



# 4 Simple Steps to VoIP Vendor Selection

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Promises of cost savings and increased productivity aren't the only factors driving the widespread adoption of enterprise VoIP. The deployment of cutting-edge technologies such as LTE and 4G networks is transforming the way employees exchange voice and video. In fact, market research firm Point Topic predicts that the VoIP market will turn into a \$40 billion industry by 2015.

No wonder then that a burgeoning array of vendors, from nascent start-ups to industry giants, are jostling for market share with a dizzying selection of business-grade VoIP services.

For an organization, the challenge is finding a VoIP solution that best meets business needs, budgetary constraints, and technical requirements. While thorough research and trial-and-error are critical to the selection process, this report serves to help companies narrow down their options as swiftly and efficiently as possible.

## 1. Know your vendor options

There's more than one way to exchange voice, data and video over an IP network. Here's a shortlist of today's top choices:

### *On-premise IP PBX*

For larger enterprises with deep pockets, an on-premise IP PBX is often the way to go. Although costly to purchase and deploy, an IP PBX delivers voice traffic as packets using IP for local and long distance calls, Internet access, and web hosting. With its array of servers, cables, and routers, an on-premise IP PBX system provides high availability and scalability – business necessities for large financial institutions and multinational organizations that demand the highest quality telecommunications service with zero downtime.

Another reason IP PBX is better suited to large enterprises than growing companies: a PBX system must be installed and maintained by an in-house team of skilled IT professionals who can upgrade and maintain sophisticated networking gear on the fly. In exchange for this hard work, a company can significantly customize an on-premise IP PBX, making modifications such as adding a new line or eliminating an extension without the helping hand of a service provider.

### *Hosted IP PBX*

What a company loses in control and flexibility with a hosted IP PBX system, it readily gains in short-term cost savings. That's because most hosted IP PBX solutions are leased or rented on a monthly basis, and most of the equipment is hosted and managed by the service provider at a remote location.

Pay per seat pricing without the capital outlay for PBX or phones can help a large or medium-sized organization get started with VoIP relatively quickly. But buyers should beware of recurring fees that can offset initial cost savings and increase the total cost of ownership in the long run. Relying on a service provider to modify and customize the system can also lead to deployment delays and end user frustration. Still, not having to hire the staff needed to oversee system improvements and upgrades is often worth its weight in IT administrative relief.

## **2. Explore features, from the basics to bells and whistles**

VoIP product features are often a competitive advantage for vendors so expect specifications to vary. To be sure, every VoIP system includes basic features including call blocking, caller ID with name, call waiting, voicemail, and call forwarding. However, companies looking for bells and whistles should search for systems with features such as:

*Enhanced 911* - E911 is an enhanced version of the 911 emergency service that automatically delivers a caller's personal information, such as name and address, to a local dispatch center or Public Safety Answering Point.

*Password protection* - For companies that wish to prevent unauthorized access to its system.

*Client Matter Code (CMC)* – By associating inbound and outbound VoIP calls with specific billing and tracking codes, CMC helps organizations such as law offices and accounting firms keep track of their finances and billable hours.

*Outlook integration* - Lets employees make and receive calls from their Microsoft Outlook email inbox.

## **3. Read the fine print and garner support**

Long gone are the days when a recipient could immediately detect a VoIP call by its tin can

quality. But while the technology has made huge advances, errors still occur. To safeguard against snafus, companies should always sign a service level agreement (SLA) that includes a mutually agreed upon standard for uptime, a maximum threshold for downtime, a set of security measures, and a disaster recovery plan.

While there's no such thing as 24/7, error-free service, a vendor should be able to guarantee a certain level of technical support. Questions worth asking a VoIP provider include: Is there a single point of contact for customer support? Is there 24x7 access to a highly qualified team of IT professionals? What disaster readiness plans does the vendor have in place?

For companies that can't afford a single moment of business discontinuity, relying on multiple SIP trunking providers, or rolling over to a PSTN infrastructure, can ensure round-the-clock service, albeit for a price. As the cost of IP phone systems plummet though, battery backups and hot spares are increasingly becoming components of a solid backup plan.

#### **4. Do your due diligence**

References are often a reliable indication of a VoIP provider's commitment to quality. After all, speaking with corporations about how a particular VoIP vendor responded when voice servers crashed, or how their customer service department handled a recent merger, can help fill in important missing blanks.

Another part of due diligence: read reviews of VoIP solutions and research a vendor's history. Is the company financially sound or on the brink of bankruptcy? Deploying a VoIP system is a considerable endeavor. Picking the right partner is critical to success.

### About the Author



#### **Cindy Waxer**

A Toronto-based freelance writer and content strategist, Cindy Waxer covers small business, technology, finance, and careers for publications including Technology Review, The Economist, TIME, Fortune Small Business, and CNNMoney.com.

Unforgettable past interviewees include RIM CEO Jim Balsillie, former policy advisor to George W. Bush Dov Zakheim, billionaire Steve Case and legendary artist Prince. Years of field reporting have taken Waxer from the backstreets of Saigon to the stockyards of Fort Worth.

As a content strategist, Waxer's client roster includes Microsoft, Pfizer, Halliburton, IDC Canada, Citigroup, Fujitsu, State Farm, and many more high-profile corporations.

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