

Case Study

INDUSTRY > Telecommunications FUNCTIONAL AREA > Operations

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Business Scorecards Drive Product Success at a Major Telecommunications Company

Summary

A leading wireless telecom provider needed a plan to maximize growth for its new data services division. The organization developed a predictive scorecard that enabled real-time performance tracking and course correction and provided the insight to create a market leading application.

Customer Profile

A worldwide leader in wireless phone communications

Challenge

A leading wireless telecom provider wanted to ensure that it was successfully executing its business plan for delivering growth in its data services business. Furthermore, the organization wanted to ensure that they were using the appropriate metrics and methods for measuring success and tracking their operational effectiveness. In doing so, the organization wanted to establish a framework for identifying and monitoring the key indicators of success in this new area of business.

Solution

To address these challenges, the consultants performed an industry analysis and examined companies worldwide – especially those in markets outside the U.S. in which markets for these services had already developed. They were able to develop a better understanding of the metrics that would indicate success in this market and incorporate them into the business plan, describing their direct impact on revenue growth. To track performance and make adjustments on the fly, the team built sophisticated forecasting models that could be monitored and changed in real-time as they learned from the new data.

Based on these metrics and models, the team developed and implemented a business scorecard solution that not only reported results but also incorporated the forecasting models. This helped the organization's managers to better predict where they were headed and what outcomes to expect from their decisions and modifications.

Results

The new business plan and scorecard helped the organization make better decisions in real-time that led to measurable product improvements and increased growth. With the data gained, the organization was able to address weaknesses in several key consumer services, correcting or adding features that dramatically improved customer retention. These improvements ultimately reduced customer turnover (churn) on these services by one third. In addition, the new scorecard model provided improved visibility, and helped managers to better forecast outcomes and take corrective action when needed to stay on target. Ultimately, the models and scorecard made possible a dynamic management approach that drove change across the other business units in the organization.

