

Betting the Company: A GCI Success Story

Transferring customers to digital telephony service promised significant benefits for GCI and its customers. But the move involved a considerable challenge for Alaska's largest CLEC. In collaboration with Capgemini, GCI, motivated by the desire to establish a stronger relationship with its customers, overhauled or modified almost all of its IT systems.

The Situation

When you're already a major player in a market the size of Alaska's — at 591,004 square miles, as big as France, England, Spain and Italy combined — you make changes that directly affect customers very carefully. But when you give yourself a nine-month deadline to implement the biggest systems overhaul in company history, you also need to move fast.

That was the situation in which General Communication, Inc. (GCI), the Anchorage, Alaska-based telecommunications provider, found itself when it decided in mid 2003 to convert customers from traditional analog telephone delivery service to Digital Local Phone Service (DLPS) technology.

The objective was twofold for Alaska's largest CLEC: 1) Avoid wholesale and loop rental charges for local phone lines leased from the incumbent local exchange carrier by leveraging its

already-in-place cable network; and 2) assume total control of the customer experience, ultimately enabling a one-stop shop for GCI customers for digital voice, data and video services.

"We were committed to delivering a higher quality customer experience," said Jim Dunlap, GCI's vice-president of Information Technology. In order to do so, GCI brought all facets of the activation process in house. The other benefit went straight to the bottom line. "By eliminating payments to the incumbent carrier for facilities, we would better utilize our own capital," stated Dunlap.

Highlights

OTACE (On Time and Above Customer Expectation), Capgemini's measurement tool for project performance, average score of 4.86 out of 5

thousands of customers migrated within the first seven months

22 of 30 business systems dramatically impacted during project

The Solution

Similar to the philosophy of most Alaskans, GCI's corporate culture favors self-sufficiency. However, given the aggressive nine-month timeline combined with the complexity of the effort — 22 of the company's 30 major systems would be impacted — GCI knew it needed help. There was too much at stake. GCI wanted a team who would bring thought leadership and technology expertise to the relationship. But most importantly, GCI wanted a true partner. GCI turned to Capgemini.

Collaboration and integration between GCI and Capgemini were emphasized from the start. The project's strategic direction was set during a two-day Accelerated Solutions Environment meeting in Dallas that involved a cross-section of forty personnel and functional experience from both organizations. At the forefront of every discussion was the customer experience and the need to create a true business solution, not just technology infrastructure, to enable that experience. At the end of the two days, everyone had a clear picture of the goal and understood what it was going to take to reach it. Each person had ownership.

From there a roadmap — charting process and system changes for everything from order and inventory management to provisioning, activation and billing — was set along lines of expertise. GCI and Capgemini worked in tandem throughout the effort but established clear lines of accountability for results. Everyone knew that in the end the customers — internal and external — had to be more than satisfied — they had to be thrilled. "We could not have done this work on our own, and we certainly could not have done it in the nine-month timeframe," said Jim Dunlap.

The project was both facilitated and complicated by the fact that GCI is also Alaska's largest Internet access provider, a major cable television provider and owns the cable assets needed to migrate customers to digital services. Leveraging a converged network required tight integration across the telephony, cable and broadband systems.

"Our challenge was to create a seamless experience for the customer," said Wendy Koh, the Capgemini senior manager in charge of the project. "That necessitated changes across almost all of GCI's OSS/BSS systems."

Koh said the approach was based on an integrated team structure, where GCI, vendor and Capgemini team members worked under a single team lead vs. in company silos. This along with the overarching PMO structure manifested several key benefits such as: GCI effectively receiving knowledge transfer by understanding the solution soup to nuts, the vendors to gain ownership of the solution, expanding beyond their system specific components, and finally Capgemini to provide true business and system consulting support by providing guidance, methodology as well as execution. This team approach spanned both the IT and business side of GCI. "This way, we reduced knowledge 'leakage' and helped team members focus on priorities."

The Result

The project, which was completed on time and on budget, enabled thousands of customers to move to the new digital service within the first seven months. Currently, GCI is on an "aggressive march," Dunlap said, to migrate all 110,000 local phone customers to DLPS within a few years.

In addition to the quantifiable results, the project's success taught another lesson or two.

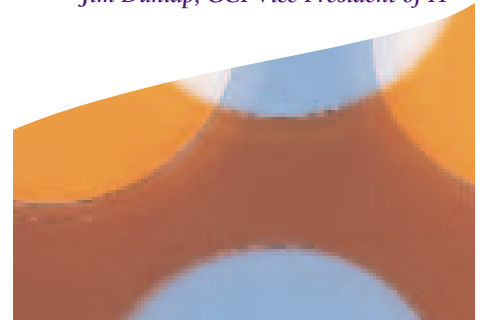
"It definitely taught our company a lot about having an integrated team approach to large-scale projects," Dunlap said. "That's now how we do business on the IT side of the company."

But the ultimate gauge of success comes from the customer perspective.

"This has been a transparent process to customers," Dunlap said. "Their existing service wasn't interrupted, and their future service is being enhanced from our ability to manage the quality of that service and respond to any issues that might arise."

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--- Jim Dunlap, GCI Vice President of IT



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