



## **Executive Sponsorship Key to KPN's Transformation**

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IP services have stolen the spotlight throughout the summer of 2004. At Supercomm in June, the first few speakers at the IEC Executive Forum focused their remarks on the evolution, or revolution, of the network. Each executive laid out a program for moving to an all IP-future. Each also touched on transformation of their entire company and the importance of delivering services customers would value. Of them all, KPN's senior vice president of operations Han Wijns told a story worth repeating.

### **KPN Transforms Operations for IP**

Mr. Wijns explained to the diverse audience that he was directly involved in transforming KPN's operations to support all-IP services and had been for more than five years. He agreed with the other speakers that the drive to an all-IP network was critical to carriers' success, but he stressed that KPN's return to profitability was driven through operations. Improving operations, he said, was the key to improving customer service, satisfaction and loyalty.

### **Swivel Chairs and Love Affairs**

KPN's transformation was focused on service, product innovation, production innovation (or operations), and the IT infrastructure to enable them all. Wijns argued that a viable IT infrastructure would be the bridge between the old and new worlds for KPN. But it was a visit to the Network Operations Center that provided the initial impetus for Mr. Wijns' quest to transform KPN's IT capabilities.

He noticed that NOC technicians were working with many systems, different screens, multiple keyboards, and overworked swivel chairs. Being responsible for Human Relations at the time, Wijns did not realize that this was "situation normal" for most carriers' NOCs during the nineties. Talking with the technicians, he learned that it took three or four years to become an expert with all of the tools used to isolate faults, identify affected customers, and take a prioritized action to solve problems. He decided that if the NOC ran this way, and KPN couldn't meet demand for services, then significant streamlining and change needed to happen in operations.

Wijns turned to his IT colleagues and found many had strong personal attachments to the myriad systems in place. They had designed, built and evolved these systems for years. When Wijns asked if commercial solutions were feasible, the answers came back negative. The IT people argued that because commercial tools don't work well together, the cost to integrate them would outweigh the cost of internal development.



## Planning and Direction

Regardless of IT's attachments, Wijns could still see that KPN was generating more customer demand than its production infrastructure could serve. In fact, network build-out lagged behind its assigned budget. Wijns began to examine an end-to-end view not only of how KPN delivered services, but also what is absolutely needed to deliver services to customers, asking questions like:

- What are the tasks that must be completed?
- What has to be in place to provision a customer request?
- What capacity planning and deliver capabilities do we have?

He developed a strong understanding of network build and customer service delivery processes, and created a plan to fix them made up of manageable pieces that were prioritized for action. At every step of planning and execution, he examined his options. What packages exist? Would the projects be completed by IT? Would a systems integrator be able to accelerate the plan? Who needed to be on the Steering Committee to help drive the program, every day?

Building in regular reviews of the program, KPN was able to factor in market changes, economic imperatives and new commercial options. Wijns had created a set of success criteria and a governance structure that ensured priorities remained set by Customer and Business demands, not corporate inertia. He applied specific management principles, such as:

- Using the Steering Committee to monitor and re-direct activities as necessary
- Contracting flexibly to allow a shift in service emphasis when changing market conditions changed priorities
- Work only with application vendors who have the capability to configure and implement their systems. Selections included Remedy, MicroMuse and Cramer.
- Ask tough questions. Systems Integrators were asked to be specific in describing their ability to help make things quicker, cheaper or better. If they could not commit contractually to such deliverables, they were not hired. At press time, not one systems integration firm had been hired.
- Work in time-defined increments with specific outcomes so that market changes can be assessed and projects re-directed easily. Wijns says, "have a great vision and make small steps."

Wijns' approach is very similar to that detailed in many books on Project Management. Yet, project management rules and guidelines alone rarely deliver their intended results. While KPN's program may share many characteristics with good management principles, it is driven by more. For KPN it was a motivated executive sponsor who was willing to push through his organization's resistance to change that led to the success of its IT transformation.