

## **Chapter 5**

# **Restructuring & Responsibility Matrix**

**Overview:**

Organizational change is must to meet the competitive challenges and to keep pace with ever changing scenario. As part of Aspiration Driven Transformation, it was decided to restructure BSNL setup for realizing its shared dream by 2013. This chapter discusses the structural changes being effected in BSNL.

**Learning Objectives**

- Objectives of Restructuring
- Macro view of New company structure
- Job Description concept
- Implementation of new structure
- Example of Job description

**Objectives of Restructuring**

Project SHIKHAR is a holistic transformation exercise with the help of The Boston Consulting Group with a view to strengthen BSNL as an organization and enable it to get back on the path of growth and profitability. In order to implement the new strategy effectively, BSNL's organization structure has been redesigned with a view to provide end-to-end focus on potential growth areas such as Broadband, Mobile, Marketing, Sales & Distribution and Customer Service. A business unit based organization structure is being adopted.

The motive behind adoption of new organisation structure is to help BSNL to :

- **Create adequate focus**
  - On critical growth segments such as broadband, mobile, enterprise and new businesses (e.g., infrastructure sharing, international expansion etc)
  - On critical skills such as marketing, sales, customer service, network management and IT
- **Develop accountability at all levels in the organisation along with control**
  - Business units driving each of the key businesses with full responsibility for generating revenue with adequate control over all critical functions
  - Business unit structure at Head Office, Circle Office and in the field units (i.e. SSAs)

- **Strike the right balance**
  - Ensure business units have equitable distribution of work-load and resources
- **Synergy/ Co-ordination**
  - Ensure minimal duplication of resources between the different business units as well as ease of co-ordination among them

### Macro View of New Structure of BSNL

The functional Directors on BSNL Board as per new organization structure, have been re-designated as: -

<b>Earlier Designation</b>	<b>New Designation</b>
Director (Operations)	Director (Consumer Fixed Access)
Director (P&NS)	Director (Consumer Mobility)
Director (C&M)	Director (Enterprise)
Director (HRD)	Director (HR)
Director (Finance)	Director (Finance)

In the new organisation structure, as depicted above there are four Business Units (BUs)

**Consumer Fixed Access (headed by a Director):** Will be responsible for products such as landline, PCO, broadband and related VAS, and would target retail customers as well as small businesses. This business unit will control all PSTN and data switches<sup>i</sup> as well as all fixed access media (i.e. the last mile)

**Consumer Mobility (headed by a Director):** Will be responsible for products such as GSM (2G, 3G), WLL, CDMA, WiMax and related VAS, and would serve retail customers as well as small businesses. This business unit will control the mobility access network (i.e., BTS, BSC, MSC etc)

**Enterprise (headed by a Director):** Will serve medium and large enterprises (i.e., corporate customers), carriers and ISPs. Enterprise products would include voice solutions, data solutions and managed services. This business unit will also be responsible for the wholesale business undertaken on BSNL's National Long Distance (NLD) and International Long Distance (ILD) network. It will also control BSNL's core network (i.e., transmission media assets – OFC, microwave etc). There will an Executive Director responsible for the core network within this BU

**New Businesses (headed by an Executive Director):** Will be in-charge of new business opportunities which BSNL plans to pursue. One such concrete opportunity that we have identified and are going to pursue is passive infrastructure sharing. Other areas being

evaluated include expanding BSNL's core telecom operations in international markets; leveraging BSNL's real estate assets to earn additional revenues etc.

Each of the above described BUs will be responsible for generating revenue and driving profit in their respective areas. They will also have control over critical resources needed to drive the business – such as strategy & planning, product management, marketing, sales & distribution, customer service as well as engineering, development and operations of their respective network assets.

Macro view of new verticals with reference to customer, product & assets is given below:

<b>Category</b>	<b>Director Consumer Fixed Access</b>	<b>Director Consumer Mobility</b>	<b>Director Enterprise</b>	<b>ED New Business</b>
<b>Customer</b>	<ul style="list-style-type: none"> <li>• Consumers</li> <li>• SOHO</li> <li>• Small enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Consumers</li> <li>• SOHO</li> <li>• Small enterprises</li> <li>• Carriers</li> </ul>	<ul style="list-style-type: none"> <li>• Medium &amp; large enterprises</li> <li>• Carriers</li> <li>• ISPs</li> </ul>	Depends on nature of business
<b>Products</b>	<ul style="list-style-type: none"> <li>• Landline</li> <li>• PCO</li> <li>• Broadband</li> <li>• VAS</li> </ul>	<ul style="list-style-type: none"> <li>• GSM (2G,3G)</li> <li>• WLL</li> <li>• WiMax</li> <li>• VAS</li> <li>• Roaming</li> </ul>	<ul style="list-style-type: none"> <li>• Voice</li> <li>• Data</li> <li>• Managed Services</li> <li>• NLS/ILD wholesale</li> </ul>	Depends on nature of business Passive Infra sharing
<b>Network assets</b>	<ul style="list-style-type: none"> <li>• Access Media -Beyond local exchange (PSTN) -Beyond DSLAM (data)</li> <li>• All PSTN &amp; Data switches -PSTN (TAX etc.) -Data (BRAS etc.)</li> </ul>	Access Network (BTS) -2G/3G -WiMax -CDMA Switches • MSC • BSC	<ul style="list-style-type: none"> <li>• Transmission media upto local exchange (PSTN)</li> <li>• Upto DSLAM (data)</li> </ul>	Passive infra-Towers, battery, generator, Air conditioning etc. Others (depends on nature of business)

In addition to the four business units, there are a few critical shared functions to enable the entire organisation. These functions comprise –

- HR (including Admin, Legal) –Headed by Director
- Finance – Headed by Director, supported by an Executive Director

**Directly reporting to CMD**

- ED Corporate Affairs (including Corporate IT, Corporate Planning & Monitoring, Corporate Marketing and Public Relations, Regulation)
- Company Secretary
- Vigilance (CVO)
- GM (Coordination & Monitoring) post has been created directly reporting to CMD

Each business unit will also have elements of these critical support functions, e.g. Finance, IT etc within its organisation structure to support respective business units.

The business unit focus, which has been developed at the Head Office is being replicated at the Circle Offices and Region Offices. Hence each of the four BUs at Head Office will have their representatives at the Circle Office and Region Offices below them. This will ensure that there is a clear chain of command from top to bottom within each BU and accountability can be assigned to people at all levels. The same will also be true for all the critical shared functions.

**Circle Office Restructuring:** The existing Circles have been categorized as Big, Medium and small and accordingly revised structure has been worked. The categorization of these circles is given below:

<b>Large</b>	<b>Medium</b>	<b>Small</b>
Andhra Pradesh Gujarat Karnataka Kerala Maharashtra Rajasthan Tamil Nadu Uttar Pradesh (E) West Bengal	Assam Bihar Haryana Jammu & Kashmir Madhya Pradesh Orissa Punjab Uttar Pradesh (W)	Andaman & Nicobar Chattisgarh Himachal Pradesh Jharkhand North East-I North East-II Uttaranchal

All the circles have thirteen distinct sections namely, CFA, CM, Enterprise, Passive Infra, HR, Finance, Business Planning/IT, Civil, Electrical, Architect, Vigilance, Commercial & Regulation, CSC.

**SSA restructuring:** All SSAs in BSNL also need to be restructured to align their operations with the new vertical concept. This is being done progressively. In SSAs also CFA, CM, CSC, EB, Finance, Vigilance and HR/Admin/MIS/IT roles are defined. Depending on the size of SSA, job assignment and reporting structure is being planned.

**Dual reporting concept:** At circle level head of CSC and C&R posts have dual reporting i.e to CFA and CM heads. Similarly in SSAs, the CSC head of SSA has dual reporting to CFA and CM heads.

**Job Description Concept:** A key feature of restructuring is introduction of Job description for each new post. Besides JD, key result areas and Key performance indicators have also been defined aligned with the new Group Performance Management System. This description enables the officers handling these jobs to have unambiguous understanding of their new role, expectations and measuring yardstick for performance. Few JDs are given at the end of this handout.

### **Implementation approach for organization restructuring**

Restructuring exercise is a Top-Down approach. The steps implemented are:

- The organization structure of the Corporate Office has already been redesigned.
- All the officers of corporate office (now called as head office (HO) ) have been assigned new job responsibilities.
- The BSNL HO is under the process of smooth transition from old to new structure, having equipped with new job description, and new responsibilities.
- The next phase of organization restructuring is to be implemented in the headquarters of the territorial Circles. Territorial Circles are in the process of carrying out the mapping of Officers to the new structure.
- Proposals of Circles are being examined at Corporate Office , GM (Administration) of territorial circles are meeting officers from Corporate Restructuring cell at HO ,for removing the teething troubles of mapping of officers at circle office to new business unit structure.
- After completion transformation of structure at Circle Office the same task has to be further taken up at Regional Office (RO) level.

**Example of Job Description:** JD of various officers at BSNL CO and Circles are available on BSNL Intranet. JD for a Circle AGM (CM) is given below:

<b>JD of Head of Customer Service for CM at small Circle – AGM</b>	
<b>Job title/ Designation</b>	Head of Customer Service for Consumer Mobility at Circle – AGM

<b>Job objective</b>	Management of customer service for Consumer Mobility (CM) business unit including Call centers
<b>Reporting to</b>	Direct: Head of Consumer Mobility at Circle – GM Indirect (functional) Head of Customer Service for CM at Head Office
<b>Key Responsibility Areas (KRAs)</b>	
<ul style="list-style-type: none"> <li>• Development of comprehensive action agenda for CM business unit for delivering best-in-class service at all stages of customer lifecycle (pre-sales, service delivery, after-sales), with particular focus on management of Call centers <ul style="list-style-type: none"> <li>○ Designing Service Level Agreements (SLAs) – internal and external</li> <li>○ Setting-up of complaint and grievance management systems and processes at Circle level</li> </ul> </li> <li>• Interaction with Head Office and Region Office for smooth day-to-day operations <ul style="list-style-type: none"> <li>○ Liaisoning with DGM (Customer Service) – Head Office on policy matters</li> <li>○ Recommendations to Head Office based on local environment</li> <li>○ Guidance to Region Office on business matters • Monitoring performance against business plan at Circle level (by Region)</li> </ul> </li> <li>• Development of employees to ensure continuous improvement in individual and company performance and encouraging a performance-oriented culture with emphasis on team-building and mentorship</li> </ul>	
<b>Key Performance Indicators (KPIs) – to be measured against targets</b>	
<b>Financial</b>	<ul style="list-style-type: none"> <li>• Budget adherence on capex &amp; opex (Rs. Cr)</li> </ul>
<b>Customer/Market</b>	Customer satisfaction (Scale of 1 to 5)
<b>Operations</b>	<ul style="list-style-type: none"> <li>• Customer churn (%) - BSNL vs. market leader</li> <li>• By product (2G, 3G, etc) • SLA adherence for Call centers (e.g. response time, abandon rate, etc)</li> <li>• Call center roll-out status</li> </ul>
<b>Employee development</b>	<ul style="list-style-type: none"> <li>• Feedback from peers</li> <li>• Feedback from direct reportees</li> </ul>

**Director (Consumer Fixed Access) – CFA**

<b>Job overview</b>	
<b>Job objective</b>	Achieving profitable and sustainable growth of Consumer Fixed Access (CFA) business through innovative and affordable products, excellence in sales, marketing and customer service, superior network operations backed by efficient IT-enabled processes. Creating a work environment that encourages commitment and performance by ensuring employee growth and development
<b>Reporting to</b>	Direct: CMD
<b>Reporting from</b>	GM (Strategy & Planning) – CFA, PGM (Products, Sales, Marketing & Customer Service) – CFA, GM (Network Planning) – CFA, GM (Procurement) – CFA, GM (Rural Network) – CFA, GM (Network Engineering & Development) – CFA, GM (Network Operations) – CFA, GM (Network Operations – Enterprise) – CFA, CGM (Data Networks) – CFA (DNW), CGM (NCES) – CFA, CGM (IT Projects Circle) – CFA, PGM (Finance) – CFA, GM (IT) – CFA, Indirect (functional), Head of Consumer Fixed Access at Circle – PGM/ GM
<b>Key Responsibility Areas (KRAs)</b>	
<ul style="list-style-type: none"> <li>• Formulation of CFA business unit strategy, in line with the overall company strategy <ul style="list-style-type: none"> <li>○ Marketing strategy by liaising with GM (Corporate Marketing &amp; Public Relations) – CA</li> <li>○ Product design, pricing and bundling strategy for CFA products such as Landline, Broadband, IPTV, PCO and related Value Added Services (VAS)</li> </ul> </li> <li>▪ Sales channel management strategy including margin structure design across products: Landline, Broadband, IPTV sales force, PCO sales force</li> <li>▪ Setting-up and management of sales alliances (e.g., DSAs) <ul style="list-style-type: none"> <li>○ Customer service strategy to deliver best-in-class service at all stages of customer lifecycle (pre-sales, service delivery, after-sales)</li> <li>○ Network planning, expansion, upgradation and maintenance strategy Access media – Beyond local exchange (PSTN), Beyond DSLAM (data) All PSTN and data switches</li> <li>○ IT strategy by liaising with PGM (Corporate IT) – CA</li> </ul> </li> <li>• Operationalisation of business strategy through multiple levers</li> <li>• Creation of annual business plan for CFA business unit by liaising with PGM (Corporate Planning &amp; Monitoring) – CA and financial plan by liaising with GM (Budgeting &amp; Financial Control) – Fin, including</li> </ul>	



- Financial targets – overall budget (revenue, capex, opex), profitability, etc
- Customer/ Market targets – # connections, churn, market share, ARPU, etc
- Operational targets – network roll-out & operations, customer service, etc
- Target-setting for Circles by liaising with Circle Heads and PGM (Corporate Planning & Monitoring) – CA
- Monitoring performance against business plan at Corporate level (by Circle) and taking corrective action as and when required
- Ensuring timely billing, collections and revenue assurance for CFA business unit
- Liaising with Circles for smooth day-to-day operations, HR section for adequate staffing and training within CFA business unit
- Development of employees to ensure continuous improvement in individual and company performance & Encouraging a performance-oriented culture with emphasis on team-building and mentorship

**Director Consumer Mobility**

<b>Job overview</b>	
<b>Job objective</b>	Achieving profitable and sustainable growth of Consumer Mobility (CM) business through innovative and affordable products, excellence in sales, marketing and customer service, superior network operations backed by efficient IT-enabled processes. Creating a work environment that encourages commitment and performance by ensuring employee growth and development
<b>Reporting to</b>	Direct CMD Indirect (functional):To be decided
<b>Reporting from</b>	<u>Direct</u> : GM (Strategy & Planning) – CM, PGM (Products, Sales, Marketing & Customer Service) – CM, GM (Network Planning) – CM, GM (Network Engineering & Development – North) – CM, GM (Network Engineering & Development – South) – CM, GM (Network Engineering & Development – East) – CM, GM (Network Engineering & Development – West) – CM, GM (Network Operations – North) – CM, GM (Network Operations – South) – CM, GM (Network Operations – East) – CM, GM (Network Operations – West) – CM, GM (Procurement) – CM, PGM (Finance) – CM, GM (IT) – CM <u>Indirect (functional)</u> ,Head of Consumer Mobility at Circle – PGM/GM
<b>Key Responsibility Areas (KRAs)</b>	
<ul style="list-style-type: none"> <li>• Formulation of CM business unit strategy, in line with the overall company strategy <ul style="list-style-type: none"> <li>○ Marketing strategy by liaisoning with GM (Corporate Marketing &amp; Public Relations) CA</li> <li>○ Product design, pricing and bundling strategy for CM products such as GSM (2G, 3G), related Value Added Services (VAS) and Roaming</li> </ul> </li> <li>Sales channel management strategy including margin structure design across products, Franchisees, Setting-up and management of sales alliances <ul style="list-style-type: none"> <li>○ Customer service strategy to deliver best-in-class service at all stages of customer lifecycle (pre-sales, service delivery, after-sales)</li> <li>○ Management of access mechanisms – Call centers, online support, CSCs</li> <li>○ Setting-up of complaint and grievance management systems and processes</li> <li>○ Network planning, expansion, upgradation and maintenance strategy</li> <li>○ BTS – GSM (2G, 3G), WiMax, CDMA, Switches – MSC, BSC</li> <li>○ IT strategy by liaisoning with PGM (Corporate IT) – CA</li> </ul> </li> <li>• Creation of annual business plan for CM business by liaisoning with PGM (Corporate Planning &amp; Monitoring) – CA and financial plan with GM (Budgeting &amp; Financial</li> </ul>	

- Control) – Fin, including
- Financial targets – overall budget (revenue, capex, opex), profitability, etc
  - Customer/ Market targets – # subscribers, churn, market share, ARPU, etc
  - Operational targets – network roll-out & operations, customer service, etc
- Target-setting for Circles by liaising with Circle Heads and PGM (Corporate Planning & Monitoring) – CA
  - Monitoring performance against business plan at Corporate level (by Circle) and taking corrective action as and when required
  - Ensuring timely billing, collections and revenue assurance for CM business unit
  - Liaising with Circles for smooth day-to-day operations
  - Liaising with HR section for adequate staffing and training within CM business unit
  - Employee Development for continuous improvement in individual and company performance & Encouraging a performance-oriented culture with emphasis on team-building and mentorship

**Director (Enterprise & Wholesale)**

Job overview	
<b>Job objective</b>	Achieving profitable and sustainable growth of Enterprise & Wholesale (E&WS) business through innovative and affordable products, excellence in sales, marketing and customer service, superior network operations backed by efficient IT-enabled processes. Creating a work environment that encourages commitment and performance by ensuring employee growth and development
<b>Reporting to</b>	Direct: CMD
<b>Reporting from</b>	Direct: GM (Strategy & Planning) – E&WS, GM (Solutions) – E&WS, PGM (Platinum – BFSI) – E&WS, PGM (Platinum – Government) – E&WS, PGM (Platinum – IT & Services) – E&WS, PGM (Platinum – Manufacturing) – E&WS, GM (ILD) – E&WS, Executive Director (Core Network) – E&WS, PGM (Finance) – E&WS, GM (IT) – E&WS, Indirect (functional): Head KAM – Gold/ Silver at Circle – GM/ DGM
Key Responsibility Areas (KRAs)	
<ul style="list-style-type: none"> <li>• Formulation of E&amp;WS business unit strategy, in line with the overall company strategy <ul style="list-style-type: none"> <li>○ Marketing strategy by liaising with GM (Corporate Marketing &amp; Public Relations) – CA</li> <li>○ Product/ Solutions strategy for enterprise customers</li> <li>○ Developing basic voice, data and managed services offerings, Developing solutions and product bundles by industry vertical – BFSI, Government, IT, Services, Manufacturing</li> <li>○ Pricing of basic products, bundles and solutions, Pricing of wholesale product offering , ensuring compliance with regulations</li> <li>○ Key account management (sales) strategy for enterprise customers, Segmentation of customers into platinum, gold and silver accounts based on annual turnover, employee base, etc, Account allocation and organisation structure for account managers</li> <li>○ Relationship management (sales) strategy for carriers and ISPs for wholesale business</li> <li>○ Customer service strategy to deliver best-in-class service at all stages of customer lifecycle (pre-sales, service delivery, after-sales)</li> <li>○ Network planning, expansion, upgradation and maintenance strategy for all Core network assets based on inputs from CFA, CM and sales expectation from enterprise customers</li> <li>○ Transmission media – Upto local exchange (PSTN), upto DSLAM (data)</li> <li>○ Evaluating economic benefits of building own International Long Distance (ILD) network compared to leasing from other operators</li> <li>○ IT strategy by liaising with PGM (Corporate IT) – CA</li> </ul> </li> </ul>	

- Creation of annual business plan by liaisoning with PGM (Corporate Planning & Monitoring) – CA and financial plan with GM (Budgeting & Financial Control) – Fin, including
  - Financial targets – overall budget (revenue, capex, opex), profitability, etc
  - Customer/ Market targets – market share, share of wallet, etc
  - Operational targets – network roll-out & operations, customer service, etc
- Target-setting for enterprise business by liaisoning with Circle Heads and PGM (Corporate Planning & Monitoring) – CA
  - Platinum enterprise business targets by industry vertical
  - Gold and Silver enterprise business targets by Circle
  - Wholesale business targets for Head Office
- Monitoring performance against business plan at Corporate level (by City for Platinum accounts and by Circle for Gold and Silver accounts) and taking corrective action as and when required
- Liaisoning with industry-wise national KAMs and Circles for smooth day-to-day operations of EB
- Liaisoning with HR section for adequate staffing and training within E&WS business unit
- Employee Development for continuous improvement in individual and company performance & Encouraging a performance-oriented culture with emphasis on team-building and mentorship

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