outputs to be supported by the products.

- Draw future-proof master plan

The Framework is used by **service providers** and **system integrators** to draw master plans, as it provides a stable and proven plan for process direction, and it is also used as a reference for internal process engineering needs. This will be future-proof and will help for Integrating with current technology (e.g. SDH/SONET and ATM) and new technologies (e.g., DWDM).

- Facilitate and lower the risk for outsourcing and partnership

In order to identify the needs and lower the risk, **service providers**, **system integrators** and **vendors** reference the framework for partnership, alliances, outsourcing and general working agreements with other enterprises.

- Reduce integration time and costs of COTS

Emphasizing more of a "buy" rather than "build" approach to integrate systems from multiple suppliers. Service providers can integrate commercial off-the-shelf (COTS) systems in a very efficient manner, and at lower cost, when using the Business Process Framework.

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The Business Process Framework has many specific uses for service providers' project lifecycle:

Project scoping and procurement

- Facilitates creation of unambiguous RFX documents and supports the analysis of responses by eliminating errors and delays through use of industry-standard vocabulary and definitions.
- Provides structures for creation, identification and cataloging of the requirements, interested parties and potential benefits.
- Framework structure allows clear delineation of project scope, the identification of risks, and opportunities for quick wins.
- Allows mapping of processes to existing or potential applications and analysis of processes by multidisciplinary teams.
- Assists identification of staff/training implications.

Integration

- Supports identification of processes impacted and more complete analysis of process changes.
- Facilitates identification of roles and candidate actors of applications.
- Provides tools for identification of business integration points and Business Services/NGOSS Contracts required to support them.
- Provides a standard method of structuring interface definitions, specifications and realization that are required for application integration.

Development

- Exposes overlapping projects and improves management investment decisions within organizations.
- Provides techniques for the enhancement of existing entities and ongoing process improvement.
- Facilitates impact assessment of software upgrades to applications and interfacing processes.

Operation

- Process framework allows clear delineation of organizational responsibility (governance).
- Provides for a single structured and harmonized view of process across an enterprise.
- Offers support for change-management and risk-assessment for business continuity.

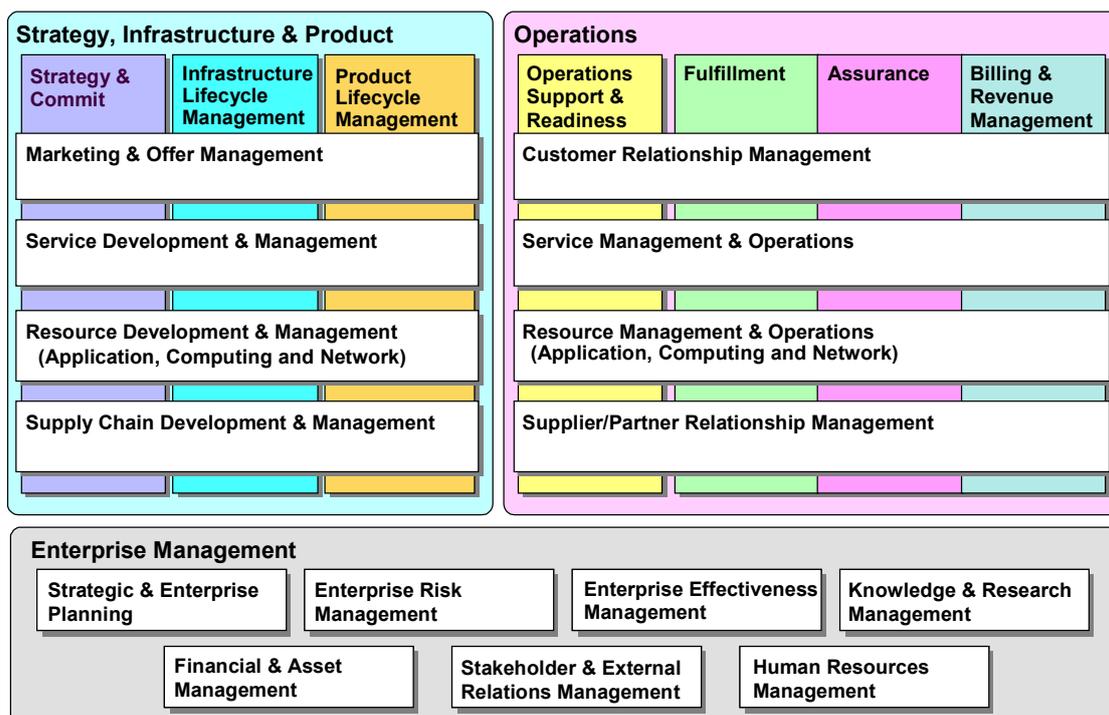
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3. Business Process Framework Overview

Like the other TM Forum frameworks, the Business Process Framework is an industry consensus on the Service Provider processes, which has been harmonized across the global scene and is based on member contributions. This framework provides an enterprise-wide view of all the process areas needed to run a service provider business.

At the overall conceptual level, the framework can be viewed as having the following three major process areas, reflecting major focuses within typical enterprises:

- Strategy, Infrastructure and Product, covering planning and lifecycle management.
- Operations, covering the core of operational management.
- Enterprise Management, covering corporate or business-support management.



The Business Process Framework has multiple groupings for the processes that it contains:

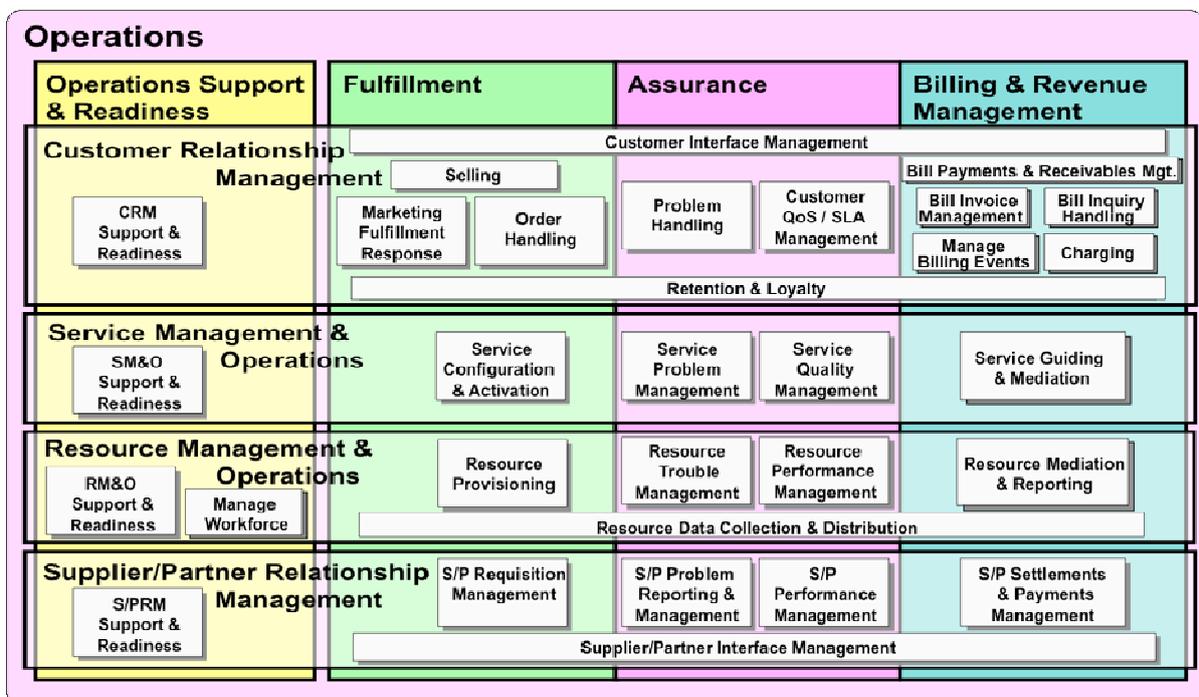
- **Vertical process groupings:** focusing on end-to-end activities (for example, Assurance) each vertical grouping links together the customer, the supporting services, resources and supplier/partners. Taken together, these vertical groupings can be visualized as a "lifecycle" view, moving left-to-right across the Framework from the initial strategy for the products and their components, through development and delivery, and on into operations and billing.

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- **Horizontal process groupings:** focusing on functionally related areas, such as Customer Relationship Management. These groupings can be visualized as a “layered” view of the enterprise’s processes, moving from top to bottom, with the customers and products supported by the underlying services, resources and interaction with suppliers and partners.
- In each place where a vertical process grouping and a horizontal process grouping intersect all across the map, the resulting intersection leads on to further process detail that can be applied in either the horizontal or vertical context, according to the user’s needs.

The process structure in the Framework uses hierarchical decomposition, so that the business processes of the enterprise are successively decomposed in a series of levels that expose increasing detail.

In addition, the Business Process Framework defines the process structure, with descriptions, linkages between these processes, identification of potential interfaces, inputs and outputs, as well as other key elements. The Business Process Framework is not a final implementation specification. It will typically be customized and extended by users for their own business needs, but provides a vital common reference that is industry-recognized. TM Forum together with the itSMF community – whose members developed ITIL originally— have analyzed and defined integration of the two frameworks that leverages the best of both. As a result, the Business Process Framework has embedded direct support for ITIL processes by integrating these as best practice processes within the TM Forum Business Process Framework. In addition, the Business Process Framework has been absorbed into a formal ITU-T Recommendation M.3050, published by the ITU-T as an international standard.



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4. Benefits of the Business Process Framework

The industry receives numerous benefits from using a common Business Process Framework:

- **Reduces procurement costs**

The standard terminology and classification scheme describes business processes for analysis of needs, drafting of RFX requirements, mapping that is available with the Application Framework, selection of certified consultants and Certified Compliance Testing products.

- **Decreases time to market**

The Framework promotes reuse of process areas and flows, and of the systems/applications supporting these. This facilitates faster project management and planning as it enables mapping and modeling for all sizes of projects, and all types of organizations through a layered and flexible approach.

- **Reduces implementation cost and risk**

The Framework enables creation of consistent and high-quality end-to-end process flows, with opportunities for cost and performance improvement. In addition, rapid ramp-up is achieved with a library of implemented process flows and availability of commercial tools.

- **Reduces telecom and IT integration and management cost**

The Framework provides a basis for understanding and managing portfolios of IT applications in terms of business process requirements. ITIL best practices have been embedded to enable organizations to use both tools together for maximum benefit.

- **Reduces integration cost with services**

The Framework is already integrated with processes mapped to *services*

- **Reduces need for support and other training courses**

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5. Applying the Business Process Framework

This section demonstrates how a TM Forum member has implemented the Framework and the results it has achieved. For the full version and more case studies visit:

<http://www.tmforum.org/casestudies>

Business problem:

AAPT Limited is Australia's third-largest telco in terms of revenues in the Australian telecommunications market. To achieve a full service offering, AAPT increasingly aggregated its own services from its own network infrastructure and ISP network applications with other providers' core network services. The complexity of its offerings and the reliance on 100-plus legacy IT systems were restricting AAPT's market nimbleness and contributed to the company's mounting profitability challenges. The analysis pointed to the need to significantly overhaul the front- and back-office systems to enable the company to offer its customers a seamless online "quote-to-cash" experience.

Solution using the Business Process Framework:

BearingPoint were initially engaged to deploy Infonova's BSS point solution to solve wholesale back-office transaction management issues. The central approach taken in the development of the new business model was the adoption of key principles defined within the TM Forum NGOSS and eTOM frameworks, which involved the abolition of traditional technology and business silos. Both AAPT and BearingPoint brought proprietary insights to the way that industry best practice TMF models could be optimized.

The main goals of the new operating model were: focus on the client, automated self-service for customers, virtualization ("white labeling") for channels, real-time processing, end-to-end business processes, straight-forward sophisticated product bundles and a streamlined process-based organizational structure, resulting in a major reduction in customer-facing staff.

Results:

Some specific examples of the benefits enabled by Infonova's BSS are:

- Customer sign-up time from a typical 25-40 minutes down to 3 minutes (where the underlying third-party systems are able to support this turnaround timeline).
- Operate on a like-for-like basis at 50% of cost at the completion of this program.
- Total staff across the consumer business has been significantly reduced from five billing systems to one; from 100 systems to one; from 80 applications in call centers to a few.
- Ease of outsourcing some of its call centre operations.

(Source: Triple Play and transformation, AAPT, BearingPoint & Infonova Case Study, Sept 2008)