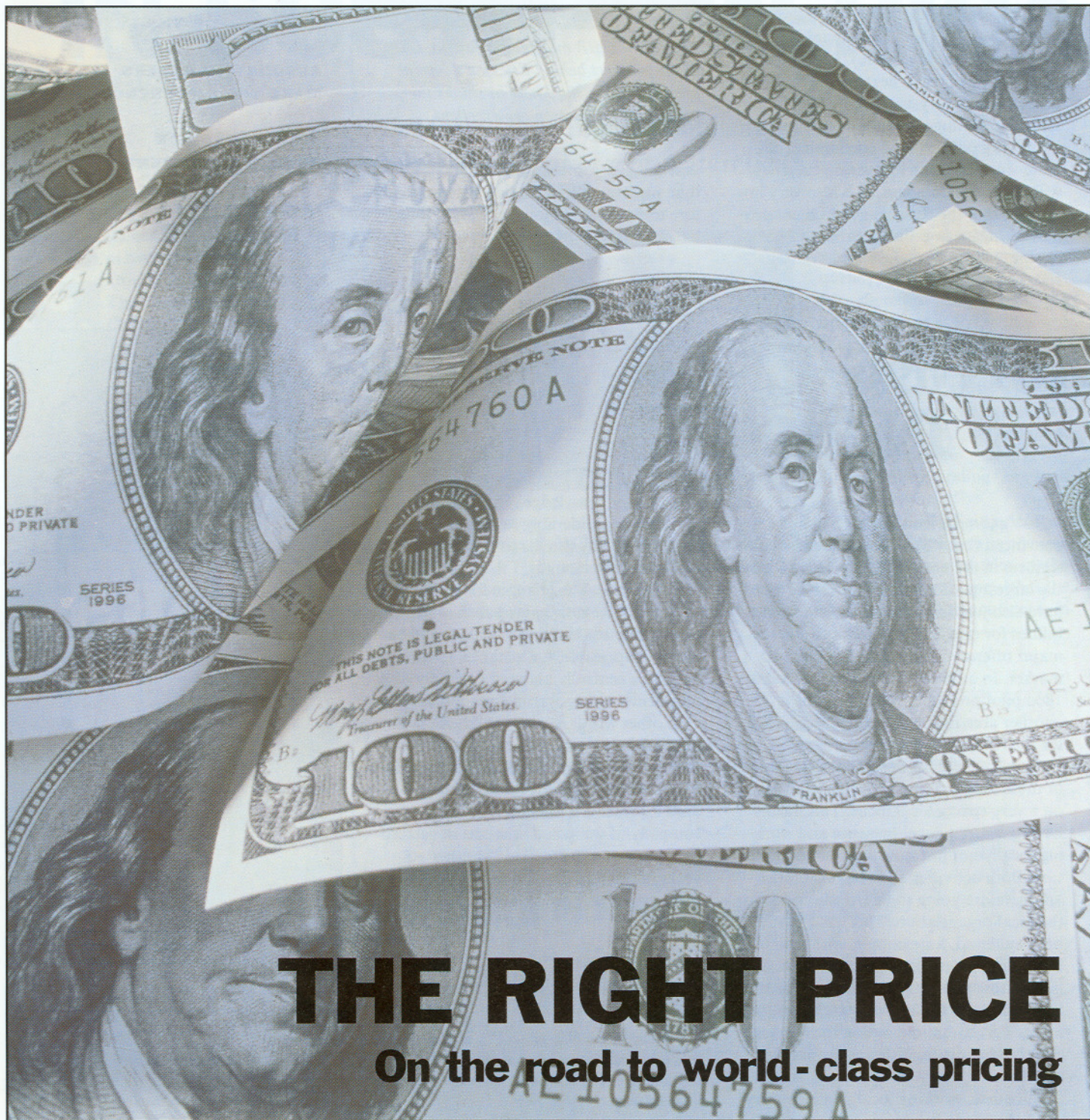


CELLULAR EXPRESS

ERICSSON  THE INTERNAL MAGAZINE OF MOBILE TELEPHONE SYSTEMS GSM, NMT, TACS No.4 1997



THE RIGHT PRICE

On the road to world-class pricing

RUSSIA REVIVES • KEY ACCOUNT MANAGEMENT • GSM REACHES SOUTH AMERICA

A MODEL FOR THE FUTURE

A new model for setting up subsidiaries is being developed from the experience gained in starting up an RMOG unit in Romania.

When Ericsson received an order for a nationwide GSM system in Romania just before Christmas 1996, Market Operations Eastern Europe, Middle East and Africa (LP) was faced with the problem of building a local RMOG organisation at the same time as delivering and implementing a system. As this situation had occurred more than once before, LP decided to investigate how it had been tackled in different countries. "However, we couldn't find a model anywhere that could be used to help start a new local company or RMOG unit," says Per Karlbom, regional market operations manager. "Apparently, anyone wanting to do this always has to start from scratch."

"This was when we had the idea of establishing ourselves in Romania in a way that made our experiences helpful to others who might find themselves in the same situation in the future. This meant that we had to work in project form."

"We called the project 'RMOGifying ETR', which should not be taken too literally," continues Per Karlbom. "The idea was to work together with the existing local company to establish a completely new business. However, other important aspects included the transfer of RMOG culture and working methods to ETR, which had had virtually no BR activities up until then."

LOCAL EXPERTISE. "Working in project form to establish RMOG proved very effective. The project started in March and the RMOG line organisation at ETR was fully operational just a few months later."

"All the experience gained from the project is documented and about to be shaped into a model that can be used by anyone who's about to start an RMOG business anywhere in the world. However,



The model can be used by anyone about to start an RMOG business anywhere in the world.

most users will probably be in LP since we have many markets that lack previous experience of cellular."

The model will contain process descriptions for activities that will suit local companies. Some concrete examples include accounting system specifications, organisational design, process management, recruitment, and methods for transferring expertise to local employees.

"The last example is very interesting," says Per Karlbom. "In general, we're not very good at transferring knowledge from expatriates to local employees. We've also found no existing model to help us, which is why we developed one of our own. In our model, every temporary expatriate is responsible for training his or her successor among the local staff."

"Of course, the finished model will also contain the policies for staff, wages and terms of employment that already exist at corporate level."

It is LP's unit for customer and implementation methods and processes (LP/PU) that will create the final model. "We are well under way and the model will be ready in January," says Marie Schyberg of LP/PU. "A reference group of ten internationally very experienced people, including a representative from BR, will contribute to the model before it is finished."

"We plan to present the results on the internal web," she continues. "But if anyone needs this information sooner, we're only too happy to make it available."

IN BRIEF

LP is developing a model for use in starting RMOG units at local companies.