# Improvement of Software Delivery Processes in the Telecommunications Industry

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#### **About**

- § Carried out at Oy LM Ericsson AB, Finland
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#### Content

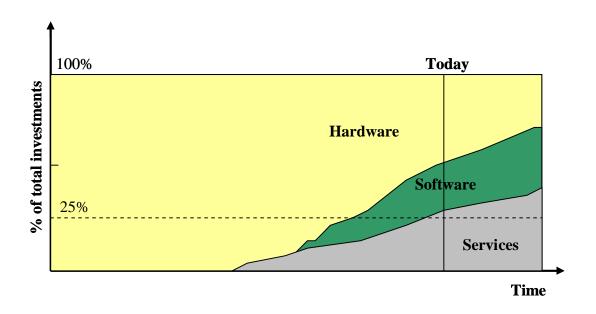
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# Background

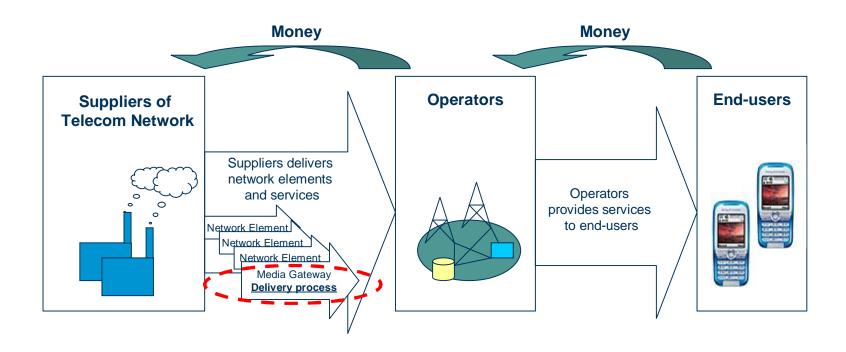


Network operators' relative investments over last 20 years (Accenture)

## Background

- Software production is time consuming, expensive and brings the most value and functionalities to the current network elements.
- § As a result, network suppliers want to sell hardware, software and services as separate products.
- § Operators still want to see network suppliers as hardware vendors and are reluctant to pay for software separately.

## Scope



The red ellipse illustrates the scope of the thesis

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#### Research Problem

- § The main research problem:
  - How to productize the network element software by changing the software delivery process?
- § This question can be further divided into the following sub-questions:
  - How do the current software delivery processes function?
  - What similarities, differences and challenges are in the current processes?
  - How can the current processes be reorganized to productize the software?
  - What kinds of advantages and challenges there are in the new reorganized processes?



#### Research Methods

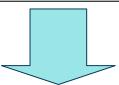
- § Literature studies
  - -books, academic ,documents,
- § Interviews
  - -initial interviews, target interviews,
- § Observation
  - -process, entry meetings, closing meeting etc..

#### Structure of the Research

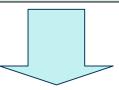
Discribes the current software delivery processes



Examines the target processes



Purpose the new reorganized processes



Examines the purposed processes

## New Reorganized processes

- § Software delivery process
  - Delivers a new software into new nodes
- § Feature delivery process
  - Activates features in the existing nodes
- § Software maintenance process
  - Provides maintenance services to the existing nodes

## Advantages

- § Filling the strategy
- § Simpified cummunication
- § Risks reduction
- § Cost reduction for customer
- § Maintenance cost reduction for the case company
- § Automated update system
- § Reduction of prallel processes
- Other affections



## Challenges

- § The biggest fear of the customers is the loss of average revenue per user
- § Reliability
- § Technological challenges
- § Change resistance



#### Conclusion

- § Three new processes were developed
- § They support the new strategy of the case company.
  - Selling components of the software separately.
  - By establishing different delivery processes for software and features this is fulfilled.
  - Serves the goal of software productization.



#### Future Research

- § More specific measurement tools
  - To gather numerical statistics of the new reorganized processes
- § The same process model could be expanded to other product lines
  - Company wide studies of broader changes of delivery processes to better fulfill the strategy of the case company
- § Studies on the economical impact of the changes
  - Marketing strategies
  - Pricing of the new separate products
  - Economical effect on suppliers and customers
- § Benchmarking the software delivery processes with other companies



