

The right solution

How to decide if VoIP is right for your business

Voice over Internet Protocol has been a popular choice for larger companies looking to streamline their voice and data communications in the past years, while midsized and smaller companies have been slower to adopt this technology.

But the current recession has forced businesses of all sizes to keep costs down and maximize resources, pushing VoIP to the front line for businesses from small offices to major enterprises.

"It is a future-proof technology. It seems everything is changing over to IP," says Don Versen, Chief Technology Officer at CIMCO Communications. "VoIP is scalable as your company grows. It's reliable and the technology has been proved around the world. There are a lot of reasons that VoIP is a really strong solution to consider."

Smart Business spoke with Versen about what VoIP can do for companies of any size and any budget.

Why does VoIP make sense for so many companies?

Many midsized businesses are really struggling to keep costs under control right now. They're trying to make more use of the resources they already have in place. What VoIP allows these companies to do is consolidate their traffic from their voice network and their data network onto one pipeline into their locations, reducing their costs over time.

It's also a really flexible solution that allows employees who are traveling to have their calls seamlessly follow them, providing more flexibility and capability at a really efficient price point.

How cost efficient can a VoIP solution really be?

It all depends on what the business is paying today and what it's done to optimize its network and equipment. We've seen companies save as much as half of their voice and data expenses. That's pretty unusual, but it's happened. It really depends on the type of VoIP solution you choose that will determine how much and how fast you will save.

A VoIP trunking solution allows a business to avoid upfront capital expenditures by using its current equipment. The investment isn't as significant, so



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the return is quicker; however, the long-term maintenance and management of an older phone system can add up.

The other option is a hosted solution, which is when a provider supplies the customer with an IP-enabled phone and a router, which is configured and managed by the provider. By having the provider supply and manage the equipment, a business is eliminating expenses associated with maintaining and managing that equipment itself.

Businesses can take this one step further by using an equipment leasing program from their provider that allows them to lease IP-enabled phones for a monthly cost instead of an upfront capital expenditure.

The question for each business is whether it wants to pay more monthly and have a completely managed solution or can it afford to have a staff manage and maintain its current system? The cost benefits of VoIP really come down to how each business wants to spend its money.

What's driving the need for a switch to VoIP?

There's a lot of technology that was put in place around 2000 when companies were forced to upgrade their equipment.

Now that equipment is eight or nine years old, it's starting to become obsolete and is getting expensive to maintain. What VoIP offers is an efficient way for a CFO to refresh the technology for the business without spending precious capital.

At the same time, once that system is in and the data network and voice network are converged, companies can see significant decreases in overhead for their data and voice telecommunication bills. And since this solution is provided as a service, businesses can have the help they need if they're struggling with hiring someone or keeping people trained on the technology.

How can a company know if VoIP is right for its needs?

Once business owners examine what their needs are, the direction they want to take the company and what kind of challenges they have in terms of not only technology but also capital, a VoIP service provider can craft a solution based on all of those criteria.

The provider will need to understand if the company has any unmet needs or challenges. Is the company losing business because its salespeople aren't getting calls on a timely basis? Maybe the company doesn't feel it's getting the right price point for what it's spending on telecommunications.

Or is the company opening a new site and is not sure how to address technology needs? With VoIP, there is an abundance of options and a provider can help each business determine which ones make sense. For example, if a business has a small call center or a help desk, it might want to leverage some advanced features or a salesperson may want to have simultaneous ring on a cell phone and office phone.

The service provider's technology team will help with not only the architecture of the solution but the data gathering, project management and implementation. If a business owner can save thousands of dollars over a year, it's probably worth an hour or two of his or her time to investigate VoIP. <<

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