



Home Office

**The Merger of
Independent Broadcasting Authority
(IBA)
Directorate of Telecommunications
(DTELS)
Following privatisation**



The privatisation of two major UK government owned communications and broadcasting organisations was the catalyst for radical change and the achievement of significant performance improvements and cost savings through corporate restructuring and redesign of operations processes.

When the IBA was privatised to become National Transcommunications Limited, by their own admission, the organisation had little incentive to adopt a more commercial approach to business from the previous 'civil service' culture and style. It enjoyed a monopolistic position in the supply and management of independent television broadcasts, (ITV, Ch 4 and 5), all UK commercial and BBC radio, telephone and microwave communications using terrestrial, cable and satellite technologies. Although focused on national coverage, the company also had a growing business of programme transmissions worldwide.

As a public sector department within the Home Office for England and Wales, DTELS was responsible for providing wireless communication support to Emergency Service users in the two countries. Its origins go back to World War II and grew over the years to become a major service provider to a wider range of Public Safety central and local government services including Fire, Police, Ambulance, Prisons, RNLI and Coast Guard. In 1991, it changed its name to DTELS and four years later, negotiations began with National Transcommunications Limited (NTL) to become a private sector company. Both organisations operated a nationwide network of communications masts and equipment with field service engineers available to respond to customer service issues.

NTL wanted to identify the strategic and operational issues of the merger and opportunities for the effective management of the much enlarged business. Steve Wright, a Principal Consultant with ICL's Process Management Centre was asked to examine the strategic direction, operational processes, infrastructure and culture of both businesses and to propose changes that would enable significant cost savings and improved management control.

Using formal process re-engineering methods, Steve conducted a number of management interviews and workshops and mapped the 'as is' operations processes of both businesses



using ProcessWise WorkBench, a sophisticated modelling and simulation tool. The processes mapped and analysed included: plan the business, find new business, design new service, set up new service, maintain service levels, monitor service delivery, manage customer relationships, manage the assets, manage staff performance and collect revenue. Analysis identified numerous operational and performance differences between the two businesses and the scale of the difference was measured. Through further workshops the processes were redesigned and the process and non process changes identified. A Business Case and an implementation project plan covering all agreed changes were then prepared including the activities, timescales, resources and skills and costs of implementation.

These changes, accepted by management, and implemented over a two year period, lead to the merging and rationalisation of the two field service organisations, a new regional structure, the implementation of a single national customer Call Centre supported by a single Field Service Management System and database, improved productivity achieved through the standardisation of operations across each of the businesses, an integrated customer and contact information database, introduction of improved operations management policies and processes such as the introduction of home based engineers, an assets database with identification codes and bar-coding to track customer and NTL assets, the use of mobile technology for electronic data capture and operations database updates from the field, a review of the engineer skills mix and a culture change programme including cost monitoring and incentivising.

When implemented, significant cost savings were achieved through the rationalisation of staff, improved processes, the removal of duplicated activities and the significant reduction in clerical and operational errors through bar-coding and improved IT systems. These changes have also enabled the implementation of a common physical and IT support infrastructure.

Note: Arqiva—December 2004 a consortium led by Macquarie Communications Infrastructure Group announced it will acquire 100% of National Transcommunications Limited and NTL Digital Limited (together ntl:Broadcast) for £1.27 billion. The business has since been renamed Arqiva.

* Steve Wright is a director of EMLW Consultancy Limited (Contact: 07899 920133). EMLW Consultancy Ltd provides tendered consultancy and contractor services.