

Secrets of the Pros
The SOS IP Communications
Checklist

The 14 things experienced CxOs
consider before an IP system purchase



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Is IP Communications a valid business choice for my firm?

The process of moving voice conversations using the IP protocol isn't a radical new idea. In fact, the basic technology for using advanced packet services like frame relay, ATM and IP for transporting voice between corporate sites is several years old. The trick with VoIP is to reconfigure a network to accommodate the technology without compromising security yet at the same time guaranteeing voice quality.

Without an existing data network to piggyback on, VoIP can get expensive, but given the right conditions can easily be cost justified. The major financial considerations for an IP Communications deployment are:

Does your company have more than one location?

If the answer is yes, then IP Communications provides a lower cost of ownership over traditional PBX or key system solutions. The reason is simple – IP Communications rely on open standards equipment used in data transport; therefore, a multi-site company can use existing inter-office connectivity, and, in many cases, existing data gear for moving voice traffic. The communications platform located at the main site provides call processing for all sites. This means companies no longer need to have an entire system in each location thus reducing the costs associated with purchasing and maintaining multiple systems. And if you're concerned about stability and security, IP Communications provides more fault-tolerance and enhanced security over traditional telecommunication systems.

Even if your company has only one location with no plans to expand, ongoing cost savings can be found in utilizing data network staff in managing all corporate communications – it's not just email anymore. The skill sets required for maintaining data networks is similar for maintaining IP Communications. This means companies no longer have to outsource basic tasks such as move-adds-changes (MACs) at an average cost of about \$240 per service call. In an IP environment, users can often manage their own moves and

GeneralOnline

General Pool & Spa Dives into IP Telephony to Increase Customer Satisfaction

"This technology is a way to enhance customer service. Our customers are stunned at how quickly we answer our phones this year compared to last year. Bottom line: We are providing amazing customer service. It is a great way for us to differentiate ourselves from our competitors." -- Joe Ragan, COO, General Pool & Spa

Overview

General Pool & Spa is a wholesale distributor of swimming pool and spa supplies. Located in northern California, GP&S sells their products and services nationwide.

Challenge

As an executive heading a booming mid-size pool and spa business, Joe Ragan, chief operating officer for General Pool & Spa, was drowning in sales calls. Ragan knew something had to give if his team was to keep up with the tidal wave of incoming sales phone calls and keep ahead of customer service requests.

"Frankly, last year we couldn't keep up with the amount of incoming phone calls we were getting," said Ragan. "When our sales people were busy on the phone at one of our offices, there wasn't anyone else to catch the roll-over calls. At the same time, we had people sitting idle at a different location. That's just not good business. Rather than hire additional sales people for the busy location or physically move people, we turned our sights to technology."

After researching various technology options, this leading northern California pool and spa provider turned to SOS to integrate IP Telephony into its customer service center.

Solution

Through consultation with SOS, Ragan saw that valuable sales calls could be captured through an IP Telephony solution which would allow them to have, in effect, one big office over many, many miles. This system would catch the

many changes without IT intervention.

Because IP Communications uses standard network equipment there is only one cable to run to the desktop, one cable to manage, and improved data networks for companies that deploy IP based systems.

How important is future growth and expansion?

Gauging the growth and expansion needs of your company requires careful consideration. How much growth are you looking at over the next 1-5 years? What does that growth look like in terms of new hires? What does it look like in terms of adding more sites? How will your existing system handle this growth? In the world of IP Communications, scaling to meet growth demands is accomplished through the addition of software licensing, a soft phone or handset - since adding users to the network already requires a computer, an Ethernet cable, and a port on a data switch.

Adding new sites may already require connectivity back to the main office for moving data. Why not use the same connection for moving voice traffic? Using a router at each new location helps a company save money through least cost routing for inter-office calls and using the nearest entry point to the Public Switched Telephone Network (PSTN) for toll calls. In this scenario, IP Communications can provide even greater ability for up-time. By installing additional software on the router, a company can create a survivable remote site where dial tone is not impacted in the event of a WAN circuit failure. Lastly, making a call to an associate in Arizona when you're calling from New York requires only 4 digits to dial, or 4 digits to transfer a call. This provides better work efficiencies and helps maintain customer continuity.

Do you have teleworkers?

It is becoming more and more popular for employees to work from home and many companies have mobile workers that often work from a hotel room when traveling. If your company has teleworkers, chances are they already have access to the corporate network for their data needs, but do they have access to the robust features of the corporate voice system? Not if you're using traditional

roll-overs and automatically look for the next available sales person.

Traditionally, GP&S had to man the phone system from a location. With the SOS solution, they don't care where the customer service reps are and can utilize at-home reps from a different region.

"What was exciting for me was that this IP Telephony implementation easily paid for itself within 12 months," said Ragan. He added that part of the justification for diving into this project was the opening of a new office for GP&S, without having to hire 2-3 new customer service reps. "We literally redeploy our existing group without moving the customer service reps anywhere. GP&S was able to grow and not add labor to the growth.

By converging voice, data and business processes into one system, GP&S has optimized its customer service performance, retained profitable customers and captured revenue opportunities that may have slipped between the cracks before. Plus, GP&S plans to use the converged system to up-sell, cross-sell, and personalize services for recurring revenue opportunities.

The solution SOS recommended to GP&S utilizes the Cisco AVVID solution (Architecture for Voice Video and Integrated Data) which provides a comprehensive solution including an IP telephone system, automated attendant, Unified Messaging, IP Contact Center, and high speed data network. The new system leverages the business processes already in place and adds key functionality required to leverage all of GP&S's customer service team. This single phone system practically manages itself, ensures enhanced customer service, saves GP&S money, and eliminated the company's reliance on various systems integrators.

"SOS stood out from the pack with their no-nonsense, honest solution," said Ragan. "They were the only ones who had the right solution and sound advice - period."

telecommunications.

With an IP Communications system mobile and home workers have everything they need right at their finger tips. IP Communications provides several design opportunities to extend corporate communication services to teleworkers particularly when using Unified Messaging. True unified messaging allows mobile workers to manage all communications from virtually any device. Sales people can retrieve and delete messages including emails or faxes from their cell phones while stuck in traffic. Unlike integrated messaging, they do not have to manage messages again when they return to the office.

Home office workers can be part of a call group with all of the capabilities of their inside counter-parts. Many companies use home workers for handling call overflow when needed. Not only does the company benefit by more effectively using the power of their existing human resources, their employees benefit from having an improved work/life balance.

Does the quality of customer service impact company profits?

This could be one of the most important questions you ask yourself as a business leader. There's an old marketing adage that states: "Give good service to one person and three people hear about it. Give poor service to one person and eleven people hear about it." Intuitively or materially, customer service is one of those areas where it can be challenging to quantify the impact. It becomes even more challenging to arrive at the impact in hard monetary terms. As technology has gotten more complex, so too have the ways in which we can impact customer service – good or bad.

There are several ways in which a company can track customer service. IP Communications is one way to aid in monitoring and even improving service delivery. This next wave of employees and consumers have a very different idea of what good customer service looks like. For example, if a banking client can't access their account over the Internet to move money between savings and checking or pay bills on-line, they will likely shop for another

TRADER JOE'S

Trader Joe's Opens New Stores Faster with Help from SOS

Overview

Trader Joe's is a rapid growth retail grocery company with about 250 stores across the United States.

Challenge

In the late 1990s, Trader Joe's faced challenges with its business telephony system. It needed a corporate standard for its telephone systems and improvement over having each store manage the selection of their telephone system and regional vendor. Its Enterprise Communications team needed fewer different types of systems to manage. And, to enhance the customer experience, Trader Joe's needed to address its Interactive Voice Response (IVR) system, which directs callers to stores near them.

Trader Joe's was on an aggressive growth path, opening dozens more stores per year. They needed to cut telephony costs, and that would mean having a standard for their telephone systems nationwide. Overall, Trader Joe's required a vendor who could knowledgeable develop the standard and be a single point of contact for both complete "low voltage" solutions for each new store and complete post-installation support 24x7 anywhere in the United States.

Solution

By analyzing all the costs hidden throughout new store construction costs, and developing a repeatable "rapid deployment" model, SOS has been able to assist Trader Joe's in reducing its initial purchase costs and ongoing maintenance cost.

In the first phase of its solution, SOS provided a custom business digital phone system with a unified messaging system. It also guided Trader Joe's in implementing standards for managing the system.

In the second phase, SOS developed a standard product, deployment, and support methodology for communications at all stores, and worked closely with the management team to gain Executive Management sponsorship for the new

financial institution that provides these services. This kind of functionality wasn't available 10 years ago. And who is to say what will be available in the next 10 years.

Since a large component of IP Communications is software-based, adding functionality to a system to enhance customer service will be a matter of an upgrade. The notion of software functionality also speeds time-to-deployment. Advances have come much quicker from the computer side of the world compared to the telecommunications side. This means companies that use IP Communications can achieve a competitive edge through faster response via the Internet to their customer's changing needs.

Indeed, the Internet has changed the way we all do business impacting our service delivery. Today, it is almost a requirement that a business have a website. Having a website means maintaining high personal touch in new ways. For example, mortgage firms that are traditionally high-touch markets have many options to provide live agent support through the web. Using IP communications, it is possible to chat with a live agent via a button on the webpage to work through the loan process. IP communications can also leverage web collaboration, where an agent can ask to take control of the applicant's computer and guide them anywhere on the Internet or through an online loan application. High personal touch can mean having emails queue up just like a phone call in a call center for faster response. High personal touch means giving the customer the option to be communicated with using the media most comfortable for the customer - not just what's available through the business.

Is faxing a significant part of your business?

If your company is still using fax machines and faxing is a significant part of your business, then it may be very easy to cost justify moving to an IP Communications platform. Did you know that you can save time and paper costs by having your faxes sent directly to your email box? More and more companies are evolving to be less dependent on paper. Not only does this save time running back forth from the fax machine, it also saves time because you don't have to wait patiently by the fax machine for that very important

standard.

In the third phase, SOS guided Trader Joe's to use VOIP to connect the corporate offices so they could reduce communications cost and share telephone, conferencing and faxing resources. In a fourth phase, SOS helped Trader Joe's lower costs and improve customer service by replacing its Interactive Voice Response system (IVR) that directs callers to stores near them.

Trader Joe's headquarters is now the hub for centralized, simplified help desk support and inter-store communications. That means Trader Joe's can now open stores more quickly and provides nationwide 24x7 support for existing stores. The IVR that SOS brought in is designed to save Trader Joe's \$50,000 per year, alone. And, unified messaging lets executives and staff receive business voicemail, business faxes, pages, and more to desktop computer and mobile devices – empowering them to be more effective in internal and customer communications.

SOS began working with Trader Joe's in 1997, and continues to manage the company's nationwide business telephony system and provide enterprise-wide network maintenance and support.



American River Bankshares Branches Out with Help from SOS

Overview

American River Bankshares (AMRB) is the parent company of 3 banks, American River Bank, North Coast Bank and Bank of Amador, and has 11 branch locations.

Challenge

"Because of AMRB's growth, we were in the process of having a telcom audit performed when I came in, and got a recommendation to use an in-house system," says Kevin Bender, CIO at American River Bankshares, the parent

fax that will arrive any minute.

Do you have a contact center?

The term 'Contact Center' is being redefined and evolving to cover any group of people, whether 2 or 1,000 people, whose primary role is to make or receive calls. IP Communications is at the heart of this evolution providing robust feature capabilities to even the smallest business at an affordable price.

Historically contact center applications have been extremely expensive to purchase and very difficult to manage. IP Communications changes all that. There are several manufacturers today that provide affordable entry level solutions. The specific needs of your company will determine the best fit with manufacturer. It is important to work with a trusted services organization that is vendor neutral to help guide you to the best solution for you.

How much time (and expense) is incurred traveling?

When employees have to travel for meetings or trainings on a regular basis, this is an opportunity for real savings with video conferencing. The same holds true for client and supplier relationships. With the proper IP infrastructure in place, video conferencing is a very inexpensive and productive add-on.

The bottom line

These are just a few considerations that many firms have found to be significant Return on Investment factors. In an interactive dialogue dealing with specific information related to your firm, it is likely there will be other important criteria to consider that could positively impact your profitability and savings.

How to evaluate the right solution

Not all IP Communications are created equal and not all departments share the same needs. Choosing the right

company of American River Bank, which has offices in Sacramento and Placer Counties. "AMRB had a prior relationship with SOS, and, based on good earlier experiences, we wanted to expand their role."

Through consultation with Bender and other stakeholders, SOS created a detailed picture of the company's resources and long-term business needs. AMRB needed to ensure its experienced staff was accessible, working efficiently, and able to provide the high level of advice and service to its Clients that is its hallmark. AMRB needed a robust, reliable, integrated business communications environment that would pay for itself after implementation. The challenge would be to control upfront costs and maximize uptime while migrating to the new system.

Solution

To start, SOS assessed and upgraded the AMRB network by implementing Citrix Server-Based computing technology, which centralized data and reduced network traffic over the LAN and WAN. AMRB's network has redundancies built in, to ensure continuous uptime and peace of mind for AMRB management. Instead of replacing desktops across the enterprise, SOS engineers improved existing desktops' performance in order to extend their lives. As a result of phase one changes, AMRB saw increased desktop and network functionality and reduced support and administration costs.

Over time, users at AMRB shifted to working on thin client terminals instead of PCs. These terminals are significantly cheaper than PCs, and easy to install. "We've saved in desktop expenditures, reduced downtime associated with desktop issues, and created a reliable and cost-effective WAN utilizing Citrix and Microsoft's Server-based technology."

SOS also installed a NEC business phone system several years ago with unified messaging, and launched a program of comprehensive support services for AMRB. As new technology became available, SOS stayed close to AMRB and expanded on the initial solution by implementing a Call Manager site.

"American River Bankshares has realized annual savings, and has improved its client service through solutions implemented by Special Order Systems," added Bender. "Solutions and

system for your company should take into consideration the business needs, as well as, the technical requirements. This can be a very tricky balancing act. How do you know which solution to choose?

If you have determined that considering an IP Communications solution could be beneficial for your firm, we recommend engaging a qualified consultant to guide you through the process. Be sure to choose a firm or consultant who has been deeply involved in IP Communications for several years, and who can help you evaluate multiple solutions. SOS is one such firm.

What should I consider in my IP Communications evaluation? Who should be involved?

Choosing to use IP Communications is a strategic decision because it potentially touches and impacts every area within an organization. As a result, savvy companies involve their executives during the consideration and acquisition of a major technology shift (consulting and involving IT staff on critical technology points). Leaving this decision solely to IT will likely result in omitting many business benefits that could be achieved if dialogued with executives who understand, and are accountable, for meeting goals and solving business challenges.

When a company chooses to move to IP Communications, most increase productivity, sales, employee effectiveness, and decrease their telecom costs in the long run. Based upon where the industry is today, it is not *if* IP Communications is the right choice, but which system is best for each company. There are certain factors that influence a company choosing one direction over another. The ultimate answers that a company has to the questions and steps below will influence the direction that they should take. We've outlined a partial list of considerations that are oriented towards decision-makers, and considerations targeted towards technology staff.

support received through SOS include Citrix, a VPN, service/support contract and a centralized communications system. Since implementing Server-based computing, productivity has been enhanced, support costs minimized, and client workstations will have a longer life cycle."

Ongoing Relationship

SOS currently manages AMRB's telephone system. In all, SOS has worked with AMRB continuously since 1999. "Back in the beginning, I brought SOS in to handle specifically telecom, but SOS kept stepping up and handling everything so well, that we decided to pull them in on our overall IT planning, implementation, and support," says Bender. "They were a lot more attentive than a competitor we were working with."

"In addition to getting good advice over the long term from SOS, I enjoy working them. We have a great bond. Rob Thornton [manager of professional services at SOS] is outstanding. They are also a great fit for us because we need a hybrid sort of outsourced support – that is, we have some internal personnel who can handle basics but need to outsource the higher level stuff. In my mind, SOS is best of class on telecom implementation and support – as well as network systems support. They have been our go-to resource when we can't resolve a technology problem on our own."

About American River Bankshares

American River Bankshares is the parent company of American River Bank, a community bank with offices in Sacramento and Placer Counties, that operates a family of financial service providers, including North Coast Bank in Sonoma County and Bank of Amador in Amador County. The Banks accept checking and savings deposits, offer money market deposit accounts and certificates of deposit, make secured and unsecured commercial and residential loans, and other installment and term loans, and offer other customary banking services, including Online Banking, Online Bill Pay Service and Visa Check Card Services.

Decision-maker considerations:

1. Understand your business and your vision.
2. Analyze total cost and ROI.
3. Consider company size, growth plans, and vision.
4. Do you have a web or self-service initiative? Do you have a sales capability on the web today?
5. What is your average sale size?
6. Do you have a customer service group? How many agents? How many incidents (phone calls) do they receive per month, and what is the cost per incident? What is the call abandon rate? Are any incidents handled via "self-service" at this time?
7. How much is spent annually (or monthly) on inter-office communication?
8. How is faxing used at the business, and what is the volume?
9. How much time is spent traveling (i.e. employees site-to-site, to customers, to vendors)?
10. How much is spent on conference bridging annually (or monthly)?
11. Would you like the ability to self-administer your communications system? Do you want the ongoing management outsourced?
12. Evaluate your present partnerships
13. Assess stability and longevity of the solution, manufacturer and integration partner
14. Select a trusted advisor
15. Work with trusted advisor to uncover your business needs thoroughly, present ROI data and identify most critical organization needs to help identify the best



IP Telephony Gamble Pays Off For Global Cash Access

Overview

In only six months after installing an new IP capability on the back end, Global Cash Access, a Las Vegas-Nev.-based company that provides credit checks for local casinos, saw a 63 percent decline in agent-handled calls, a similar decrease in call waiting time, projected a \$600,000 cost savings in the first year as well as improved customer service and expects even more benefits in the future as the IP functionality is extended more to the front end.

Challenge

The casinos were counting on Global Cash Access to provide credit primarily for high rollers, or "whales" in industry parlance. These gamblers often rely on credit to make large wagers, which the casinos want them to make, but only if they are good credit risks. So they call Global Cash

Access to learn if these gamblers have outstanding markers at other casinos.

Casinos relied on Global Cash Access increasingly over the last several years to provide credit information on gamblers, both via the company's credit database and through connecting callers to other casinos that may not have yet reported recent outstanding debts for high rollers. While that was good for business, the growing call volume was overloading the existing IVR, according to Ted Brandes, Global Cash Access telecom manager. "We needed to improve our service levels; they weren't acceptable for our clients. We were looking for a contact center rather than just a call center."

The company also wanted to reduce the calls that live agents needed to handle. More than 60 percent of those calls were from casinos that needed to be transferred to other casinos to check on a high roller's current credit status.

So the company wanted to be able to handle voice and e-mail

solutions.

16. Weigh the solutions and consider your IT staff's input from a technology perspective.
17. Choose a solution and begin your journey into unmatched customer service.

Technology considerations

1. Do you want Open Systems architecture for the future?
2. Do you have any proprietary protocols in place that you would like to keep?
3. What is the current network capacity?
4. What are growth plans from a bandwidth and system selection perspective?
5. What is your current data networking infrastructure?
6. Would you like power bricks at every desk for every phone or would you like power driven to the phone from the closet backed up by a UPS?
7. Judge ability to self-administer, which may create savings and customer-controlled response to needs. Would you like the ability to self-administer or do you want the ongoing management outsourced?
8. Do you have a need for a potential integration with other systems for real-time business intelligence?
9. How important is it that your investment be protected for a longer period of time than a traditional communications system (5-7 years for traditional)?

How can I calculate the cost of ownership and ROI for my company?

communications through one system rather than two separate ones. But any upgrade was going to be done in separate steps, so the first piece of equipment, had to work with both new IP and legacy analog front-end equipment.

"We wanted to do more than just upgrade our IVR," Brandes says. "We wanted to be Web-enabled. We wanted to be able to manage data and voice communications together. We also had a need to centralize some of our procedures in central credit."

Traditional call center platforms didn't make sense because they don't integrate online capabilities. An increasing amount of Global Cash Access' requests were coming via e-mail.

Solution

The company was seeking a telecommunications system that could automatically answer calls, and integrate with the credit system and e-mails would allow the company to meet those needs, while VoIP access would position it for future benefits from better communications efficiency. So Global Cash Access worked with Rocklin, Calif.-based Special Order Systems, a company that provides and integrates telecommunications hardware and software as well as providing telecom consulting services.

Special Order Systems installed Interactive Intelligence's (Indianapolis, Ind.) Customer Interaction Center application, which serves as an Ipbased phone system, and gives enterprise users complete voicemail, fax, ACD, IVR and auto attendant capabilities as well as unified messaging, remote system access, real-time presence management, and pre-integrations to CRM and other business applications. The platform was integrated with two Cisco 3825 routers to provide analogue and digital communications support.

Now the casinos simply call into the system, enter an ID, then enter the ID of another casino (if seeking a transfer), rather than involving a human agent. Credit information on the Global Access System can also be accessed without agent interaction. This enables agents to concentrate on other customer service needs, Brandes says.

The Benefits Of IP Phones

The platform's architecture enables Global Cash Access to

You can schedule a no-obligation evaluation appointment with Special Order Systems to determine the cost/benefits for you of a migration to IP. To schedule or get more information, email us at sales@team-sos.com, or call us at 888-336-7671 or 916-632-8800.

What are other companies doing?

Industry Benchmarks

The Radicati Group's 2005 study titled, "Corporate VoIP Market, 2005-2009" estimates that **by 2009, 74 percent of all corporate telephony lines will be IP lines**. The industry analysts expect worldwide revenue for hybrid and pure IP PBXs to grow from approximately \$1.5 billion in 2005, to \$9.9 billion in 2009. The study shows that a majority of companies are gradually upgrading their PBXs to hybrid IP/TDM solutions.

- **IP Telephony cost of ownership over five years is approximately 65% less than traditional PBX systems.** For example, a 66-seat call center served by SOS realized these gains from their CTI implementation:
 - cost avoidance of \$600,000 the first year on a \$100,000 telephony investment
 - eliminated duplication of work and increased efficiencies across the board
- Forrester Research notes that by automating several forecasting and scheduling tasks – for example, by integrating voice and data networks with IVR and business intelligence apps – organizations can **reduce by at least 25% their time invested** in manually performing managerial tasks.
- According to Radicati Group, employees using unified messaging solutions are **on average one half-hour more productive each day**. This translates into an **average savings of \$750 per user per year**.

uses Customer Interaction Center with IP- and analog-based equipment on the front and back ends and to add IP equipment as the needs grow.

Currently, Brandes and a few other executives have IP phones at their desks, but full-scale implementation of handsets in the company is still at least a few months away. Eventually, IP phones will be added in casinos and other remote locations, according to Brandes.

As much as anything else, Global Cash Access officials like the flexibility that IP provides, Brandes says. "There's almost an endless list of potential benefits in cost savings and service."

The company is just beginning to look into establishing a presence in Europe. While any contact center there would be primarily to service clients on that side of the Atlantic, the European site could also serve as a backup site for the Las Vegas headquarters. This would be much less expensive using VoIP hardware and software than analogue equipment, Brandes says.

Another future benefit that Brandes foresees is allowing call center agents to work from home with the same capabilities as onsite agents.

According to Lawrence McNutt, director of special services for Special Order Systems, this type of virtual call center is growing in popularity as more companies take advantage of VoIP.

McNutt adds that many companies that provide call center services for others as well as internal call centers are relying on automated systems to help them handle increased communication demands (calls and e-mails) while working with small staffs.

Source: Phil Britt, NetworkingPipeline



Strategy Analytics Inc. predicts 90 million unified messaging users by 2003. IDC projects unified messaging revenue to hit \$3 billion by 2003.

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About SOS

SOS is the leading provider of integrated advanced communications solutions for midsize and small businesses. SOS supplies voice, data, and telephony management services that enable organizations to simplify communications, enhance productivity, and leverage real-time business intelligence. SOS is headquartered in Rocklin, California with sales offices in the northwest. Call SOS at 888-336-7671 or 916-632-8800.