

Building a platform for growth through cultural transformation

By Ed Finegold

Who: Libyan International Telecom Company and Makman Consulting

What: A national carrier's cultural transformation through investments in employee upskilling and expansion in the face of a pandemic and conflict

How: Adopted processes defined with TM Forum's Business Process Framework and Lean Six Sigma principles, applied TM Forum Business Assurance assets and Curate FX tools, and benefitted from a talented, young team determined to build a bright future

Results: A stable foundation for new service launches, business growth and international expansion, with new alternative revenue streams projected to comprise 30% of LITC's revenue by 2025, NPS increases to 50 and beyond, and 10% revenue leakage recovery across the business.

Libyan International Telecom Company (LITC), the international arm of Libyan Telecommunications and Information Technology Holding Company (LPTIC), was founded in 2009 to be the primary international voice and data wholesale provider in Libya. LITC manages this international network in the face of growing local and regional demand for communications services and growing opportunities as a communications hub between Africa and Europe.

Libya's telecommunications market differs substantially from many peer nations as it has not yet deregulated or liberalized – it remains a monopoly. LITC is responsible for, and has been dependent on, the revenue derived from all international voice calls that come into Libya. This classic revenue stream is under threat, which spurred the company to consider transforming its business to create new services faster, prevent revenue leakage, work toward international expansion and prepare for inevitable market liberalization.

A matrix of challenges

LITC faced four substantial challenges:

- The CSP's voice revenue is being eroded by competition from over-the-top applications like Skype and WhatsApp.
- Fraud, particularly SIM boxing or international toll avoidance fraud, has cost as much as 34 million LYD in annual revenue since 2011, rising since the outbreak of civil conflict in Libya.
- Though LITC has shifted focus to wholesale data services in the face of declining voice revenue, new regulations are forcing the company to cut data prices by 50%, another major blow to revenue.
- Finally, its core, international toll business is expected to diminish rapidly in the future because of market liberalization.

Determined to transform, grow and expand

Under new leadership, LITC aimed to reimagine its business and become the region's most trusted digital business enabler. The company's leaders aimed to undertake a major cultural transformation, to maximize employees' talent, and to acquire critical new skills. LITC realized it would not make sense for its business to jump into an IT transformation program without first advancing its organizational maturity.

"Transformation without readiness leads to false starts," says Adel Fares, Executive Chairman, LITC.

LITC partnered with Makman Consulting to embark first on a comprehensive cultural transformation program based on the philosophy that a business cannot scale or mature if it is not built on proper foundations. Proper foundations include elements like disciplined processes, business assurance controls, and proven methodologies for creating and controlling new revenue streams.

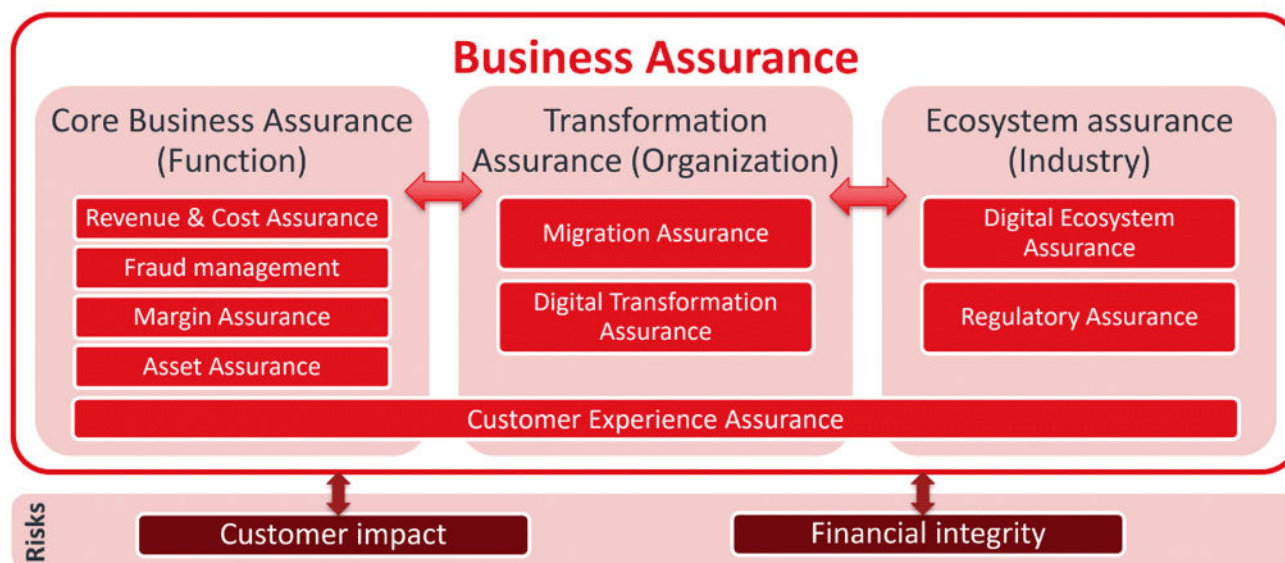
LITC's cultural transformation

LITC and Makman took a two-pronged approach. The first focused on protecting the company's bottom line by learning how to develop and implement superior revenue assurance practices. The second focused on learning how to create a digital services ecosystem and establish new, alternative revenue streams.

The program first worked to earn buy-in from across the organization to align the program with the new leadership's business vision. This was followed by investments in education and training to gain critical new skills. LITC and Makman used a tool called the [The Game Changing Index \(The GC Index\)](#) to identify the first 30% of LITC's workforce that would be specially upskilled in the initial phases of the program. The GC Index provides part of the basis for the cultural transformation component of the TM Forum Digital Maturity Model (DMM) and helps to match employee proclivities, or energy for business impact, with needed new skillsets.

The program planned four phases, based on a structure dubbed "INSPIRE – EDUCATE – IMPLEMENT – IMPROVE." Its key goals include transferring knowledge, creating new skills sets, applying that knowledge to business processes like digital ecosystem management and revenue assurance, and sustaining those mature practices. Education and training were achieved practically through workshops and two dedicated process clinics, each a month long, in line with the program's principles. LITC aimed to educate its employees in a range of skillsets including:

- How to understand and use TM Forum Business Assurance assets
- How to define standard operating procedures and document operations manuals
- How to define, measure, analyze, improve and sustain process improvement
- How to use TM Forum's Business Process Framework (also called eTOM) and Lean Six Sigma for business process maturity
- How to design digital ecosystems using Curate FX
- And how to work effectively in teams, including creating team charters and establishing proper communications regimens.



Gaining new skills in the face of adversity

Revenue assurance and digital ecosystem concepts were new to LITC's teams. Training to gain skills in these domains had to be conducted amid both a pandemic and a war. All LITC's employee groups received training in the Business Process Framework, Business Assurance principles and Lean Six Sigma to improve business process skills across the company.

Those first selected for new skills training in the two process clinics had to create COVID-safe work environments. In-person education sessions were necessary to overcome broadband and power outages. Sessions had to be doubled to accommodate six people in the morning and another six in the evening, all masked and distanced throughout each session.

Team members in the process clinics concentrated on learning how to address tangible business issues. The first group, focused on revenue assurance, chose a process it then learned how to define, measure, analyze, and improve using Lean Six Sigma and the Business Process Framework. The group also learned how to apply measures to sustain process improvements over time.

The second group learned to apply business concepts through the process clinics which could be scaled up and rolled out to the whole company. This group used the TM Forum B2B2x Partnering Guide along with Curate FX to design digital ecosystem business models which are now part of the approved Curate FX library.

"LITC has some of the best talent in the Libyan market, which became evident in the results we have seen in the proofs of concept. These made it clear that LITC is ready to tackle implementation and continue its business transformation," says Luqman Shantal, CEO, Makman Technology Consulting.

What's next?

During 2021, these teams will execute on what they have learned using the skills, knowledge and tools acquired. They will define responsibilities and operational procedures for revenue assurance. They will apply mature business capabilities from the start, like governing their software purchasing processes. They will digitalize their

standard operating procedures and manuals. And they will begin to automate processes with mature business assurance controls built in, including processes that detect revenue leakage.

Rounding out its cultural transformation, LITC will practice continuous improvement to ensure that teams continue implementing process definitions and business assurance controls across both legacy and new areas of the business. They will continuously monitor, optimize, expand, and improve business processes. A “set-it-and-forget-it approach” to business assurance is a thing of the past.

TM Forum assets set direction and provide practical tools

LITC and Makman Consulting are using a variety of TM Forum assets such as the Business Process Framework, in conjunction with resources like Lean Six Sigma, to implement mature business processes and adopt new ways of working.

For example, in the Revenue Assurance prong, Lean Six Sigma is used in conjunction with the Business Process Framework to aid in process definition, measurement, analysis, improvement and sustainability assurance. LITC is using these principles, in conjunction with TM Forum Revenue Assurance assets, to develop practices that will help LITC stop and prevent revenue leakage across all lines of business.

In the alternative revenue stream, LITC is using the TM Forum [B2B2X Partnering Guide](#) and [Curate FX tools](#) to model, plan, and design a digital ecosystem. CurateFx is a SaaS tool that can visualize the various stakeholders in an ecosystem. It helps users collaborate and make data-driven decisions around complex business scenarios, modelling everything from educational content creators and curator ecosystems to complex service ecosystems focused on government institutions, like the Ministry of Education.

LITC also utilized:

- TM Forum’s Business Process Framework to scope the project and to define mature business processes
- TM Forum Customer Centricity principles backed with tool kits and other best practice assets
- The DMM to define revenue assurance and ecosystem assurance best practices and operating procedures.
-

Delivering results

LITC’s cultural transformation is ongoing, but the company is targeting several goals tied to key metrics* for improvement in the coming four years as a result of this transformation, such as:

- Launching new, alternative revenue streams with a goal of growing them to 30% of LITC’s revenue by 2025
- Meeting or exceeding 10% of revenue leakage recovered by 2025
- Making 50% of all systems interventions revenue assurance-related
- Kickstarting customer experience measurement with the goal of achieving NPS scores greater than 50 for new services to

**Objectives will be adjusted based on measurements in the upcoming implementation phase.*

“The change management approach, a focus on culture, and the use of TM Forum’s industry standards led to an unprecedented engagement from the extended team of the company which I’m grateful for amidst a pandemic, war and disruption,” Fares says.

Culture first

Perhaps the most important lesson learned in LITC's transformation was the effectiveness of addressing culture first, then knowledge, then skills, so that teams are prepared in both change management and digital readiness to see the company's new vision and business transformation through. Having digital ecosystem skills, mature operating procedures, and business assurance skillsets in place from the start provides a basis for taking on digital transformation incrementally yet transforming the entire business over time. For CSPs in developing countries, this minimum-viable-transformation approach provides an alternative to large scale transformation programs and stand-alone digital initiatives.