# Ready for VoIP?

# What companies need to consider when assessing VoIP

By Josie Sephton, December 2009

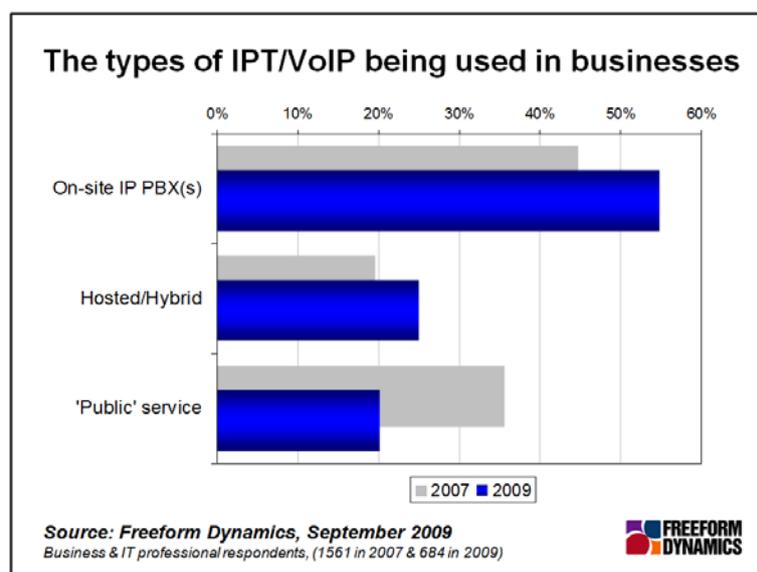Originally published by

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It seems at last that business-grade VoIP is making its mark in the business world and becoming more mainstream, with a fairly positive migration compared to a few years ago. A number of things are driving this migration. For one thing, VoIP at last has a track record, and is seen as a more stable, trusted solution than previously, as well as offering increased functionality and the ability to reduce costs. This coupled with the increase in choice, both in terms of supplier and type of solution, means that it is no longer the preserve of large enterprises with equally large capital expenditure budgets, but really is a solution that is available to all.

This shift is evidenced in feedback from business and IT professionals as part of some recent research carried out by Freeform Dynamics, which indicates that, compared to two years ago, companies have made a marked shift away from public type services such as Skype, towards more formal solutions, as shown in the chart below.



The types of IPT/VoIP being used in businesses

Source: Freeform Dynamics, September 2009
Business & IT professional respondents, (1561 in 2007 & 684 in 2009)

This move, being seen across different company sizes, implies a much greater trust in business implementations of VoIP compared to a couple of years ago, and tells us that companies are much more prepared to invest in formal implementations.

Those contemplating the move to VoIP, however, are concerned about how good it will be as a service and whether it will really deliver. And these concerns are not completely unfounded.

Looking at the comments that respondents made, a key area of contention for companies is the capability of the service provider, both during and after transition, with complaints that providers didn't live up to expectations. This feedback from one respondent was indicative of general sentiment. *"Most of our problems are related to restrictions and poor service from our hosting provider."*

The fact that this exists as an issue is not a reason to dismiss VoIP. Rather, given that companies are unlikely to want to switch suppliers regularly to address problems, it is important that they make as informed a decision as possible at the outset. While this might appear to be stating the obvious, the fact is that a large number of companies fail in this regard. On the one hand, the number of providers offering services means that there is plenty of choice. However, too much choice is not necessarily a good thing, and doesn't necessarily equate to the right choice being made.

Embarking on VoIP is a major undertaking, so it is worth investing some serious time checking out the different suppliers. A good one will be able to provide clear advice and guidance around the type of solution that is best for the business, as well as dealing with issues such as internal hardware and software considerations, quality of service, and security. They will also be able to provide reference sites. Before engaging with any supplier, however, businesses should be clear about exactly what they are looking for from an implementation and have a view as to what the boundaries of responsibility are likely to be, in terms of who does what, when and how. It can be all too easy to let the supplier take full responsibility for everything, but companies should avoid this at all cost.
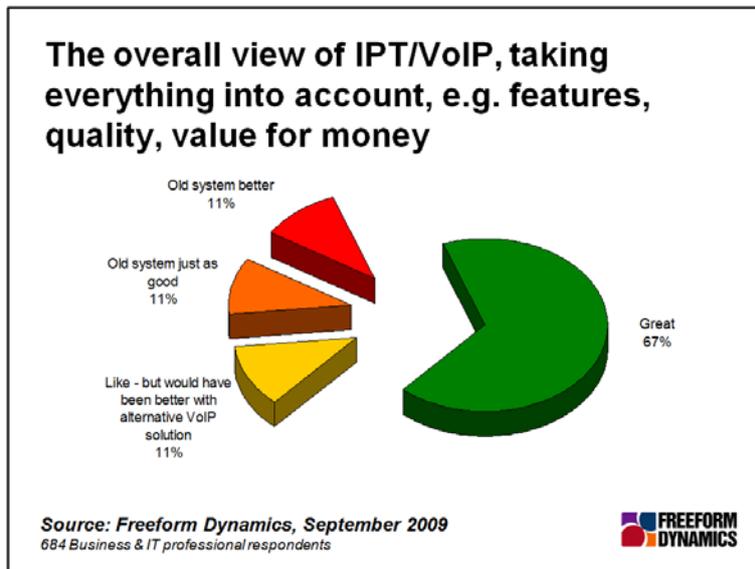
Call quality is often cited as another problem area. This is, to some extent, linked to the issue of service provision. One doesn't have to go far to come across stories of poor reliability compared to traditional circuit switched telephony, with dropped calls and outages being common complaints. This is important because, at the end of the day, call quality can be critical. Nothing is worse than being on an important call with a client and the call suddenly drops. As well as looking very unprofessional, poor quality can lead to misunderstandings and, at worst, incomprehension. If the call quality isn't up to the job, people will simply not want to use it and will look for other, probably more expensive, means to make calls.

Again, while reality presents a less than perfect picture, some lessons can be learnt which can help with the adoption of VoIP. From an internal perspective, it is vital that the LAN/WAN architecture is sound, and is capable of handling the uplift in traffic that it will ultimately be subjected to. VoIP can be incredibly bandwidth hungry, and companies that fail to prepare for this will inevitably experience failures. Running a back up in parallel, at least in the early stages for an implementation, and perhaps even on a longer term basis, makes sense, and can spare a company an awful lot of pain. From an external perspective, we come back again to the supplier, and the capability they are able to demonstrate in this regard, particularly around things such as quality of service.

To deal with these areas of concern is not impossible, but it requires focus on what you are trying to achieve and good planning. Like the issue of supplier selection mentioned above, this might not appear particularly revealing. But again, the research show that companies with poor implementations attributed their failure to lack of planning. And, conversely, successful implementations were typically driven by designated project managers who, from the outset, sought wide consultation with, and involvement of, the user base. This was coupled with a thorough assessment of the internal infrastructure, and a closely defined relationship with the supplier, with clear definition around boundaries of responsibility. Use of outside help in the form of professional services is also recommended, for a smoother journey.

The all important question is, should a company even bother going down the VoIP route? Is it worth all the hassle given some of the 'not insignificant' hurdles that businesses currently face? Naturally, each set of circumstances is different, but the overriding consensus points to significant cost

savings – 30-50% not being uncommon – and as is shown in the chart below, adoption is an overall worthwhile exercise.



**The overall view of IPT/VoIP, taking everything into account, e.g. features, quality, value for money**

Old system better 11%

Old system just as good 11%

Like - but would have been better with alternative VoIP solution 11%

Great 67%

*Source: Freeform Dynamics, September 2009*
*684 Business & IT professional respondents*

Based on what other companies are saying, then businesses should seriously think about getting VoIP on their agenda, but do so with their eyes open, a clear plan, and as much awareness as possible around potential trouble spots.

*More articles by Josie Sephton available here.*

## About Freeform Dynamics

Freeform Dynamics is a research and analysis firm. We track and report on the business impact of developments in the IT and communications sectors.

As part of this, we use an innovative research methodology to gather feedback directly from those involved in IT strategy, planning, procurement and implementation. Our output is therefore grounded in real-world practicality for use by mainstream business and IT professionals.

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