

Case Study



Network Services Provider

Background

The Network Services Provider was experiencing problems with the Capacity Management function, which prevented sufficient effective capacity planning. This caused many capacity shortages, external circuit procurement delays and customer turn-up delays, which all affected revenue and the provider's reputation with their customers.

The capacity management function was recognised as a major issue, as the business plan required a significant expansion of customers and network coverage. This expansion was not perceived possible at that time due to network, process and organisation scalability issues. At this point Capacitas was contracted to analyse the existing situation and propose a plan to improve effectiveness and efficiency of the capacity planning function.

Approach

Capacitas undertook a series of interviews with internal and external stakeholders to determine perceived issues in the organisation. The findings were then compared to the Capacitas Capacity Management Competency Framework, a holistic system developed from best capacity management practices across several industries. Finally a series of short, medium and long-term recommendations were made to the customer.

Problems

The following were a few of the problems identified with the existing capacity planning function:

- No regular proactive planning cycle or regularly documented capacity plan
- Lack of defined end-to-end capacity planning process
- No single defined team with sole responsibility for,

- or control of, capacity planning
- Shortage of staff dedicated to capacity planning alone
- No coherent modelling tool strategy to support capacity planning process

Impacts

- Capacity augmentation cycle times varied from 100 – 200 elapsed days
- Long-term forecasting was rarely undertaken meaning customers had low confidence in abilities
- Team stuck in vicious circle of reactive 'fire-fighting' causing poor staff morale
- Financial reporting of current and future infrastructure usage was poor
- Lack of defined process a serious problem if audited for appropriate risk management

Our Solution

Our report included:

- A set of defined end-to-end processes to cover all the existing requirements, reducing processes from 30 to 6
- Additional resource requirements linked to each process and function
- A series of short-term actions to improve key problems quickly
- An organisational structure of well-defined functional areas, responsibilities and required roles
- Defined role-profiles, responsibilities and skills requirements for each role
- A series of recommendations to cover the medium to long term, with action plans and costs for each recommendation
- Two implementation project plans for each recommendation based on existing internal resources and additional external resources required to deliver on accelerated timescales

Benefits

Adoption of the recommendations would deliver the following benefits:

- Capacity always available in advance thereby

reducing customer turn-up times, improving customer satisfaction and accelerating revenue recognition

- More accurate capacity planning ensures capacity is in the right place at the right time and so minimises excess inventory
- Faster capacity planning process allows organisation to adapt to market changes more rapidly than competitors, thereby providing a competitive advantage
- Use of effective modelling tools would increase visibility of network utilisation and enable more accurate financial analysis of network infrastructure

Conclusion

Capacitas was used for this project due to our extensive experience in the area of capacity planning and management of telecommunication and information systems. This experience enables Capacitas to provide a proven effective solution quickly for the client.

The short and medium term recommendations that were adopted over the following six-month period improved proactive capacity planning and so reversed many of the fire-fighting problems.

Customer turn-up times have since improved thereby increasing revenue recognition. The net financial benefit to the company is expected to be in the order of several million pounds per annum.

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