



UNIFIED COMMUNICATIONS: The Perfect Partner for the Mobile, Cloud-based World

HAVING AN OPEN, SERVICES-BASED INFRASTRUCTURE IS IMPORTANT. INTEGRATING ALL OF THESE NEW COMMUNICATIONS AND PRODUCTIVITY TOOLS TO DELIVER VALUE AND SIMPLICITY IS PARAMOUNT.

CONSUMER IT AND CLOUD APPS ARE TOP-OF-MIND FOR NEARLY EVERY IT DIRECTOR AND CIO,

from established small businesses on up to enterprise companies. Everyone wants to jump into this game, even though best practices and the “how to” are sometimes murky. Nearly 56 percent of companies have at least one application or a portion of their computing infrastructure in the cloud, according to a 2012 *InfoWorld* survey of more than 200 IT decision makers.

Open, Web-based tools and services have expanded IT in unforeseen ways, delivering enhanced flexibility, scale and cost-savings. The end promise is happier, more productive employees and quicker avenues to innovation.

CIOs are dutifully rejiggering strategies, processes and organizational charts to adapt

to the new way of delivering and managing IT. Today, approximately one-third of IT budgets are spent on services-based computing, according to the *InfoWorld* survey. Along with the cloud is the irreversible and irresistible consumer IT movement; social media and mobile devices have formed the basis of work. Many employees now have the freedom to use their preferred tools, devices and apps at their jobs.

Is the “new IT” model working? IT directors are still struggling, because these consumer and cloud tools don’t always work together well and are creating more complexity in terms of management and support.

Many experts believe that there’s a need for an underlying fabric to bring together the worlds of cloud, mobile and social so that

employees can actually accomplish what they need—a simple, seamless exchange of information and connections.

Unified Communications (UC) is that fabric: By integrating IP-based communications tools with business applications, a company has a foundation for consumer IT. In fact, according to a recent Aberdeen Group report, a top pressure to adopt UC solutions is to improve enterprise collaboration. The analyst firm describes these tools as a collection of IP telephony, presence, Web conferencing, video, IM, data management, device management and network delivery.



8x8, Inc.

This is all well and good, but on paper, it just sounds like more tools for IT to manage. Recognizing this pain, communications providers are offering hosted and bundled services to make the process of moving to UC and voice-over-IP (VoIP) services easier and more affordable, much like subscribing to a cloud service like Dropbox or Google.

» The Right Time for Unified Communications?

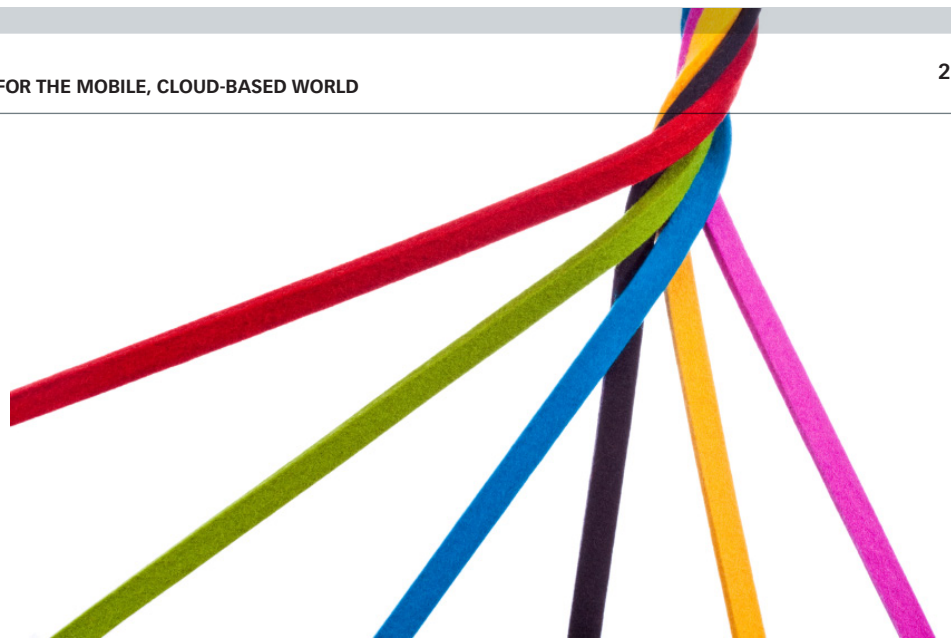
UC technologies have been in development for many years, but until now, companies haven't always seen enough compelling reasons to adopt them. First, UC is hard to understand and define. Technically, it is a broad umbrella of technologies accessible through common user interfaces on desktop and mobile devices, through common keyboard, voice or touch input methods. The association [UCStrategies defines it](#) more simply, yet broadly, as "communications integrated to optimize business processes."

Technologies that may comprise a UC infrastructure include:

- IP telephony calling and management, or VoIP
- Unified messaging (email, fax and voice messaging combined)
- Web conferencing, audio conferencing and videoconferencing
- Instant messaging (IM)
- Presence technology

The tide is turning, though: Nearly 60 percent of midsize to large enterprises are using UC products, and 90 percent have investments planned in this area within the next 12 months, according to IDG Research's 2012 "Unified Communications and Collaboration Study." CIOs are investing in UC primarily to increase employee productivity, followed by a desire to introduce more flexibility to the business and improve response times and delivery of information, according to the 2012 CIO Tech Poll.

For many reasons, the time is right for Unified



Communications. Companies of all sizes desperately need speed, agility and technologies and services that deliver considerable value for the buck. The cloud and UC seem to go hand-in-hand. Demand for cloud-based services helped push hosted UC service revenue up 33 percent and seats up 44 percent in 2011, according to [Infonetics Research](#).

Cloud computing is only part of the story, however. Much has been made about the convergence of social, mobile and cloud technologies in the workplace. These three areas working in concert will enable quick-touch, on-demand access to data, people and projects from a single interface. Mobile users will access social communication and collaboration networks to connect to cloud services, explains the authors of the Aberdeen Group's late 2011 report: "Business Optimization through Integrated Communications in the SoMoClo Era."

In some companies, employees are already using mobile phones to locate and connect quickly with co-workers through presence applications. Whether the social Web is the preferred interface to corporate apps and services or a mobile device, CIOs will need to make this all work together cost-effectively.

Enter Unified Communications, which can facilitate from a single portal a variety of IP-based tools that together enable these new collaborative processes. For instance,

a user could search for a colleague by accessing his or her contact list, initiate a call if that employee is available according to presence settings, invite another employee through IM to have an impromptu conference, and then connect to the corporate social network sitting on the cloud to research a topic related to the meeting—all in real time and from the same system.

» Start with VoIP

Voice-over-IP is often the first step that companies take in their journey to a UC infrastructure. In the IDG study, 55 percent of respondents are investing in IP telephony and 44 percent are migrating to UC from voice/telephone-centric systems.

One reason why VoIP has been popular is fairly straightforward: It's a lot cheaper than landlines. Typically, Internet-based calling saves companies around 30 to 40 percent on domestic long-distance charges, and up to 90 percent on international calls, compared with the public switched telephone network, or PSTN.

The market for VoIP services has matured drastically over the years, with offerings for businesses of all sizes. Small and midsize companies, in particular, can now deploy enterprise-class features for much less than in years past. These features may include call recording, three-way calling, caller ID, auto attendant, online fax, automated

call transfer and PC and mobile clients. VoIP service providers can often deliver a higher number of advanced features at a lower cost, compared with the legacy PBX/PSTN environment. This can make a smaller company look more professional or help a midsize company operate more efficiently to better serve customers.

Once an organization is ready to add additional UC services, such as unified messaging, Web conferencing and presence, the benefits trickle far beyond cost savings into productivity and collaboration. The top three benefits for organizations that have successfully deployed UC include user satisfaction, support for remote workers and improvement in strategic goals attainment and reaction time, according to the Aberdeen Group. This means employees can get to the information and people needed to complete tasks faster, remote and mobile workers don't suffer from slow connections or incomplete data access, and teams can work together more seamlessly to make better decisions supporting business goals. While this vision takes time, education and training to fulfill, realizing the cost savings from VoIP helps obtain buy-in for developing a forward-looking and more comprehensive UC roadmap.

» The Hosted Route

As companies move toward a services-based IT infrastructure based on the cloud, the services approach for telephony is also

gaining ground. The number of seats for hosted business VoIP and UC services is on track to more than double between 2012 and 2016, according to Infonetics Research.

The primary reason for the growth of hosted communications is to lower operational costs. Most companies today have much smaller IT budgets than they had in 2007 and before. Staff is sparse, and IT has less money to spend. Unless the technology is strategic and core to the business, it's hard to justify keeping it in-house.

Purchasing, deploying, integrating and managing the complex technologies needed for a UC infrastructure are particularly expensive propositions that can consume tens or hundreds of thousands of dollars in capital outlays. That's a luxury that few companies can afford today, and also introduces unnecessary risk if plans change or a company is acquired. Without the need to own technologies, companies have more agility to grow, scale or change business strategies—unencumbered by legacy systems that must be updated or painfully and slowly replaced while competitors grasp market share.

By contracting with a qualified third-party, all that a company needs to get started with VoIP and UC is a broadband Internet connection, router and IP phones—the latter of which are frequently provided by the hosting company. IT departments also benefit from a much faster deployment, and

a predictable monthly service fee based on actual use. Adding services in a hosted VoIP arrangement is so much easier as well. Want videoconferencing? Click this option on your screen and it's live. There's no need to switch on equipment or configure hardware.

Hosted UC and voice provider 8x8 offers a scalable and flexible solution for all mobile platforms to help companies quickly bridge the gap to a cloud-based, "bring your own device" (BYOD) collaboration environment. Customers also gain enterprise-class features for much less; a hosted communications solution from 8x8 is 50 percent cheaper on average, compared with purchasing the various technology components, integrating them and managing it internally.

Managing and maintaining numerous PBX phone systems and services with more than 20 different local exchange carriers was pushing costs through the roof for Irving Materials, a leading U.S.-based private construction company. "The more locations we opened up, the more fragmented we became, leading to diminished communication and productivity," says Jerry Howard, VP of IT at Irving Materials. "With the 8x8 Virtual Office solution, all of our offices will now be connected under a single, cloud-based phone system at a fraction of what we were spending previously."

Migrating to a hosted VoIP system is akin to moving from milking the cow in the backyard to receiving a jug of fresh milk at your doorstep every week. In the world of internally managed PBX systems, when a new employee joins a company or switches offices, an IT employee must physically install the new phone and test it. There is frequent programming and required maintenance of cables and wires to keep the landline system running smoothly. In most companies, the PBX system works reliably—yet at what cost?

Compare that with a hosted VoIP system, in which the new employee's line can be ready to go in a few minutes. The system automati-

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IRVING MATERIALS

cally provisions the new number and location once an account is created, so that when the individual arrives at his or her desk, the connection is ready to go—with no work needed from a technician. Upgrades and updates happen automatically over the cloud, just as with a SaaS provider. IT employees don't require special certifications or training. If an employee needs to change offices, even for a day, he or she simply picks up the IP phone and plugs it in at the next location and starts making calls. This saves the IT department hours of time every week, which can be devoted toward other, more strategic tasks for the business. That's money in the bank, since skilled technology professionals are a valued asset for any company. They shouldn't spend their time plugging in cables and wires.

» Helping Employees and Customers Alike

The benefits of hosted VoIP and UC go beyond cost and time savings. Employees have the ultimate freedom to use any device they prefer to access voice, data and conferencing services. At home, they may wish to use their PC, on the road their mobile phone, and at the office, their IP phone. No matter the device, they get the same features and are always connected to colleagues, tools and data to get work done.

With the right partner, companies can deliver innovative, business-changing experiences for users. Instead of inventing best practices, a company can benefit immediately from the provider's years of experience developing and integrating systems. For instance, a provider could merge email and voice services with a company's CRM system, delivering one-click calling from a contact name and automatically populating the screen with customer information when the call connects. This saves time and helps the employee deliver more personalized service to a customer, prospect or business partner.

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sible from any device can supercharge innovation. Says Howard of Irving Materials: "Using 8x8's technologies will now help us improve collaboration and efficiency which, in turn, will enable us to continue to provide the industry's best products and services."

Typically, a company wishing to take full advantage of the cost savings and improved features of the cloud will migrate completely to a software-based IP communications platform. Yet in some cases, a company needs to build up to a new environment more gradually. Providers such as 8x8 can help a company implement hosted voice and UC services in a phased approach, where the PBX system is maintained for a period of time to service distinct user groups such as remote offices. Keep in mind, however, that integrating a software-based VoIP system with PBX hardware is not simple and should be considered carefully.

» Choosing a Partner

Adopting VoIP and other UC services is less risky today than five or 10 years ago, as there are many qualified providers with affordable pricing. Selecting a partner among this vast field, however, can be difficult. What should IT directors look for when choosing a technology partner?

Logically, experience in your industry and with similar-sized businesses is always paramount. Providers should offer a comprehensive catalog of standard services in the base package, including unlimited worldwide calling, call forwarding and transfers, call waiting, caller ID and an online dashboard to manage all calls and chats. Providers should

also offer optional services, such as third-party software integrations, for reasonable fees. This gives your business the flexibility to change features and add functionality in a timely manner and according to budget, without switching hosting providers.

Business and IT leaders are most concerned about UC providers meeting security requirements, providing easy-to-use systems and lowering the total cost of ownership, according to the IDG survey. Ask potential partners to demonstrate these capabilities and provide references to show proof of these and other criteria.

Finally, consider the technology expertise of the provider. Does the provider use third-party tools and infrastructure to support its services or has it created a unique technology platform that gives it tighter control over the customizations and quality of service for your business? Consider the long-term benefits of working with a provider that is not just a broker of services, but a technology innovator that delivers increasing value to your business. For instance, 8x8's technology is mature and delivers full UC and collaboration features.

There is no specific formula for success when it comes to Unified Communications. Those organizations that wait too long to make the switch toward integrated, IP-based tools, however, could be in a position of weakness compared with competitors. If communicating frequently and sharing ideas daily is core to your business, now is the time to investigate how hosted VoIP and UC solutions can drive the needle up on revenues and customer satisfaction. ■