

Win-Win Strategies for IT-Cooperation in Complex Projects

Christiaan Steenbergen,
Department Manager, T-Systems, SI, LoB Billing (Germany)

Jörg Günther,
Project Manager, T-Systems, SI, LoB Billing (Germany)

Irina Ivanova,
Sales Director , Telesens LLC (Ukraine)

CeBIT

4. - 9. MÄRZ IN HANNOVER

Agenda



- Purpose and scope of this presentation
- About the companies
- Joint projects overview
- Lessons learned
- What has changed since 2003?
- Contacts for further communications

Purpose and Scope



- The main purpose is to tell about 5 year off-shoring experience with an Ukrainian company, taking into account not only technical and organizational aspects, but also human (psychological) motives of both parties.
- Making this presentation we understand, that there is a lot of off-shore project types and successful co-operation models. We are considering here only the most complicated branch of IT: software for telecommunications.
- Specific features of this branch:
 - high complexity of business rules and data processing models
 - huge amount of data
 - real-time work mode and 24*7 operability of applications
 - “price of fault” is very high
 - long-term projects
 - long time for decision making

About T-Systems

Marktanteile 2006 IT-Dienstleister nach Umsatz in Prozent (Quelle: Gartner)

| | |
|------------------------------------|------|
| 1. T-Systems | 15,0 |
| 2. Siemens IT Solutions & Services | 7,2 |
| 3. IBM | 6,4 |
| 4. Hewlett-Packard | 3,6 |
| 5. Siemens Communications | 3,2 |
| 6. Accenture | 2,7 |
| 7. SAP | 2,6 |
| 8. Fiducia | 2,4 |
| 9. EDS | 1,7 |
| 10. Capgemini | 1,4 |

About Telesens



- The company was established as a development center of a German company TelesensKSCL AG in 1998. Since 2002 works independently.
- Now one of the leading Ukrainian IT companies acting on local and foreign markets which offers exclusive and complex solutions for telecommunications.
- Telesens develops four own BSS systems and integrates rich portfolio of partners products.
- Besides product implementation it provides various IT services: software development, re-engineering, maintenance and support, integration; consulting; IT education.
- Business processes of the company are certified according to ISO standards, there are professional management team and experienced technical staff.
- In 2005 opened own education center „Silicon Valley“ (together with Polytechnic University Kharkov) in order to educate new IT staff according to modern business demands and to hire the most talent students.
- Since December 2007 belongs to the TTI Team Telecom International (Israel).

Telesens Customers



- ❑ Deutsche Telekom (Germany), 1998-2003
- ❑ T-Systems (Germany), since 2003
- ❑ Nokia-Siemens-Networks, since 2007
- ❑ Ness Europe (Czechia), 2006-2007
- ❑ USA Embassy in Ukraine (USA), since 2005
- ❑ President Administration (Ukraine), 2006
- ❑ Kyivstar GSM (Ukraine), since 2003
- ❑ MTS (Ukraine), since 2004
- ❑ Velton Telecom (Ukraine), since 2004
- ❑ Ukrtelecom (Ukraine), since 2006
- ❑ Golden Telecom (Ukraine), since 2004
- ❑ Farlep-Invest (Ukraine), since 2006
- ❑ Kazakhtelecom (Kazakhstan), since 2005
- ❑ COSCOM (Uzbekistan), since 2006
- ❑ SMARTS (Russia), since 2006

Telesens Projects for DTAG Group

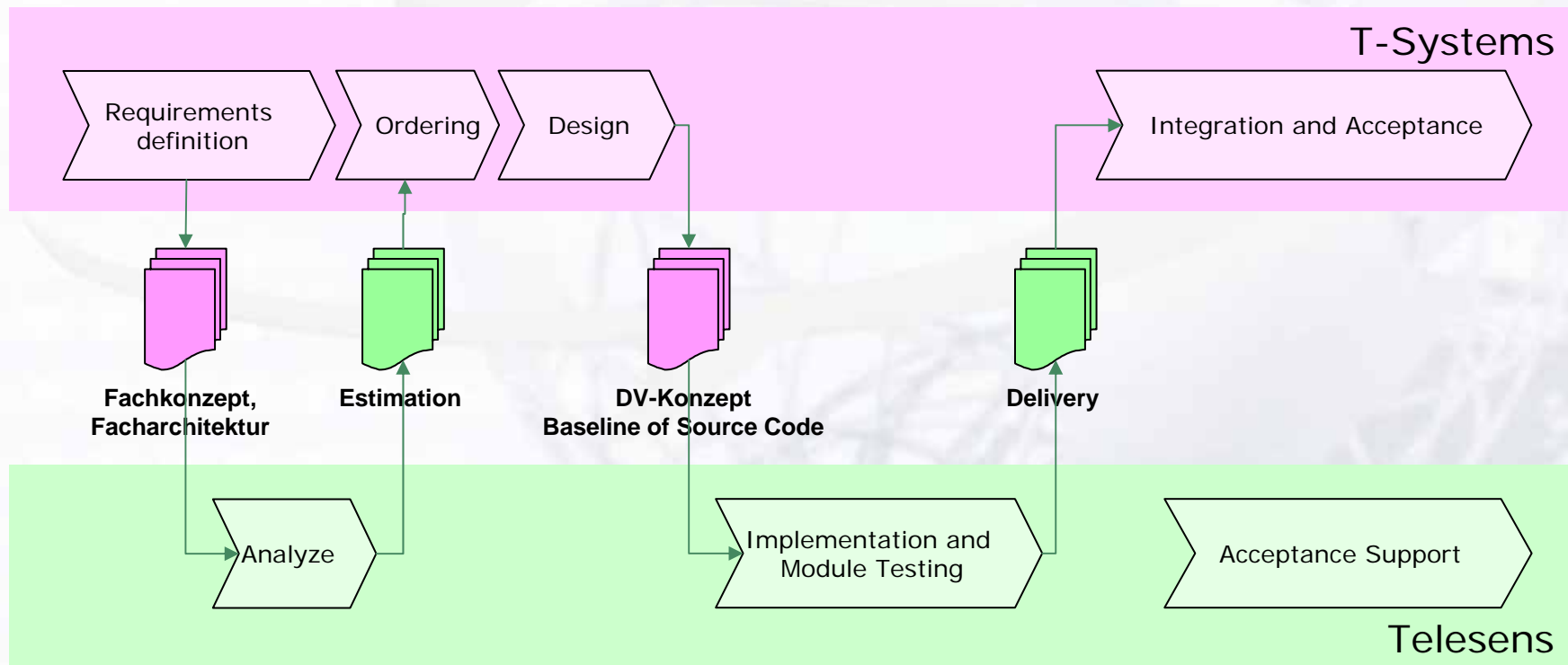
- 1999 – 2004 KDV-Ticar Project
 - Customer: DTAG
 - Telesens part: full lifecycle, incl. Requirements gathering, Design, Development, Implementation and Support.
- 2000 – 2003 KDV-ATM Project
 - Customer : DTAG
 - Telesens part: Development, Implementation and Support.

Projects we are talking about

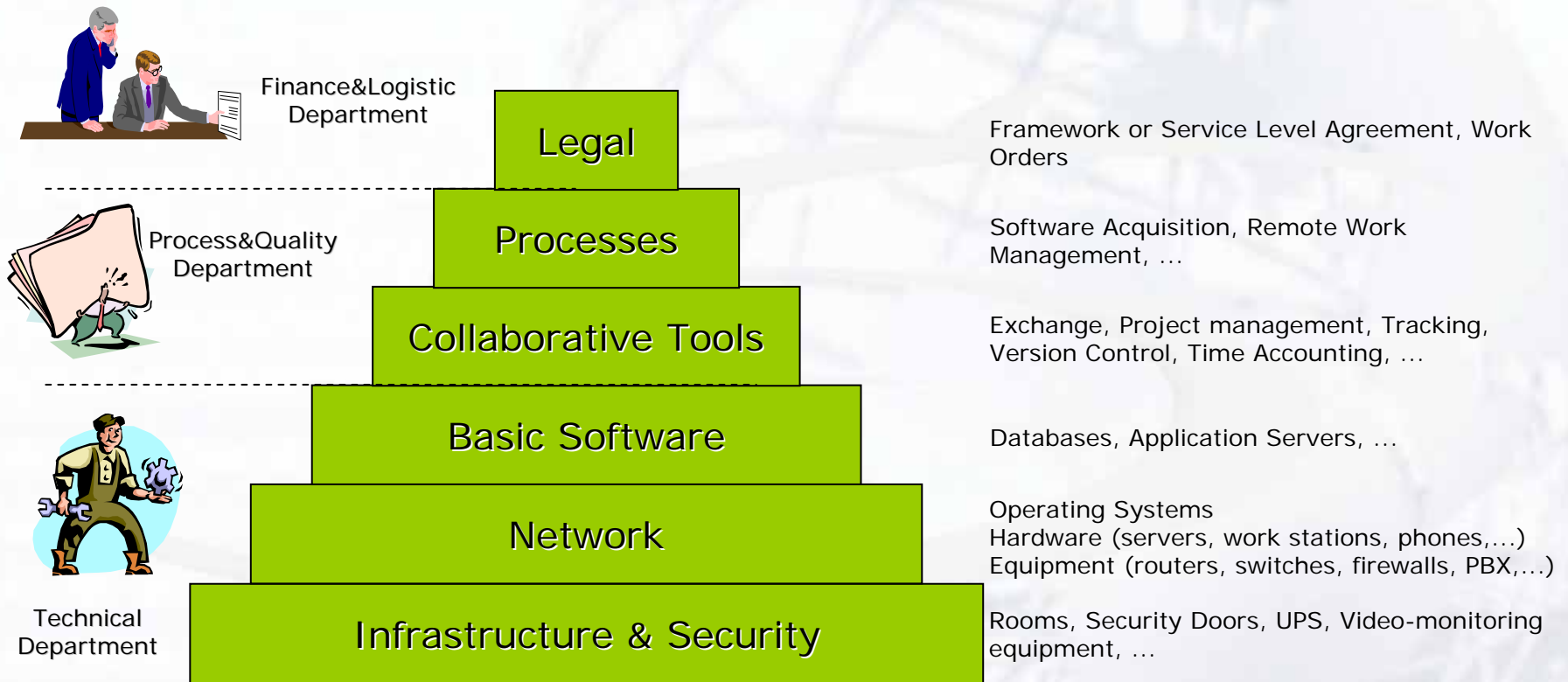
- 2003 – 2007 DATOS Project
 - Customer : T-Systems LoB Billing
 - Telesens part: Entwicklung der Module (z.B. SIM Card Management, Discounting Engine, Tax Calculation Engine) mit der Hilfe von JAGUAR Framework
- 2006 – 2007 IIF/Newton Project
 - Customer : T-Systems LoB Billing
 - Telesens part: Event Processing, Bill Processing, Fehler Management
- 2007 – 2008 PB-KON
 - Customer: T-Systems LoB Billing
 - Telesens part: Rating Models
- 2005 – 2006 FlexProd Pilot Projekt
 - Customer : T-Systems SSC P&PA
 - Telesens part: Fachliche GUI Entwicklung

Work Distribution in DATOS/Jaguar Projects

- Project implementation is based on the MDA approach and uses original J2EE development platform Jaguar™, which includes among other features its specific development methodology and contains both, Server- and Client-side frameworks.
- Typical process (for modules, which contain off-shore part) looks as follows:



Remote Work Organization Layers



Project Features

➤ **Customer's view:**

- Cost of any mistake is extremely high (real projects for real clients).
- Solid background knowledge required from the Provider (otherwise effort of task transferring and explanation will be more than effort of in-house development). The most critical skills are: understanding of telcos and German language.
- Strong external dependencies (waiting for client's decisions and inputs) don't allow long-term resource planning.

Summary:

Customer is looking for responsible and skilled employees, who are available "on-demand" and work for him for a long time.

➤ **Provider's view:**

- There is a lot of "gaps" between work phases when resources are assigned for the project, but don't perform any chargeable work.
- Since only a small part of work is transferred to the Provider, his employee don't become aware of the whole project context and their work seems to be rather boring than creative.
- Project team is always under pressure of responsibility.

Summary:

- 1) Provider loses money because of unproductive time;
- 2) The best and talent employees are unhappy and don't want to work for a long time in such projects.

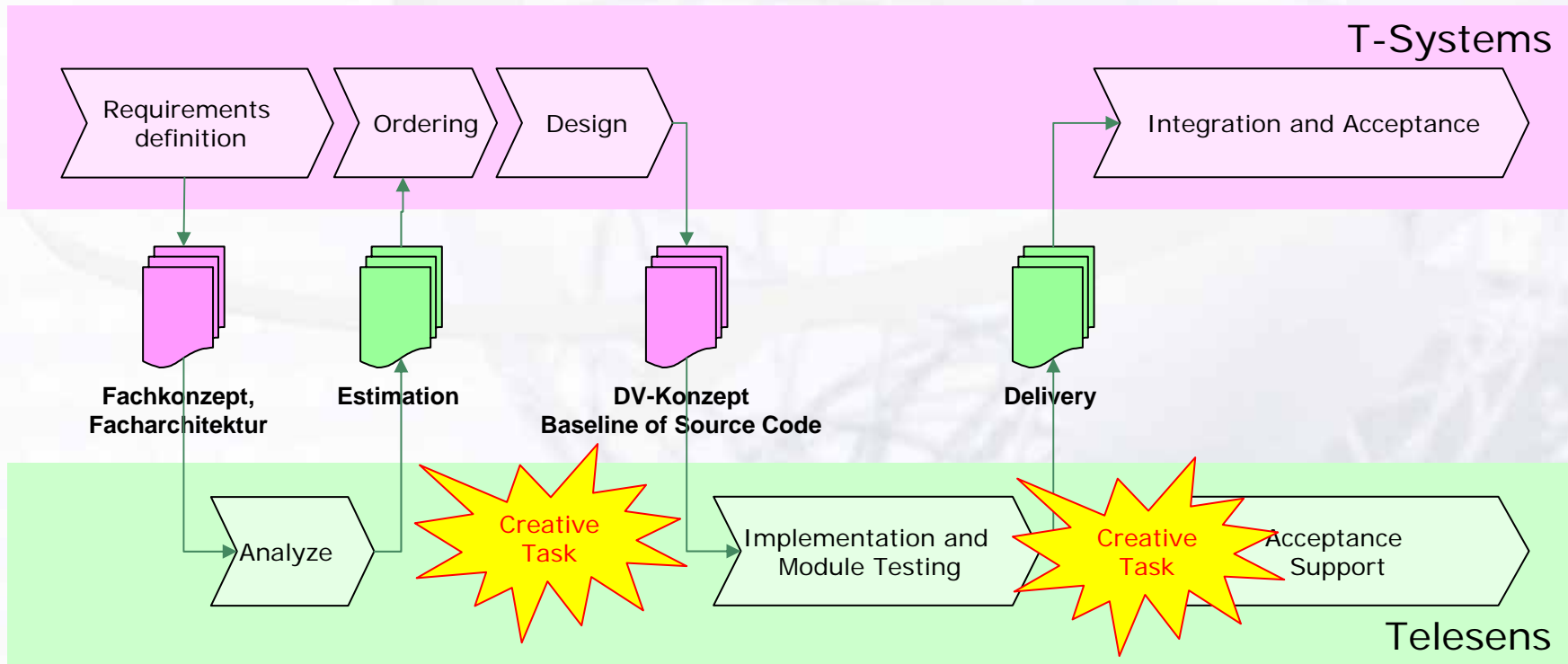
How to Compromise? Regular Ways



- Well-organized processes:
 - Clear understanding of each co-operation level
- Permanent monitoring and optimization
 - Optimized work package size
 - Regular performance monitoring and improvement
- Willingness to the "win-win" approach
 - Flexible pricing models
 - Risks sharing
- Good communications and logistic
 - Strong reliable high-bandwidth infrastructure
 - Integrated development and testing environment between the teams

How to Compromise? New Dimension

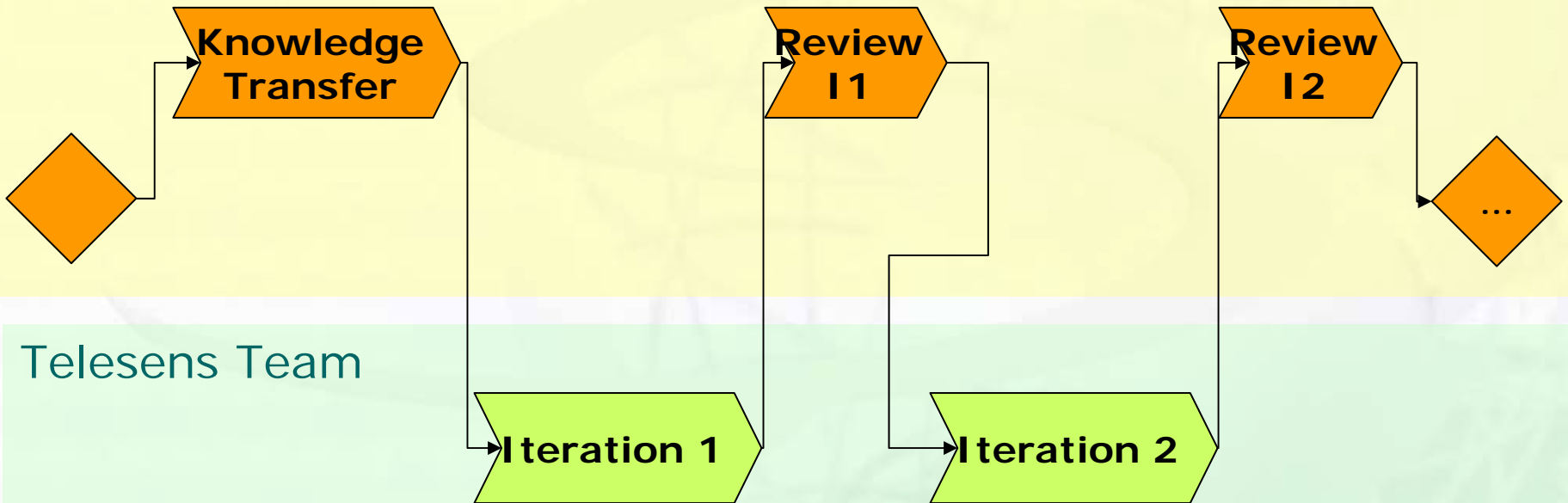
- Add creativity (and fill gaps at the same time):
 - Evaluation of new tools and technologies
 - Feasibility studies
 - Development of “nice to have” product features
- Establish interpersonal relationship between both teams
 - Regular on-site work of Provider’s employees (2-4 week)



Work Models: Iterations



Joint Team (Telesens + Customer)

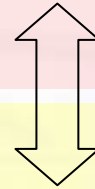


Work Models: Distributed Team



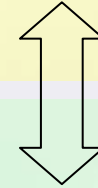
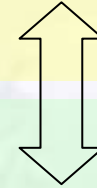
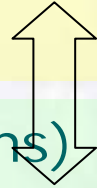
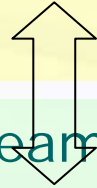
Customer

Work definition, monitoring and control



On-site team (Telesens)

Work specification and integration



Off-shore team (Telesens)

Work Package 1

Work Package 2

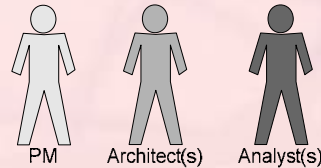
Work Package 3

...

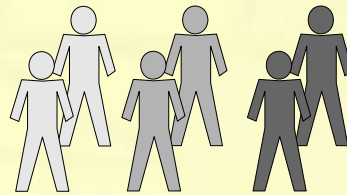
Optimal Team Structure



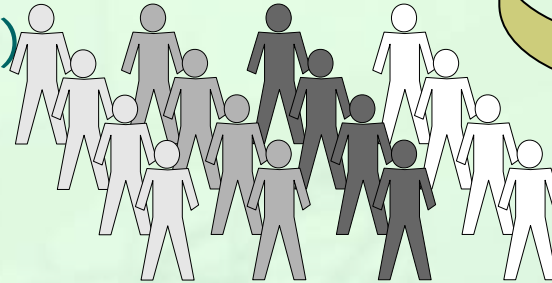
Customer
2-3 persons involved



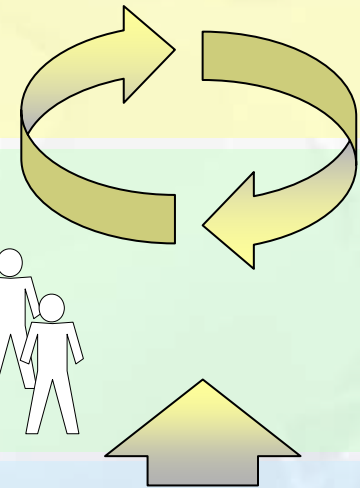
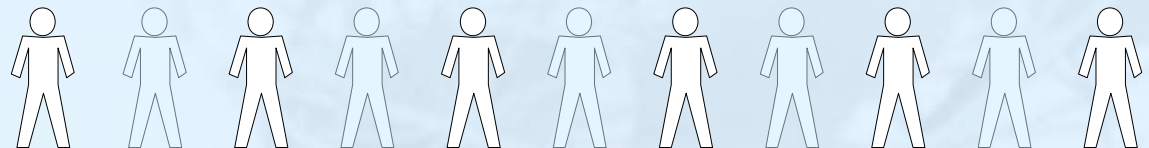
On-site team (Telesens)
5-10 employees



Off-shore core team (Telesens)
10-15 employees



Resource Base
(High Schools)



Contacts



Christiaan Steenbergen

Tel/Fax: (+49 228) 700 - 1160

E-Mail: Chris.Steenbergen@t-systems.com

Web: www.t-systems.de

Jörg Günther

Tel/Fax: +49 228 700 1168 / +49 228 700 1178

E-Mail: joerg.guenther@t-systems.com

Web: www.t-systems.de



Irina Ivanova

Tel/Fax: +380 50 323 2179 / +380 57 7199 474

E-Mail: I.Ivanova@telesens.ua

Web: www.telesens.de