Slashing the Integration Tax
By Barbara Lancaster

Slash it, cut it, or demolish it the "integration tax" has to go. At TeleManagement World, TMF Board Members used the buzz-phrase regularly, and it quickly was a fashionable topic for discussion over free martinis (thanks…you know who you are). Paying for integration isn't spending money on nothing, but like most taxes it's money you'd rather not spend. If you want a working OSS environment, however, integration is a necessary evil, which leaves service providers asking, "Why do we have to pay *so much*?"

Application vendors aren't happy about the expense to integrate either. After all, integration costs are a substantial barrier to software sales. It's all well to extol the virtues of an application and drive home its tremendous value, but application vendors and their customers both know that for every dollar spent for software, it's necessary to budget another $2, $5, or even $10 to pay a systems integrator to wire it in, which will likely cost more and take more time than planned.

We suffer this cost problem in telecom, whereas companies in financial services industries, for example, don't expect to pay massively for integration. These companies buy applications that work together, selecting from a range of vendors in most functional areas. They can be reasonably confident that they can implement whatever they choose more or less on time, within budget, and with little pain. One Telemanagement Forum (TMF) insider reckons, in fact, that the telecom industry might be 'decades behind' the leaders in the finance industry. Making the integration tax less evil and less necessary is one of the underlying objectives of the TMF, and one of the aims of New Generation OSS (NGOSS) initiative.

The Tax-Free NGOSS Fantasy

Imagine we were able to wave a magic wand and suddenly have NGOSS implemented using some of the real technology tools now available. It's difficult to imagine, but stick with the fantasy for now. Starting tomorrow, the cost to integrate multiple OSS applications for a new operator is reduced by say 90 percent. For established telcos, the cost to unplug an application and replace it in the legacy environment is also slashed.

In this fantasy world, service providers are very happy with the reduced cost and effort to deploy OSS. OSS vendors are happy because they can offer applications knowing that the add-on charge for integration won't be a whole lot more than the cost of the software – it might only double the customer's project cost.

Would everyone be happy in this fantasy scenario? Not exactly - spare a thought for the systems integrators. If service providers pay significantly less for integration, that means they will spend less money with the companies that provide integration services. Every dollar not spent on integration is a dollar less revenue for systems integrators.

Say It! NGOSS Could Be Tough for SIs

TMF officials can't seem to state this case without spluttering. They suggest that SIs may not suffer too much because service providers will still spend piles of money with them - just on different sorts of consulting and professional services. What makes more sense, however, is that a service provider would take its integration tax savings and spend it on network elements, marketing, reducing customer charges, improving network security, buying new desktops, throwing a big party, giving the executives a pay raise… the list goes on. Some of that savings should also stay in the bank, because profitability is becoming important again to investors, and *not spending* is one way to increase profitability. The service provider would still spend some money with its SIs, but give it all back? Not a chance.

Why is it so difficult for people to state, plainly and loudly, that if NGOSS works, SI integration revenues will plummet? Maybe because by avoiding this important fact, we don't have to acknowledge that SIs are happy with a high integration tax. This is not a criticism, just a statement of business reality. The question is, are SIs to blame for telecom being 'decades' behind the financial services industry because they've resisted change? The answer isn't so simple.

What Does NGOSS Compliant Mean?

Service providers say they can't demand NGOSS compliance when they buy applications because they aren't sure what that really means. Most vendors aren't NGOSS compliant anyway, so they have to work with what's available on the market. Application vendors still don't quite know what being NGOSS-compliant is either, and they won't spend money on it until service providers demand it. Systems integrators mostly point out that we are where we are, and there's not a lot we can do. The legacy environments, the applications available, the decisions customers make - these are all the givens we have to work with. In the end, there's no point in blaming SIs, or anyone else for that matter. What is important is to understand what's needed to break the logjam.

There is specific work being done within the TMF that will help change things. For example, the work of TMF members on Shared Information/Data model (SID) is very important, and likely to prove of continuing value as it becomes more complete and mature. The sector will also benefit from a range of IT tools that facilitate rapid development and application messaging and are now widely available.

Build me an NGOSS Framework

What the OSS sector really needs the boss of some huge IT company to build is a *technology-specific* realization of the NGOSS framework. Call this the OSS-OS – an operating system for the OSS environment, similar to the original NGOSS concept from a

few years ago. This foundation should include all the NGOSS framework components – identity, authorization, data management, communications management and so on – in one tidy package. It should use some standard interface definitions so that applications can talk to the framework and to each other through the OSS-OS bus. No application vendor, systems integrator or IT gorilla lists such a framework in its catalog today.

The OSS-OS would sit on top of the operating system of one's choice - Linux, Unix, Windows, and beyond. It would provide all the common services needed by every telecom OSS application - 'business aware components' as NGOSS describes them. The existence of the OSS-OS would make it practical and desirable for application vendors to build compatible, efficient functional modules to plug in. The field would then be open and vendors would have a specific technology framework on which to build. Service providers would be able to demand compatibility without doubting what it means. Very soon, the OSS landscape would be transformed, and both service providers and application vendors would be fantastically happy.

What about our friends the systems integrators? These companies are run by smart people that know the cost of integration will decrease and that their revenues in this area will suffer. They also know that smaller faster projects enabled by a real world implementation along NGOSS lines will reduce risk, increase satisfaction and will probably increase project profitability as a result. For the SIs the business changes, but it doesn't disappear, at least not for a while. One SI that exhibited at Telemanagement World, Satyam, is already building a database of 'compliant' products. Its job will be easier and of even greater practical relevance once NGOSS moves from its present technology-neutral status into one or more technology-specific realizations.

It's Everyone's Job

All the TMF deliberations have been very useful in establishing a concept, but the industry – not TMF – needs to make that concept work. The company that builds a telecom OSS-OS is going to take a risk. It would be ideal to see two or three competitors offering their versions of the telecom OSS-OS to the market, but let's start with one for now; we'll even promise to be kind in print to the 800-lb. gorillas that accept this task. Any takers?

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