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Sudeesh Yezhuvath,  
Chief Operating Officer  
and Wholtime  
Director of Subex



## The future lies in Business Support Systems, says Subex COO

Sudeesh Yezhuvath is Chief Operating Officer and Wholtime Director of Subex, the provider of products and managed services that encompass the operator revenue chain. Subex has been market leaders in Business Optimisation for four consecutive years according to analyst firm Analysys Mason. Here, Yezhuvath, who has been with Subex since 1993, tells George Malim of the company's strategy following disposal of its activation product to NetCracker. As the telecoms industry transforms, network operations remain broadly the same so he sees the dynamic opportunity in helping operators to transform and manage their business processes. ►



“What’s changing is not the network or technical capabilities; it is the business models.”

**VanillaPlus: Subex has been emphasising the benefits of its Revenue Operations Centre (ROC™) for several years now. Bringing the disciplines of revenue assurance, fraud management, partner settlement and data management together, clearly resonates in the market because it streamlines and simplifies the revenue business chain. How do you see the ROC concept developing as CSP value chains become more convoluted and complex?**

**Sudeesh Yezhuvath:** This is exactly why we believe the ROC will play an important role in the future of telecoms. CSPs today think twice before launching complicated and tailored services due to their inability to delve, analyse and manage operations at a granular level. Everyone believes that bundled services are the future but how does one do it if you do not know the cost per plan item?

Driving cost efficiencies is important in these times since revenue growth is not certain. CSPs need to be on top of the customer experience, in order to grow and compete, by being able to offer attractive propositions which will help them attract customers. This is new to operators since there has always been growth in the business. That isn’t necessarily going to be the case any longer and for that reason we believe the ROC’s time has come.

**VP: Can you tell me more about the ROC? Is it just a means to consolidate systems?**

**SY:** Classical cost reduction focuses on reducing the number of IT operational systems. This will continue but is not necessarily the name of the game. Those IT operations cost reductions on their own will not give operators the benefits they seek. When Subex brings these solutions together in the ROC, operators suddenly have access to a lot of information on their network. Information on who’s using what and when, how the network is performing and what is being monetised effectively, etc. Information in an actionable environment is delivered in the ROC. For example, the product performance management solution allows the operator to understand from day one what margin a product will deliver after its launch or how it performs against the business plan. Overall, the ROC allows the operator to gain valuable insights and intelligence from the correlation of data, allowing them to grow their revenue and reduce their costs.

**VP: You have recently sold your activation business to NEC-owned NetCracker. What are the reasons behind this move?**

**SY:** We believe that the future is in business

support systems and that is our strength. If you look at operators, what’s changing is not the network or the technical capabilities; it is the business models. And we believe that is where greater efficiencies are required and that will be our key growth driver.

**VP: Why have you retained your data integrity management solution given your strategic focus on your core products?**

**SY:** We don’t look at the Data Integrity Management as an OSS process, not even when we acquired the activation piece from Syndesis. It might manifest as a delay in activation but we see it more as part of an activity of reconciling your assets.

ROC Data Integrity Management supports CSP processes like Asset Management, Leased line cost recovery, Capacity management, etc. ROC DIM also has positive synergies with many of Subex’s existing BSS solutions (like ROC Revenue Assurance, ROCware) and we see growth opportunities involving this combined solution approach. Subex remains fully committed to DIM as it has a key role to play in the Business Optimisation space.

**VP: Do you think there's still appetite in the market for a vendor that can do it all when it comes to the back office or are areas of expertise, such as the ROC in your case, becoming the norm?**

**SY:** We do it all from the perspective of ensuring that an operator’s revenue chain is working and growing. A lot of the problems in the telecoms space are primarily because back offices are siloed. There are different types of customer data underneath these siloed systems and effective usage of that data is needed in today’s complex business scenario.

To be fair, nobody anticipated this problem to crop up. When an operator is growing quickly, they are not focused on efficiency, but on managing growth. However, today operators understand the inherent issues caused by these silos and they are now looking at ways to reduce the number of systems and break down the silos. For instance, Subex is not just a fraud management or revenue assurance system vendor, we offer operators the ability to go beyond this and ensure they can stretch their dollar if they invest in the capabilities that the ROC can provide.

**VP: CSPs increasingly are turning to managed services to drive efficiencies in their operations, ease the integration burden and offset the capex requirements of system upgrades. What's Subex' view of**



**this shift? What is your managed services proposition?**

**SY:** Fundamentally Managed Services are in demand because operators want to reduce risk by assuring the business outcome they want. Risk represents cost and risk reduction will help them with their cost management plans. We definitely see that happening. We are not talking about running the IT operations as a managed service, although that could be one aspect. We are talking about taking over and managing the operations of a particular function. Operators recognize that this does not have to be their business. They can outsource these operations and focus on branding and other core activities.

**VP: What qualities does a solution vendor need to deliver managed services effectively? It's a term we've all heard bandied about but it seems to mean different things to different people. What do you see as the critical skills and resources needed to deliver managed services effectively in your sector?**

**SY:** Our underlying value proposition is that we deliver managed services more effectively than the operator is able to, and can provide better assurance on the outcome. We have to convince them that this is because our domain expertise is greater than theirs. In our sector, coming from a product vendor perspective, delivering an outcome is different from delivering a product. Few product companies can make this shift, so it is important to have people in our organisation understand what outcome the operator wants and to deliver that outcome. We at Subex have strict SLAs that govern these relationships.

**VP: The market is going through a seismic shift as the services CSPs offer proliferate, new network technology cycles begin and**

**consolidation continues in both the vendor and CSP communities. How do you see the market conditions at the moment and what implications do they have for Subex? What attributes are necessary for success in these market conditions?**

**SY:** We are seeing this shift. The telecoms market is undergoing another phase in its evolution. Telecom as a business is probably only 30 years old. The business has really existed only since deregulation started and it is now going through its pangs of maturing. Operators went through a phase of fast growth and now their businesses resemble that of any mature business. When this happens to an industry, it goes through significant shifts and business consolidation is part of that shift. When growth is slow, companies look at acquisitions to achieve growth, and then there is also the consolidation of players and departments within operators. Companies also shift focus from their networks to their business. We see all these changes happening and they are good for a vendor like us because they require what Subex is good at – delivering efficiencies.

There is a fundamental change in how the telecoms industry is going to be managed as a business. There will be two kinds of operators in the future - infrastructure providers who will focus purely on creating and driving efficiencies and players who will thrive and survive because of the differentiated value propositions they are able to provide to customers. They will be nimble, fast and extremely agile.

Both types of operators would need to be in good control of their back office and data. That is why Subex is completely focused on Business Support Systems (BSS) and we look at ROC and Managed Services as key elements of our strategy. 