



SEIZING THE 5G ENTERPRISE OPPORTUNITY: HOW TO DRIVE OPERATOR AGILITY

Webinar: Questions and answers

Seizing the 5G enterprise opportunity: How to drive operator agility

*This document outlines the questions and answers received from the STL Partners webinar, **Seizing the 5G enterprise opportunity: How to drive operator agility**, which was hosted on Wednesday 16th June 2021.*

In this document, we seek to address the questions raised in the webinar that we were unable to address in the time available.

You can also watch the recording of the session, and also access the slides, using the link [here](#). We have included the following timestamps for the webinar recording:

- **01:43** for the introduction to our presenters and panellists
- **02:37** for the presentation of the research findings
- **24:00** for the live panel session with:
 - **Rose-Marie Jurinic Nyman**, Head Agile Transformation Product Area Communication, Telia
 - **Ehtisham Rao**, Ecosystem Architect and Lead of the TM Forum Catalyst Project
 - **Miriam Deasy**, BSS Senior Solutions Marketing Manager, Ericsson Digital Services

If you have any questions not addressed in the webinar or this Q&A document, or want to hear more about our research findings or from our speakers, please contact:

- Yesmean Luk, STL Partners – yesmean.luk@stlpartners.com
- Miriam Deasy, Ericsson Digital Services – miriam.deasy@ericsson.com

*For more details on the research findings, you can access the **'Driving the agility flywheel: The stepwise journey to agile'** research report [here](#) and a blog placing this research in the context of previous research on agility in 2015 [here](#).*

Webinar questions and answers

- 1. Once agility is in place, companies lower TTM and costs, but how about the evolution and costs at the beginning of the journey and the shift from turnkey projects to a shared responsibility with all the partners?**

STL Partners: Several of our interviewees suggested that agility is not a destination but a journey, so arguably, agility is never fully in place. However, as operators progress along this journey, they expect to shift to a model of more continuous evolution of services rather than traditional product lifecycles (with the inherent new product launching, sunseting, retiring). This shift should also apply to how they work with partners. This does not mean that all partners will be for life, but it does mean greater ongoing collaboration.

Ericsson: The business value of agility is clear, supporting first and foremost top line revenue growth, flexibility, reducing bottlenecks. Cost reduction is ancillary to growth objectives. The pursuit of agility brings new and different costs on the customer side and on our side. We need to be in step, together, e.g. with OSS, BSS, packet core working together in lockstep, pre-integrated where possible. With the shift to cloud native technologies CI/CD needs to be enabled on both sides. The customer environment needs to be ready to receive, test and absorb continuous updates into production, new skills, new ways of working in order to enable the virtuous cycle of continuous improvement. For more see [How cloud-based BSS is driving return on investment](#) and [Evolving your BSS to the cloud: a business case](#)

- 2. On the consumer side, we see lots of self service, various starts in automation and some thinking about AI, but not for large enterprise customers, the stack has often seen very little change in recent years - what do you think needs to happen in the enterprise BSS stack to make it more agile?**

STL Partners: Some operators still need to undertake simplification and consolidation across their enterprise portfolio and supporting stack. This makes it hard to justify major automation efforts. Paradoxically, the (perceived) demands of key customers can therefore hold back such consolidation. Regarding self-service, some of our interviewees suggested that larger enterprises are asking for APIs to their own systems rather than providing 'yet another' portal for their teams to access.

Ericsson: Going forward, Enterprise BSS stacks, even if still separate, need to be more like consumer stacks to successfully monetise new services with clean, intuitive engagement and partner management systems, multiparty settlement, and a master product catalogue that is open and accessible to partners and other integrated systems using TMF's standardized open APIs, with personalisation, prediction and targeting automated by powerful analytics and AI. For more see: [The characteristics of consumer telecom BSS stacks will prevail for enterprises](#)

3. With BSS on premise, change can be slow, with lots of processes and workarounds to do even simple things. What is the most common route to cloud you see for BSS?

STL Partners: We have seen different approaches to cloud. Some operators have chosen to adopt cloud for a greenfield operation (e.g. new territory, new digital operation). Some have first adopted cloud as part of a refresh or rationalisation. Others have made decision to transition with existing partners. However, we have not undertaken any systematic research on cloud adoption to be able to say what the most common route is.

Ericsson: We see lots of movement to cloud both public and private. There's no question of whether to move to cloud; the focus is how to get the most out of the business and technical benefits. Starting points vary, destinations vary, every customer has their own operational transformation path to take advantage of cloud native software and platforms. We see a big range and lots of variation across our 300 BSS customers around the world, spanning B2B, B2C with convergent charging (online and offline), mediation, billing, order care and product catalog. It's clear there is no one size fits all or a single common route with cloud. Furthermore, we see a great range in intentions and ambitions. Many choices are possible (public, private, hybrid), no right vs wrong. And we're seeing ambitions changing over time. We view it as essential to support our customers choices (and choice changes) in their cloud journeys. For more see [Managing choices and challenges on the BSS-to-cloud journey](#)

4. What reference architectures other than telco architectures that are being used in agility transformation efforts? IT4IT from Open group or others?

STL Partners: Our research did not surface any specific reference architectures outside of the main telco ones although that may be because this was not a specific question that we asked. What is clear is that agile organisational models are being adapted and then adopted by operators. Rose-Marie provided some helpful comments on the key elements of Telia's in our panel session (recording [here](#))

Ericsson: CSPs often must choose between "quick fix" changes in their BSS to meet short-term business needs and investing in sustainable long-term transformation of the business and the software that runs it. Launching and monetising new services faster demands strong adoption of standards in BSS to achieve the required concept-to-cash cycles. Ericsson focuses on the following telecoms standards in its BSS architecture evolution.

When both 5G Core network nodes and charging in BSS side support 3GPP SBI (Service Based Interface) the introduction and monetisation of new 5G services can be done a lot faster.

A BSS that supports ETSI-MANO means that the applications run as network functions in a standard NFV (network function virtualisation) environment and can be deployed, orchestrated and managed along with other network functions running in the same environment and sharing the same underlying cloud infra-structure.

Ericsson Digital BSS Cloud native design principles are based on TM Forum's Open Design Architecture (ODA) and Open API standards, thereby the openness facilitates smoother integration and faster transfers of data.

For BSS northbound integrations TMF Open APIs are maturing and becoming the de-facto standard. Integration with different CRMs, multiple channels and other partners directly affects the user experience, so adopting TMF Open APIs decreases implementation and operational complexity.

For more, see [Why standards are crucial for BSS transformation](#) and [Clean up your legacy stack to accelerate your digital transformation](#)

5. What are some of the challenges in running a composite structure, agile on the delivery and functional/matrix on other parts?

STL Partners: This was mentioned by several of the operators we interviewed and discussed both in the report and the webinar. Rather than repeat the same points here, we refer you to both the webinar and the research report.

Ericsson: Some of the challenges in running a composite structure are accountability and technology evolution. If responsibilities are not specifically and accurately defined there may be hiccups between the agile delivery team and the matrix organisation to push for accountability and meet expected results. Technology evolution is another challenge as matrix organisations usually include it in their plans with agile teams are mainly focusing on delivery and results.

6. What is the impact of organisational agility transformations on the BSS/OSS architecture versus open digital architectures?

Ericsson: Organisational agility and culture have big impacts on the BSS/OSS architecture, since there is a long legacy history in place that can't be replaced at once by an open digital architecture. This is the end goal, but the road has a lot of bumps and it demands a cultural shift in the organisations to handle the new technology requirements of the stepwise evolution. More information can be found in the blogs [A day in the life of a Telecom BSS engineer: cloud and culture](#) and [A day in the Life of a Telecom BSS Engineer: Public Cloud, are you there yet?](#).

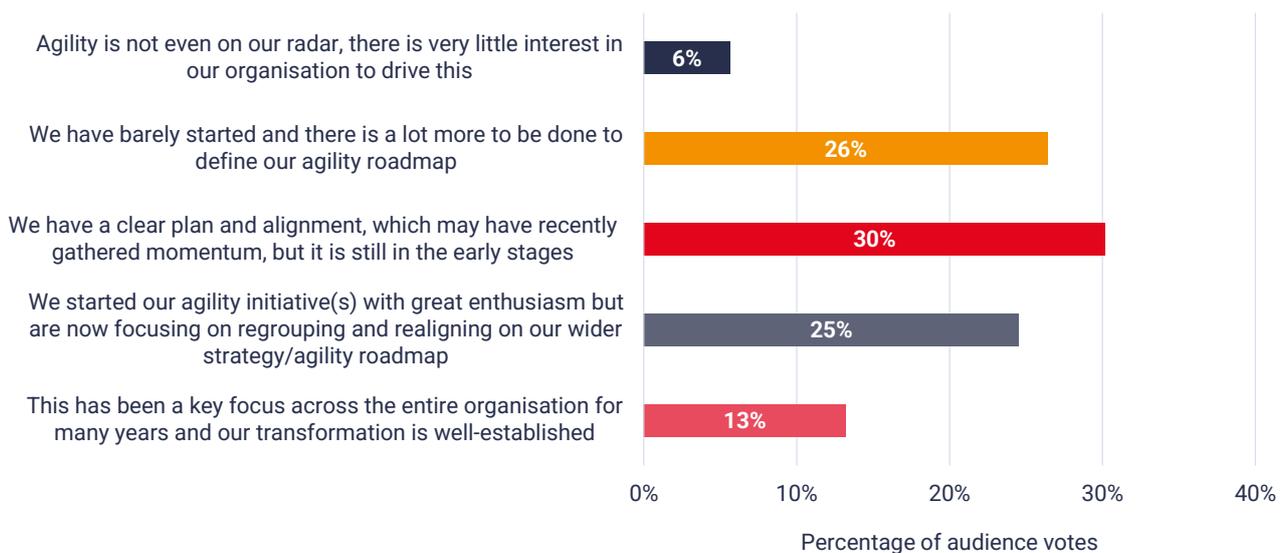
STL Partners: I think that the question is asking how organisational transformation to agile needs to be supported by evolution in the OSS/BSS. We set out in the agility cycle that we see these as interdependent and needing to be achieved in an iterative, stepwise way.

7. How far have the operators achieved the objectives of being agile and cloud native?

STL Partners: Most operators are still very much on the journey to becoming more agile and cloud native. Since our previous research on operator agility in 2015, much of the focus for operators has predominantly been on enhancing network and customer agility but we argue that you are only as agile as your slowest limb. Many operators still have a ways to go in driving agility, not only within the network and customer domains, but also across other aspects, such as how they deliver new types of services and business models, how they work with partners and within ecosystems.

As we mentioned in the webinar, some operators have experienced significant impetus that accelerated their agility initiatives. Examples of this include regulatory impacts, the COVID-19 pandemic, new entrants in the market, forcing operators to become a lot more agile to manage and adapt to highly unpredictable changes in the market. However, very few operators we spoke to have achieved the level of agility they are striving for. Some operators, who have started agility initiatives, are now in the process of rethinking and realigning on their strategy, approach and roadmap for this. In our webinar, **81% of the audience** voted that they have either barely started, are in the early stages or are regrouping on their agility roadmap (link [here](#) to our presentation slides)

Audience poll: Where do you see your organisation in its agility journey?



Source: STL Partners and Ericsson webinar

Ericsson: BSS stands to benefit from cloud in terms of agility and operational efficiency. Supporting emerging business models as networks, applications, services and customer behaviour evolve puts new demands on BSS to capitalise on 5G opportunities. In short, new levels of flexibility and agility are rapidly moving from the nice-to-have category to the must-have category; they are fast becoming table stakes. This is about enabling responsiveness, or even better, it is about enabling proactiveness. It's also about ensuring choice, especially choice of cloud platforms, because as cloud journeys progress new options emerge, new decisions need to be made. For more see [How cloud-based BSS is driving return on investment](#).

8. In order to take advantage of the network-application integration opportunity, how important is harmonisation across operators for application developers? How are operators addressing this aspect in their API exposure strategies? What other key aspects should they also be considering in their wider API exposure strategies?

STL Partners: There is a predicament that the telco industry needs to present application developers with common, standard interfaces to drive adoption of these. However, previous attempts to achieve this through standards-based approaches have not been successful. So although harmonisation is clearly important, indeed essential, what has proven more challenging is how to achieve this in way that is both responsive to market needs and able to gain widescale adoption by operators. This will become increasingly critical with 5G and concepts such as slicing.

Ericsson: A harmonised and standardised API exposure approach is key, as this is how CSPs can bring more partners into their ecosystem and enable a co-creation environment. Application developers will gravitate to the environments that offer the easiest API integration framework, and the more they can re-use integration codes among different CSPs the better. The digital evolution of CSP businesses is challenging, as there is demand to expose legacy services along with applications that are born in the cloud with new technologies and standards. Building specific exposure layers to bridge the gaps helps, and this will enable CSPs to monetise API exposure in the future. More information can be found in the blog [Why API exposure is key for new CSP revenue streams and smarter business](#).

9. In terms of the balance of maintaining and reiterating existing products and services versus releasing new, what are some examples of how you would measure or maintain that?

STL Partners: This is partly covered in question 1. From our research, it would appear that the balance is shifting (at least in some operators) towards evolving existing services rather than releasing new ones. In terms of actually measuring this balance, we would assume that financial metrics and operational KPIs could provide the basis for measuring this balance although we are not able to share specific examples of the operators who do this.

Ericsson: It all boils down to profitability and efficiency. Products that are profitable and easy to maintain will remain in the product catalogue for as long as customers are still interested. On the other hand, once the applications that handle that product get expensive to maintain it is time to think about updating the architecture and release new products. Technology evolves over time, and the product catalogue must evolve accordingly. More information can be found in the blog [Clean up your legacy stack to accelerate your digital transformation](#).

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