



Skating on thick ice

Microcell's distinctive Fido® brand name means that it's cool and fashionable to be a GSM user in Canada



Canadian mobile operator Microcell is unique and different in many ways but, despite having some refreshingly avant-garde policies, this is a company that knows exactly when to play safe – as evidenced by its choice of MACH for financial clearing and settlement.

Microcell is the only dedicated GSM operator in Canada – its three larger competitors adopted either the CDMA or TDMA standard, although one is now a hybrid with a TDMA/GSM network combination.

Marketing a minority technology can sometimes make an operator apologetic and defensive – with Microcell it's quite the opposite.

Unique position

The company addresses a young, fashion-conscious market, offering services that are “innovative, integrated and versatile”. Not surprisingly therefore, the range of voice and data services is wide and Microcell is also the only Canadian operator that currently offers billing by the second.

So, as a result, Microcell's 1.2 million subscribers are an energetic and adventurous bunch and are Canada's leading roamers – so much so that Microcell now has over 300 roaming agreements in place – nearly half the world's GSM operators.

Outsourcing financial clearing and settlement

It was this explosive growth in subscriber roaming activities that took Microcell into the market for financial clearing and settlement services early in 2004. Microcell's Financial Analyst Cristian Stratan takes up the story:

“We have always handled financial clearing and settlement in-house and have a stable and long-term contractual situation with our existing data clearing house.

As our number of roaming partners soared past 300 we realised that we were in danger of reaching beyond our limits and, although Microcell is a confident and adventurous company by nature, we don't take risks in areas like financial clearing and settlement.”

The outsourcing process

The first step in Microcell's reassessment was an evaluation of the task of scaling-up in-house resources. This was rejected as being costly, risky and highly resource-demanding and so the decision to adopt an outsourcing policy was taken.

Teamwork is another key part of the Microcell culture and a core selection team of six was formed which, at various stages, was expanded to upwards of a

Company facts: Microcell has changed the way Canadians use wireless technologies and empowered them with the benefits of mobile communications.

Microcell does wireless - with technologies and services that are innovative, integrated and versatile, and designed to provide their customers with a superior wireless experience.

dozen members. The team represented all the departments with an interest in financial clearing – the roaming billing department, IT, Finance, Systems and Purchasing – and the selection criteria were exhaustively analysed and reviewed from every viewpoint.

The briefing was widely circulated throughout the financial clearing industry and attracted a lot of attention.

“It was good for our confidence to see that the leading players in financial clearing and settlement were very interested in our business. We feel that the final shortlist of four was pretty representative of what’s best in the industry,” comments Cristian.

Selecting the best provider

The shortlisted service providers sent teams to Montreal to make final presentations and, in deference to the fact that they had travelled long distances, no time limits were set for presentations and discussions – and some, Cristian recalls, were very long indeed.

“We soon realised that MACH had developed services that exactly met our key criteria. We wanted a comprehensive service with a very high level of transparency at every stage,” recalls Cristian. “We had agreed internally that outsourcing did not mean sacrificing high levels of involvement and control and, as the presentation unfolded, step by step, we could see into every stage of a process which was elegant, logical and very efficient – and which displayed an in-depth understanding of the briefing.

We particularly liked the online interface with its very precise and user-friendly access to comprehensive information at every stage was exactly what we were looking for.

Online functionality is a feature of the whole MACH approach and every step is visible, with effective error and fault detection procedures and close attention to TAP and RAP file validation at the right time in the process.

Finally, we placed a high value on the approach to foreign exchange. The process is cost-efficient, we can see exchange rates clearly and bilateral settlement means that exchange transaction costs are minimised. This is very important to us.”

So, after a long and complex process, the Microcell team found that the decision was easier to make than had been expected.

“It was good to see a very clear evaluation, transition and migration plan in MACH’s presentation. We realised that the people presenting were the people we would be working with on a day-to-day basis and that they had given a great deal of thought, not just to the service to be provided, but to the way in which it would be planned and implemented.

We scored MACH’s presentation very highly on technical merit and it was also so beautifully and clearly presented, that we gave equally high marks for artistic impression.”

So, no skating on thin ice for Canada’s ambitious GSM operator. As we write, the implementation process is proceeding smoothly and MACH Finance is on schedule to go live on the target date.