



Wireline Telecommunications Company

Achieve More With Force-to-Load Model

COMMUNICATIONS, MEDIA AND ENTERTAINMENT

Background

A complex undocumented process, recent executive turn-over, fragmented accountability, lack of time-in-motion studies, and lack of quality metrics made the network provisioning process a “black box” to leadership. Highly variable service delivery timelines and reliance on historical network data for demand trending left finance partners with little confidence that the network organization could reliably set and manage labor expenses. Overtime and contractor expenses were rising.

Across the organization there were different perceptions and opinions about whether the network business unit was run efficiently.

- Some perceived the labor pool was at capacity, and incremental orders would lead to increasing cycle times
- Others perceived a hero culture with little measurement, inability to plan and schedule a pipeline of work and unwillingness to be held accountable

VP and director management struggled with the following issues that limited their ability to adjust resources (force) to meet market demand (load):

- Forecasts built from network history, not tied to sales funnel
- Many handoffs and unclear accountability for cycle time results
- No work-in-process (WIP) reporting or queue management by the front line

- Fear that documenting standard processes might lessen the “tribal knowledge” value of team members
- Inability to tie individual performance to team goals

Solution

Hitachi Consulting worked with the client to:

- Develop a clear organizational chart of roles and responsibilities including hand-offs with measurement points
- Collect historical data to support a consistent baseline to measure organizational performance (force, load, productivity)
- Collect forecast data in other business units to establish a linkage between sales revenue/units and operations expenses
- Open communication between annual proactive capacity planning, reactive capacity management and provisioning teams to reprioritize work
- Demonstrate that monthly forecasts could be accurately translated into weekly goals and assigned to individual team members to create accountability in-month for results

Client desired to define, design, and develop a force-to-load model for full-time equivalent (FTE) resources required to meet Network Provisioning demand. The goal was to predict FTE requirements in the future for the purpose of budgeting expenses. The model includes:

- Historical load (work performed)
- Historical force (FTEs)
- Future prediction of load
- Future prediction of force
- Ability to model efficiency gains

Initial benefits include an improved ability to manage provisioning expense, resulting in reduced spend and improved resource levels. Improved visibility into future demand has made the client more responsive to changing market dynamics.

Benefits

The client achieved 10% FTE-related cost reductions in-year. Additional 10% reductions followed in year two. The client has realized improved profit margins by:

- Elimination of ineffective management overhead
- Reduction in contractor labor (fewer contractor FTEs, less overtime)
- Reassignment of skilled resources from shrinking product lines to growth areas (better alignment of work skills to market demand with less training time)
- The ability to measure, and quantify impact has also enabled new management approaches to be tested
- The director teams have held productivity contests with prizes for “most improved” and “most efficient”

- The VP/director team has changed the tone of day-to-day operations from one of unstructured queue management to clear accountability to “finish today’s work before you go home”
- The culture of transparency has spread to neighboring organizations as leadership is looking for similar benefits

Learn More

info@hitachiconsulting.com

The client continues to track the benefits of this force-to-load system that was enabled by Hitachi Consulting’s Field Services team, which help companies improve field resource responsiveness to improve customer satisfaction and create better margin opportunities.

Companies who implement Field Services improvements are better able to align operational resources with market demand. They use leading indicators from the business to prepare and execute on market responsive strategies. Market responsive companies benefit from business process and structure that ties the complex chain of sales and operations activities together more closely. Their resulting ability to optimize field spend by product, channel and region maximizes ROI.



14643 Dallas Parkway
Suite 800, Dallas, TX 75254 USA
www.hitachiconsulting.com

Ph +1 214 665 7000
Fx +1 214 665 7010

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