

Understanding the Business Case for IP Telephony

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Introduction

IP Telephony and associated communications technologies are marketed to organisations as offering a range of advanced features above and beyond those available using 'traditional' phone systems. But why should organisations who are already facing financial pressures consider investing in this technology? This paper provides an overview of the type of wider business benefit IP telephony can offer organisations.

The benefits IP Telephony can offer organisations in terms of reducing phone line rental and call charges are reasonably well defined. However, whilst savings of this sort are undoubtedly available, the level of cost reduction offered can vary significantly and organisations whose existing technical and contract arrangements are already efficient may find that they struggle to form a business case for IP Telephony based on these savings alone.

From our experience in developing telephony strategies for a range of organisations, we have found that even where there is not a business case for IP telephony based on direct line and call cost savings, a strong business case can be formed when the wider benefits offered by other business initiatives that rely on IP telephony as an enabling technology are considered.

The Wider Benefits of IP Telephony

IP Telephony is a mature and widely used technology. The inherent flexibility of the technology makes it an ideal platform for organisations which are embarking on a period of change.

Increasingly organisations are seeing one of the key benefits of IP telephony as support for the introduction of **flexible working**. Flexible working can provide significant business benefits to organisations in the form of rationalisation of desk space and property estates and increased staff efficiency. Whilst it is possible to introduce flexible working without IP telephony, in any period of change within an organisation it is important to get the technology right. If staff are encouraged to adopt different work patterns without adequate attention paid to how technology will support this, then there can be reluctance and resistance due to existing technology limitations. As far as possible technology should be specified and deployed to offer staff working flexibly a standard 'look and feel' telephony service regardless of their location. IP telephony can provide this to staff working from offices, touchdown areas or home.

Technologies associated with IP telephony and often included as part of any rollout, such as Instant Messaging and Presence, also provide support to flexible workers. These '**Unified Communication**' technologies provide the ability for teams working in different locations to view each others' availability and more easily communicate remotely. However, these features may only be relevant to a subset of users and any investment in these services should be clearly tested in terms of business benefits.

Another benefit offered to many organisations by IP Telephony is the ability to increase **contact centre** scope and efficiency. IP Telephony allows organisations to easily change contact centre configuration to deal with changing business requirements; for example, to add additional queues in the event of an incident or campaign and to move agents between queues and skill sets to deal with call peaks.

The technology also allows organisations to use 'virtual' contact centres where agents can be located in different physical locations, including homes if required. This approach can again assist in dealing with call peaks and allows more flexible agent work patterns

potentially allowing operational hours to be extended and assisting with staff retention. IP technology also allows call centres to become true contact centres dealing with a range of forms of communication including email, instant messaging and SMS. All communication types can be presented to agents in a combined queue to ensure agent efficiency is maximised. Corporate use of Instant Messaging and the integration of the contact centre solution with Customer Relationship Management and other applications also provide the opportunity to increase call centre and agent efficiency.

In light of recent pandemic scares and severe weather many organisations are seeking to increase their existing **disaster recovery** and **business continuity** arrangements. IP telephony provides the ability for fully redundant hot standby systems to be provided to ensure telephony and associated services continue to operate in the event that the primary system becomes unavailable. As IP telephony allows users to access telephony services from anywhere they can access the corporate network the technology also allows organisations to send users to work from other corporate locations, or home, in the event that an office becomes unusable.

Organisations are seeking to reduce their carbon footprint, both because of their commitment to reducing their **environmental impact** and because of the real cost savings that can also be obtained. IP telephony, along with Unified Communication and Collaboration technologies provide the means for staff and teams to communicate by voice and video and to collaborate virtually so reducing the requirement for staff travel.

Will IP Telephony Help Your Organisation?

It is clear that there are a range of related areas which can quite rightly contribute to the overall business case for investing in IP Telephony. Whilst we have presented a few of the main benefits of IP telephony that are common to many organisations, the technology is

likely to offer further specific advantages to individual organisations and an analysis of business processes and plans should be completed to determine the full extent of the benefits available. We suggest the following high level questions should be considered as an initial step in establishing whether IP Telephony will offer business benefits to your organisation:

- Can you recognise inefficiencies in your existing telephony systems and contracts?
- Is your organisation planning a period of business change and will your existing telephony arrangements support this change?
- What is the lifespan of your existing telephony systems?
- Do your telephony systems offer the level of resilience required by your business continuity plans?
- Could your call/contact centre operate more efficiently, extend its operating hours and offer more services, or more contact channels?
- Could voice and video conferencing reduce travel costs?
- Are you looking to introduce flexible/home working?
- Are you looking to reduce desk/office space?

By reviewing these points, a more developed case can be made to invest in the technology which could well present your organisation with a platform for improved service delivery and increased efficiency savings in the longer term.

About FarrPoint

FarrPoint are leading independent consultants offering impartial technology advice to improve our client's business. FarrPoint specialise in networking, IP telephony and convergence technologies and provides services of strategy and design, specification and sourcing, project management and network efficiency and technology reviews.

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