

XL Axiata

Network Operations / Network Maintenance Improvement

The XL Axiata was established in 1995 and is one of the major cellular providers in Indonesia with a majority ownership by Axiata Group Berhad (66.7%).

The Axiata Group includes Robi (Bangladesh), HELLO (Cambodia), Idea (India), Celcom (Malaysia), M1 (Singapore), Samart (Thailand) and Dialog (Sri Lanka), as part of its holdings in Asia.

XL has become the second largest company in the Indonesian Telecommunication market and one of the most profitable

“Renoir consultants intensively educated, coached and supported XL people inside and outside Network Services department. This has led to sustainable results and ownership of their systematic approach. As a result of this, significant operational improvements have been made in a short time and in line with the promised deliverables”

Dian Siswarini

Director of Network Services

Key Results

35% drop in man-hours for Preventive Maintenance

36% reduction of sites visits for Preventive Maintenance

30% reduction of unnecessary trouble tickets

40% increase in speed of delivery for New Network Elements

ANALYSIS

The telecommunications industry in Indonesia is extremely competitive and dynamic, posing specific challenges for operators wanting to remain attractive and profitable especially with the on-going race to 3G.

XL had engaged Renoir to help streamline and simplify several key business processes related to Network infrastructure expansion and upgrades to achieve greater speed of delivery. Network preventive and corrective maintenance operations were analysed to assess the opportunities to improve their predictability and put in place a leaner execution approach.

The Analysis revealed that:

- Regional Field Operations coordination
- Maintenance planning was too rigid and the Alarms management was not standardized
- Several business processes in place were no longer suitable for XL's size and were not capable of supporting its fast growing Network infrastructure requirements
- Regions and Headquarters were both lacking proper communication channels and

PROJECT APPROACH

The 18 week project kicked off with **Renoir's Focus Process™** to prepare for operations **Implementation**.

The objectives of this project were to improve the planning and **speed of delivery of new Network elements and upgrades** and to impact the **efficiency of the preventive and corrective maintenance** operations. Another aspect of the project was to enable better inter-department coordination through effective planning and execution to maximize the productivity and minimize lost revenues.

The **Focus Process™** highlighted a number of action areas:

- Redesign a more effective Preventive Maintenance planning system and install a Management Control System
- Re-categorize Network Alarms for effective handling and solving
- Streamline end-to-end processes for new Network elements building and upgrades with tight Project Management Control System

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PROJECT RESULTS

The project team, seconded by full time taskforce provided by XL, redefined the core & non-core preventive maintenance activities and revised their frequencies to ensure the most effective balance between cost and reliability.

Additional productivity gains were obtained by introducing a more flexible preventive maintenance schedule. This was achieved by aligning corrective interventions with planned preventive maintenance to avoid unnecessary site visits.

The overall exercise resulted in a **35% drop in required man-hours** to conduct planned preventive maintenance.

The second aspect of the Network maintenance operations improvement program was to revisit the current categorization of alarms. The existing obsolete classification was generating unnecessary visits and adding to the backlog of alarms resolution.

The consultants teamed up with the Network engineers to go through a detailed and thorough re-categorization of all alarms based on their potential impact to the Network and customers. The result of this exercise was an immediate **30% reduction of unnecessary alarms** trouble tickets. This was coupled with a newly installed Alarms Restoration performance monitoring system with SLAs set on the impact to the customers.

The other key result area for this project was to improve the speed of delivery of new Network elements and upgrades to support the challenging 3G Network expansion (more than a thousand sites). The main problem was the lack of real end-to-end project visibility, control and accountability which created counter-productive "finger pointing".

The project team began by clearly breaking down all the steps of the end-to-end Network element expansion, from a critical path, project management point of view. This allowed the development of a proactive planning system, especially in terms of site acquisition and procurement.

The second step was to install a Network Expansion Coordination Group, with clear authority and accountability, in order to improve planning, execution and speed of delivery of all projects.

The overall project resulted in an impressive **40% efficiency improvement from Q1 to Q2 2008**, resulting in on-time / on-cost delivery of new Network elements.

THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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