EARTHBEND 360

WHITE PAPER

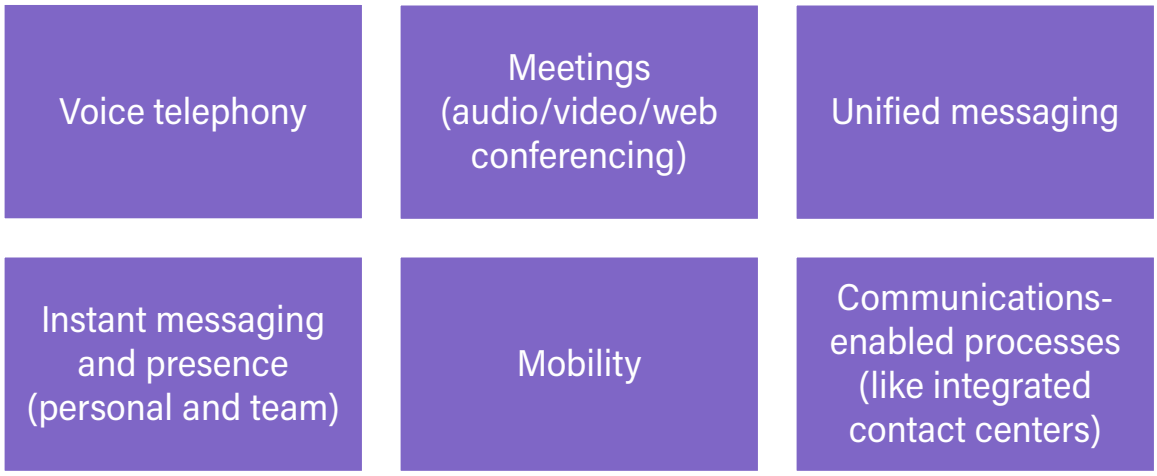
The Business Case for UCaaS

www.earthbend.com

What Exactly Is Unified Communications?

Unified Communications (UC) combines familiar communication services such as voice, video, chat and presence with newer services like videoconferencing and shared workspaces. That allows UC to deliver powerful, productive and easy-to-use collaboration tools that businesses can leverage across all of their locations and employees. With UC, team members can choose the communication and collaboration tools that are the most appropriate for them and enjoy a consistent user experience across all of their devices.

Gartner considers UC as encompassing six key functions:



UC Brings Together All the Ways Your Business Communicates

UC enables users to navigate across various communication modalities, in a way that is seamlessly integrated. These different types of communication services and processes can include:

Voice Telephony: This includes fixed, mobile and softphone enterprise telephony, as well as standard PBX functionality.

Collaboration Solutions: This includes multi-party voice (audio) conferencing, video conferencing and web conferencing capabilities (screen sharing).

Messaging: This includes voicemail and unified messaging (for example, voicemails, texts and faxes being sent to an email application).

Instant Messaging (IM) & Presence Information: Via IM, users can send text and other information to others in real time. Presence information quickly provides the status of other people and resources.

Mobility/Unified Clients: Unified clients enable access to multiple communication functions from a consistent interface, regardless of the type of device used.

Communications-Enabled Processes: The ability to integrate a UC solution with broader work and business applications, like contact centers.

Moving UC to the Cloud – Unified Communications as a Service

UC has developed from strictly communications into a broader collaboration and productivity tool in a relatively short time. This transformation has added significant value for businesses of all types and sizes.

No matter the job function or location, UC is powerful. Sales professionals can use UC to locate contact information for potential customers, place calls and share documents — all with just a few mouse clicks. Geographically-distributed teams can use conferencing and web collaboration capabilities to work together and complete projects rapidly. Contact center agents can use presence-detection capabilities to find subject matter experts fast, then use instant messaging to consult with them, all while assisting customers in real time.

But, it gets even better. The development of hosted, cloud-based "as a Service" solutions means businesses can deploy UC for a fraction of the cost of legacy on-premises PBX systems. Unlike those older, premises-based systems, Unified Communications as a Service (UCaaS) provides an entire solution from an externally-hosted infrastructure. The only equipment residing on a customer's site are telephone handsets and dedicated routing equipment.

With UCaaS, companies can enjoy easier, more expedient set up, less maintenance activity, lower costs, greater spending flexibility, improved agility to change capacity to accommodate business needs and a greater range of features and functionality, all of which can be implemented in a phased approach as needed.

Key Business Drivers for UCaaS

There are many compelling business reasons why companies should shift from legacy, on-premises phone systems to a cloud-based UCaaS solution. These key business drivers include:

Lower System, Capital & Maintenance Costs: A UCaaS system doesn't require a large up-front capital investment to purchase servers or other expensive hardware. Plus, ongoing maintenance costs are built into the monthly subscription fee.

Flex Communication Resources on Demand: How many employees will your business have in six months, one year, or even five years from now? With a cloud-based UC system, businesses need only allocate as many connections as they have employees. When they need to add or subtract staff, the number of lines can be easily changed. The same is true for peak seasons or events—the UCaaS model can easily accommodate spikes, and can just as easily lower capacity once those peak times have passed.

Big-Business Capabilities on a Small-Business Budget: With a cloud system, companies can affordably add sophisticated communications capabilities that might otherwise prove cost-prohibitive.

Flexible & Accessible Business Communications: Managing remote workers is a challenge for many organizations. The collaborative capabilities of UCaaS help by improving interactions among workers whether they're working in a corporate office, branch, customer site, home office, or anywhere else.

A Focus on Business, Not Technology: An organization should be focused on its primary business activities and objectives, not phone system management. With a cloud-based UC system, the complexity, hassle and cost of running a complicated telecommunications system is eliminated, allowing you to instead concentrate on achieving key business goals, bolstered by the aid of cutting-edge communication tools.

Improved Business Communications Continuity: The UCaaS model helps to ensure uninterrupted communications, since services are hosted off-site in inherently secure, resilient and redundant data centers.

The UCaaS Model Versus On-Premises Phone Systems

The premises-based phone systems that many businesses have relied on for years are quickly approaching the end of their useful lifespans. Businesses faced with aging premises-based phone systems must decide whether to replace them with the same technology or transition to a modern UCaaS solution. However, premises-based systems have a tough time competing with the UCaaS model. The following chart illustrates the key advantages of the UCaaS model when compared to a premises-based system.

	UCaaS Model	On-Premises UC
CAPEX Costs	Low CAPEX costs. No hardware costs, with the possible exception of phones.	The larger the enterprise, the greater the CAPEX costs. Expenses include phone hardware, rack space, power, cooling, etc.
Installation Costs	Low installation costs because little/no hardware needs installing.	High installation costs because hardware needs to be installed and staff/contractors need to be paid.
Migration Strategy	IT teams can add new UC features alongside existing communications systems to evaluate deployments. New UC features/services can be readily available, allowing IT to roll out new functionality at will.	IT teams usually must rip and replace existing infrastructure. This can result in communications downtime and troubleshooting. On-premises solutions can take months, and even years, to roll out company-wide.
Infrastructure Requirements	The hosted infrastructure required to provide UC functions (chat, presence, etc.) resides in the data center of the service provider. An IP connection to the cloud allows users to access that functionality. Back-end infrastructure is all bundled in a monthly fee.	On-premises infrastructure may vary by vendor but will typically include: proprietary control units to house analog telephony boards; server(s) for hosting voicemail; UC functions (chat, presence, etc.); and sometimes management/administration functions.
Provisioning Requirements	Landline connectivity is provided in the cloud. So, there is one less contract to worry about—since the cost of this connectivity is bundled into the per-user fee.	For in/outbound calling, IT must provision analog land lines, which can be provided by a full T1 circuit that requires a telephone company contract.
Licensing	Providers typically charge a per-user licensing fee.	Licensing is more granular and complex. There are OPEX costs for software maintenance on the license to ensure support and functionality upgrades.
Maintenance & Updates	Software updates are maintained by the cloud provider, so subscribers will always be up to date.	Feature updates may need to be repeated several times, depending on the architecture of the on-premises solution. Upgrades or feature enhancements can take many months.
Total Cost of Ownership	UCaaS TCO savings can be substantial.	On-premises UC TCO costs are much higher than with the UCaaS model.

What Types of Businesses Are Deploying UCaaS?

More and more companies are exploring how the UCaaS model can be leveraged to support their business operations. Detailed below are some the common profile characteristics for organizations making the leap to UCaaS.

- ☑ Start-up companies that require immediate business phone service.
- ☑ Companies with distributed personnel and offices who desire single location presence and functionality.
- ☑ Companies who allow employees to work from home either temporarily or permanently.
- ☑ Business whose employees frequently work on the road, such as service and delivery personnel, real estate agents and insurance professionals.
- ☑ Smaller organizations wanting to convey the perception of big business strength and sophistication without the associated expenditures.
- ☑ Companies embracing a Bring Your Own Device (BYOD) culture.
- ☑ Businesses that cannot afford the loss of communication with personnel and/or customers during disasters such as infectious disease outbreak, earthquakes, floods, fires or other unanticipated events.
- ☑ Organizations that are already leveraging cloud-based applications across other areas of their business operations.
- ☑ Businesses wanting a single platform to integrate existing disparate communication/collaboration tools.
- ☑ Organizations that require compliance with HIPAA (Healthcare Information Portability and Accountability Act) and PCI DSS (Payment Card Industry Data Security Standard) regulations.

How UCaaS Addresses the Changing Work Environment

In response to the global COVID-19 outbreak, companies everywhere have found themselves grappling with an unprecedented disruption that has changed the way they work almost overnight. Now more than ever, the communications and collaboration applications an organization's team members have access to can literally make or break a business. While this health crisis has served as a catalyst for many companies to quickly assess and implement remote working strategies, the adoption of UCaaS has been rapidly gaining momentum in recent years. This shift has been largely driven by these key related factors:

Millennials in the Workplace: The growth of the millennial workforce and the increased need for multi-channel communications has fueled UCaaS adoption. From messaging, team workspaces and screen sharing to voice and video, businesses need ways to keep their team members connected. Millennial employees are exceptionally comfortable with using technology in their personal lives, and expect access to these same communication tools to support their work-related activities. Companies must keep pace with unified communications technology advancements to accommodate these expectations if they are to attract and retain the best workforce talent.

All-in-One Collaboration Tools: Cloud-based UC solutions can foster and increase collaboration between employees and enhance productivity within an organization. Critical information can be shared immediately between team members, across departments and locations. However, for companies using stand-alone, disparate applications with multiple accounts for each, communication can quickly become significantly fragmented and difficult to manage. Having a single, unified platform collates all communications tools, making it easier for employees to be operating on the same page, working together, regardless of where they are located.

Accessibility: As an organization grows and their business communication needs evolve, UCaaS can more readily support this expansion. With a cloud-based UC system, businesses can eliminate expenses associated with travel and in-person meetings while also increasing overall accessibility and productivity. Additionally users can enjoy on-demand access across any device. Feature functionality like conferencing, messaging, voice and shared workspaces can help employees work collaboratively in real-time without business interruptions.

Bring Your Own Device (BYOD): The growing trend of BYOD contributes to the popularity of UCaaS in the enterprise space. Smart devices have replaced traditional computers as the primary means of business communications. Mobile devices support UC, enabling employees to stay connected anytime, from anywhere. Employees no longer need to be tied to a desk but can instead work on-the-go. UCaaS can turn an everyday personal phone into a work phone, providing ready access to desktop platforms that advance productivity and promote greater efficiency.

Modernizing Your Communications Infrastructure

Any efforts to modernize your communications infrastructure should begin with evaluating your existing environment. This can include answering the following questions:

- What communication systems do you have in place today? Are they on-premises? If so, how old are they and have they fully depreciated?
- What business challenges are not being met by your current system?
- How are your employees dispersed? Are they in multiple offices? Do they work from home or are they on the road?
- How do your offices/branches call, communicate and share documents with each other? Are you able to dial an extension and reach other branches or remote workers? Do you have a company directory that has all offices/branches connected to each other?
- Do your employees bring their own devices to work? Are there any current frustrations with conferencing and remote dial-ins?
- Does seasonality affect your business?
- Do you have a CRM system? If so, which one?
- Have you deployed any systems or applications to the cloud already? If so, what are they and what benefits are you realizing from those deployments?
- What are the barriers holding you back from deploying cloud communications?
- What is the number of vendors you currently manage to keep your business communications going? For example, phone, instant messaging, video and audio conferencing?
- Does your current phone system have a business continuity plan? If you experience an outage, how long would it take to have the phone system back up and running?
- Are you currently utilizing or do you have an interest in communications applications like mobility, audio conferencing, video conferencing, instant messaging, or contact center/help desk support?

Conclusion

Organizations today are looking to streamline expenses and reduce complexity wherever possible. Many organizations have limited budgets for dedicated telecommunications and IT staff and need to focus their resources on their primary business. It is for these reasons that more and more businesses are transitioning from legacy, premises-based phone systems to a cloud-based unified communications model. UCaaS provides all the advantages of UC without the associated complexity, costs and burden of maintaining the technology.

EARTHBEND360
2904 West 10th Street
Sioux Falls, SD 57104
Tel: 605.777.7005
Email: eb360@earthbend.com
Web: www.earthbend.com