

Telecommunications Industry Application Profile



MCI Increases Billing Audit Efficiency with G2

When MCI Communications, Inc. (Washington, D.C.) announced that 50% of its revenue would come from new lines of business by the year 2000, Joe Zarella, MCI's Director of Revenue Services, immediately understood the challenge to his organization. His group is responsible for auditing the majority of the company's \$20 billion revenue stream.

"We recognized the need for a new flexible and scalable technology solution—independent of product and system—with the ability to support the real-time auditing of non-telecom revenue streams and third-party vendors," says Zarella. MCI is making that vision a reality through the development of an "Integrated Audit Platform" (IAP). IAP will support MCI's invoice and revenue stream auditing needs as the company grows.

"We evaluated several solutions and selected Gensym's G2® software because of its graphical

object-oriented environment, ease and speed of development, and ability to let users control and maintain the business rules," says Zarella.

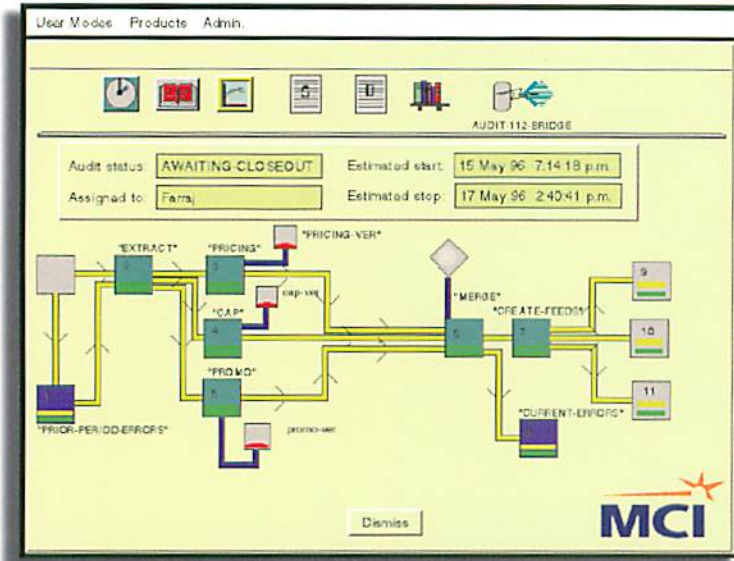
The vision for IAP was straightforward: to provide a single, integrated audit workbench that would support the company's billing audit activities across the enterprise. MCI's clearly defined project goals were to:

- ensure invoice integrity at the source in real time
- support MCI's speed-to-market strength with rapid audit development
- provide the flexibility to audit the source data of MCI Alliance Partners and third-party vendors to insure the integrity of MCI customer invoices
- decrease audit cycle times and resource requirements
- become product-, auditor-, and billing center-independent

With G2, IAP could graphically represent the entire billing process, capture auditor knowledge



through rules and procedures, and validate each step of the process. By providing an integrated audit and control methodology through G2, MCI enabled a more efficient audit process, as well as the means to communicate the knowledge gleaned through that process across the enterprise.



This IAP screen shows the process to be audited in graphical form.

While MCI estimated that implementing the pilot IAP program would take six months, G2 enabled them to accomplish it in only six weeks. G2 eliminated the major technical issues—the individual and idiosyncratic coding that had previously been necessary for each audit. Initial results from the pilot have been extremely encouraging. Audit times have been cut by 75%, staff has been reduced, and an ROI of over 400% is expected.

MCI is continuing its rigorous test of the IAP pilot and will implement it on a larger scale next year. The company hopes to expand IAP vertically to internal upstream and downstream systems and horizontally for new products and processes. It will also expand IAP in depth through more sophisticated statistical analysis empowered by G2.

If initial results are any indication, the company that revolutionized the telecom industry is likely to have similar success as it streamlines its enterprise-wide auditing procedures. “This is light years from the typical pencil-pushing auditor work environment,” says Zarella. “Speed, innovation, and leveraging technology are part of the culture here at MCI, and even an auditing organization is not exempt from that culture—auditing can be high tech too!”

Problem

- Needed a flexible and scalable system able to support real-time auditing of various revenue streams and third-party vendors
- Wanted a solution that was product-, auditor-, and billing center-independent that supported enterprise-wide communication

Solution

- MCI created its Integrated Audit Platform (IAP) using G2

Results

- Pilot implementation estimated at six months took only six weeks
- Audit times have been cut by 75%
- Audit knowledge and data can be shared across the enterprise
- An ROI of over 400% is expected



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