

Be the Predator, Not the Prey Don't let your profit be eaten away!

InterComms talks to Klaas Scheppink, Senior Business Consultant at Ascom

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Klaas Scheppink is Senior Consultant at Ascom's Systems & Solutions and part of the team responsible for handling Global Accounts in the international telecommunications wholesale market. He is a graduate of the University of Twente (The Netherlands) with a profound knowledge in IT and telecom areas. Klaas has been working with Ascom in Switzerland and Germany for more than 11 years now and has specialized in mediation, voice & data billing, least cost routing, contract management, invoice validation and dispute management.

Q: As a leading vendor in the wholesale telecom market, does Ascom feel that we have turned the corner and the market is rising?

A: In recent years the wholesale telecoms market has not been immune to the economic downturn. We have witnessed many of the large scale projects trimmed down. We also see wholesale providers in the market aiming for smaller scale solutions. Ascom has seen an increase of opportunity in the market. However, this story for sure is not uniform across Europe. Germany has been a pace setter in turning the corner, and based on this market alone our order book is looking healthy and promising.

Q: As more business is concluded, the amount of transactions and paper trails are increasing, where are the main problems in correct accounting?

A: More business tends to not just concentrate on price and termination per minute. Carriers look for stable and continuous business, reduction of traffic churn, and long term relationship. To entice partners to enter such relationships, the nature of doing business is getting more complex. More elaborate contracts and complex negotiations with weird and wonderful combinations are being planned and aligned towards at sales cycles. However, the mechanism to support the sales is often misdirected or inadequate. Poor formalism in business processes, and accounting mechanisms lead to reliance on more ad-hoc and paper trails. This is identified as a serious issue among larger operators. A simple example is that for many carriers what is agreed in a contract does not and more often cannot be billed directly, so a large body of adjunct processes tend to be created all the way, from billing preparation to actual invoicing and dispute resolution.

► **Q: How does Invoice – Shark overcome these and simplify the accounting process?**

A: In international telecom wholesale business the validation of incoming invoices and declarations as well as handling incoming dispute letters can be a time-consuming task. Vendors send various types of (paper) statement formats, sometimes covering multiple products and often holding large amounts of line items. Each month, incoming statements have to be captured and validated, disputes may have to be raised and payments need to be cleared out. Because of the tedious manual processes in place, most carriers tend to only focus on the very obvious anomalies, missing a lot of opportunities to reduce payments by disputing smaller discrepancies in reported versus expected cost. Similarly incoming disputes raised by customers should be managed and corrections on anticipated revenue need to be recorded in the general ledger. Invoice-Shark enables a carrier to regain full control of processes involved with invoice validation, payments and dispute management.

Q: Invoice – Shark has more benefits than just transaction accounting could you elaborate on these?

A: The import of detailed line items from incoming statements has not only been made quite easy now, but these lines are also automatically grouped and matched with carrier's own cost/revenue expectations by a recently developed sophisticated and unique process. Anomalies are classified by impact and presented to the dispute analyst who just needs to select the ones that should be included in the dispute letter. The generation of the dispute letter is only a matter of one mouse click, even when items for the same billing period have been included in multiple invoices. From scanning an incoming paper invoice to sending out the dispute letter along with (partial) payment clearance is just a matter of minutes now, thus significantly reducing time and effort usually needed to process incoming statements.

Furthermore all subsequent steps in solving disputes are fully supported by this application, including the management of incoming dispute letters on your own invoices and declarations sent out. By using the on board reporting functionalities managers can quickly get an up-to-date overview over the performance of their dispute department, as well as the quality of incoming and outgoing invoices. Invoice-Shark can be integrated with Ascom's CDR-Archiving and Event Reconciliation solutions, enabling to drill down disputes to the CDR-level when needed.

Q: How and where can readers see or look at deployments in different regions?

A: I can probably answer this question more in terms of sectors within wholesales telecoms better. Our engagements can be better addressed this way. Most of Ascom's engagement with large multinational operators is traditional Systems Integration, business process automation, and dispute management processes. By

contrast, our assignments and market opportunities with tier 2 and tier 3 carriers are in addressing multi-switch deployments and complexities of heterogeneous networks. This pattern seems to be common across all regions where we engage in.

Q: With Telecoms and Media crossing over how have Ascom perceived the market changing and what solutions are you helping with on this side?

A: Ascom Systems and Solutions experience stems from close co-operation with our clients. The biggest challenge in the wholesale market is to overcome complexities of interstate business for media and content. It is no longer the case of just counting minutes and volumes in wholesale telecommunication, but counting how the minute revenue to be apportioned based on content, or adding services which are somehow under the guise of ordinary telephony. A simple example of this is to count for transmission of video telephony or MMS across the borders. We also see that more than the traditional two parties for just the traffic relationship, but also for the content will be involved in settlements now.

Flexible event based charging solution is at the centre of Ascom's efforts in this area. We have toolsets and products for event measurement, charging, and tracking the whole billing and invoicing cycles. This is certainly one of our strengths.

Q: We spoke last issue about your GATE product, are there any NEW deployments?

A: GATE has been a tremendous success story for us. We are in process of securing additional commission for enhancing GATE, as well as a novel application capturing the complete contract negotiation process. Recently Ascom has been invited to participate in a number of proposals for business process automation. This is a testament to our prediction that business process automation is in focus for large telecommunication companies. This is where they can achieve the flexibility and nimbleness that are typically seen in small companies.

Q: Do you feel that there will be any significant changes in the industry over the next 12 months?

A: We expect that there will be a continued re-alignment of market speeds across Europe. We expect the growth to pickup. Meanwhile, we are also focusing on tier 2 and tier 3 carriers who are more agile and aiming to capture market share with more varied services, and faster response. We look to offer rapid turnkey solutions for carriers spread over a number of small business units in several countries, yet aspire to offer a homogeneous solution to their client.

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