



An innovative delivery model transforms customer billing and introduces an Agile mindset

Deloitte Foundry, Application Management, and Operate Services

A wireless service provider's journey

To most people in IT, managed services means “keeping the lights on.” This is a story about a different kind of managed services—one that transformed the business.

By creating a model called a digital foundry, Deloitte helped a wireless service provider significantly streamline its IT maintenance and development. The digital foundry helped Deloitte earn the client's trust as a provider that could deliver quality services, economically and at speed. That led to an innovative arrangement by which the client could engage Deloitte to deliver technology projects and enhancements on demand. The result was even faster time to market for new capabilities critical to the company.

Here's how it all began.

The challenge

The telecommunications provider serves millions of customers across a large swath of the United States. From wireless data networking to solutions for the Internet of Things, the company is relentlessly focused on industry-leading innovations to elevate the customer experience.

Even so, the company is in a highly competitive industry where customers taking their business to a competitor is an ever-present reality. With that in mind, the client launched a sweeping initiative to make its business support systems (BSS) nimbler so it could address market changes quickly and efficiently.

But progress was slow. A significant part of the challenge was the company's stop-and-go approach to development and testing. This impeded the client's ability to realize the benefits of its new solution, such as greater accuracy, simplified payment collection, and enhanced security for its customer data. Worse, the issues were becoming visible to customers, causing churn to go up—the opposite of what the company had set out to accomplish.

Becoming Agile through a digital foundry

Deloitte had been leading digital innovations and solutions at the client organization for many years and was familiar with the challenges. Deloitte proposed establishing

a digital foundry, or centralized group of people following Agile techniques to deliver user-designed solutions. The foundry would help the client quickly move solutions from concept to launch while managing an inventory of prioritized ideas for growth.

Digital foundries focus on major technology projects, maintenance, and enhancements. Based on Agile development practices, they embed user insights into solution and service offerings. A central tenet is to “think big, start small, and act fast.”

A foundry is designed to operate at a steady level, with the ability to flex up or down in sync with peak loads and demand. It's staffed via an optimized, global delivery model that provides around-the-clock delivery while meeting service-level objectives in a cost-effective way.

The client was skeptical. Its business was deeply rooted in management tradition. It was a leap of faith to try something so different as Agile, but the client agreed to a trial run on the strength of Deloitte's track record at the company.

Taking an automation-first approach to IT support

As part of this foundry, Deloitte set up a testing center of excellence (CoE) to carry out functional, performance, and user acceptance testing for BSS and IT solutions. Soon, Deloitte began automating various parts of the testing processes to speed the discovery of software defects, then moved testing to earlier stages of application development. The foundry team worked with the client to embed automation across the application life cycle for select projects so that by the time the CoE got involved, as much as 70% of the code would already have been tested.

Concurrent with setting up the testing CoE, Deloitte created an information management CoE to support all data and reporting needs, including migration to—and managed services for—a new data warehouse. Along the way, Deloitte discovered it could take six months to develop a new financial report from the data in the enterprise warehouse. That often meant the information arrived too late to be useful to the business.

To address the reporting delays, Deloitte introduced two measures. The first, called day-one reporting, was an interim solution that enabled the client to get the necessary data to management almost immediately. The second measure was to develop a new financial data warehouse while operating the existing warehouse in parallel, again following Agile principles of software development.

Between the two CoEs and their advocacy of Agile development techniques, the digital foundry became a resource for the client's broader information technology organization.

More initiatives followed. The foundry added data integration and the customer data hub to its managed services responsibilities. Next came application development and maintenance, automation solution implementation, and operations using robotic process automation along with other technologies.

Results

Today, the client's digital foundry implements and maintains business-critical digital applications at the enterprise level. All implementations emphasize the use of existing client IT capabilities, open-source technologies, shift-left testing, and a DevOps mode of operation. As a result, the client has realized benefits such as:

- Reduced time to market
- Cost savings across multiple projects
- Improved user experience and customer satisfaction
- Greater online channel adoption
- More upsell and cross-sell opportunities

At the same time, Deloitte's digital foundry has enabled the client to tackle complex problems and react nimbly to key business needs while minimizing the impact on business-as-usual operations and improving the overall customer experience. For example, foundry-built solutions played a role in enabling the company to extend broadband service to rural areas. The foundry also created cost-effective ways for the company to match changes in competitors' service plans.

An easier, more economical way to engage

Initially, the company engaged Deloitte project by project. This meant that even the smallest project, whether new or extended, would have to go through the client's entire procurement process. This added significantly to the cost of services and, for new projects, a typical delivery delay of three to six weeks.

A common alternative is to negotiate a comprehensive agreement with a large fee commitment; however, the client wanted to avoid this due to an ongoing cost optimization effort across the organization.

Deloitte proposed a different option. The company could commit to a higher volume and a multiyear term of service through an agreement that captured the range of relevant services available from Deloitte. Instead of asking the client to commit to an overall value, however, Deloitte would make it easier for it to engage services as needed. So long as the service was in line with the overarching agreement, it required just a single email to get started.

Through this innovative engagement model, the client benefited from greater flexibility and responsiveness. It also realized cost savings on two fronts. One was reduced cost of sales, which Deloitte was able to pass on to the company. The other was greater efficiency through measures like automation and integration with Deloitte global delivery centers, which became more practical with higher volumes of service.

An innovative delivery model transforms customer billing and introduces an Agile mindset

Through the foundry, Deloitte has helped the client sustain voice and text messaging services in the face of surging demand (such as the pivot to remote work at the beginning of the COVID-19 pandemic) or adverse weather events (such as hurricanes). The foundry supported the rapid development of new web and mobile apps, which helped the client provide a superior digital experience to its customers.

Throughout, the client has had direct access to every resource in the digital foundry. Issues, risks, strategies—all are visible and open to feedback so initiatives can stay on track. Meanwhile, improvements are ongoing. Key digital testing processes, including usability testing and accessibility testing (ADA compliance), are becoming part of the foundry model as it moves forward with new applications.

All this has built confidence in the effectiveness of the foundry approach and has helped the company rethink its other initiatives in more Agile terms. The increased trust has led to a greater willingness to engage Deloitte with additional projects. These new initiatives aim to help the company capture more cost savings, drive faster growth, and respond to market changes along the way.

A gateway to digital transformation

The path to transformation can have unexpected beginnings. In this case, it was a desire for a more efficient and effective way to develop digital solutions. That launched a collaboration to bring automation and Agile methodologies to a wireless communication company's technology environment. Through a model that emphasizes innovation and disruption, the company now has the support it needs to achieve its digital aspirations in a faster, more effective, and more cost-efficient way.

Learn more about how Deloitte's Foundry Services capabilities and resources can make a difference for your business.

Contacts

Anant Dinamani

Principal

Deloitte Consulting LLP

adinamani@deloitte.com

Vikram Manda

Senior Manager

Deloitte Consulting LLP

vmanda@deloitte.com

Pramodh Narayan

Specialist Leader

Deloitte Consulting LLP

pramnarayan@deloitte.com

Sudha Jetti

Manager

Deloitte Consulting LLP

sujetti@deloitte.com