

Enterprises Rate Importance Of IP Telephony Features, Management and Applications

Research conducted by: **COMPUTERWORLD**
The Voice of IT Management

Contents

Overview	3
Profile of Respondents	3
Executive Summary	4
IP Telephony Implementation	5
IP Telephony Implementation – by Company Size	5
Phone System Challenges	6
Phone System Challenges – by Company Size	6
Telephone Capabilities Important to IP Telephony Managers	7
Telephone Capabilities Important to IP Telephony Managers – by Company Size	7
Telephone Capabilities Important to IP End Users	8
Telephone Capabilities Important to IP End Users – by Company Size	9
Important Management Functions	10
Important Management Functions – by Company Size	10
Additional Telephone System Applications	11
Additional Telephone System Applications – by Company Size	11
Conclusion	12

Challenges of IP Telephony in the Enterprise

Overview

In March 2005, Computerworld invited its online visitors to participate in a short survey on IP telephony. The goal of the survey was to better understand the challenges of IP telephony and how different-size organizations are addressing those challenges. The survey was commissioned by ShoreTel, but data was gathered and tabulated independently by Computerworld Research. The following report represents top-line results of that survey.

Profile of Respondents

Total Respondents: 388

All 388 respondents were qualified through screening questions as being based in North America and being personally involved in evaluating IP telephony systems for their organization as either a decision-maker, technical evaluator or business/cost justifier. In addition to the 388 IP telephony managers polled, on whom the results in this paper are based, we received results from 189 end users of IP telephony. These responses will be shown only in the analysis of one question about end-user preferences, to illuminate any differences between IP telephony influencers and end users.

Company Size Breakdown (IP Telephony Influencers):

Small (1-200 employees): 40%

Midsize (200-2,000 employees): 40%

Large (2,000+ employees): 20%

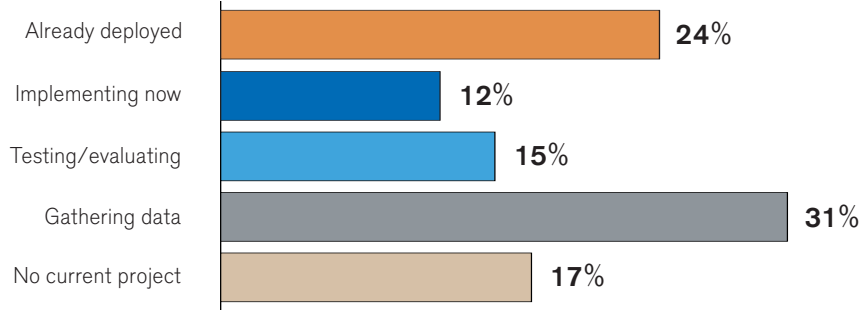
Executive Summary

The results of this survey clearly show that IP telephony is now a reality in the enterprise. A full 24% of organizations polled have already deployed IP telephony, with another 27% actively implementing, testing and evaluating systems now and 31% gathering data. Any IT or telephony managers implementing new phone systems without considering IP telephony would be in the minority. The survey also found that:

- The primary challenges facing organizations related to managing their phone systems are incompatible systems and the costs associated with moves, adds and changes. Organizations looking to upgrade should therefore make sure new systems will handle moves, adds and changes in a more cost-efficient manner. These issues present an even greater challenge in larger enterprises, making it that much more crucial that managers find an IP telephony solution provider that has considered these challenges.
- It is no surprise that system reliability, ease of use, scalability and ease of management are the primary system capabilities most important to IP telephony influencers. Enterprises reviewing IP telephony solutions should therefore review product and system architecture, as they will be the primary determining factor for system reliability. Ease of use for end users will be best determined by a trial deployment by the shortlist vendors to gather feedback before making an enterprisewide decision.
- Not surprisingly, the IP telephony managers who responded to this survey cited audio quality and telephone set ease of use as the two telephone capabilities their end users would find most important. When end users were asked the same question, they answered almost identically. This shows that those buying phone systems are closely aligned with the end users they support. The key purchasing consideration will be to find systems that meet both the end user and system manager requirements.
- When asked specifically which management functions they're looking for, IP telephony managers made it clear they're looking for simplification. The top two functions desired were a way to simplify moves, adds and changes, and a single interface to manage the phone system. The survey showed that midsize organizations are particularly interested in these and other management functions.
- In terms of additional telephone system applications, respondents favored conferencing and mobility. Conferencing was given particular value, especially among larger organizations. This indicates that IP telephony managers should take into account a system's conferencing capabilities or ability to scale up these abilities at a later date.

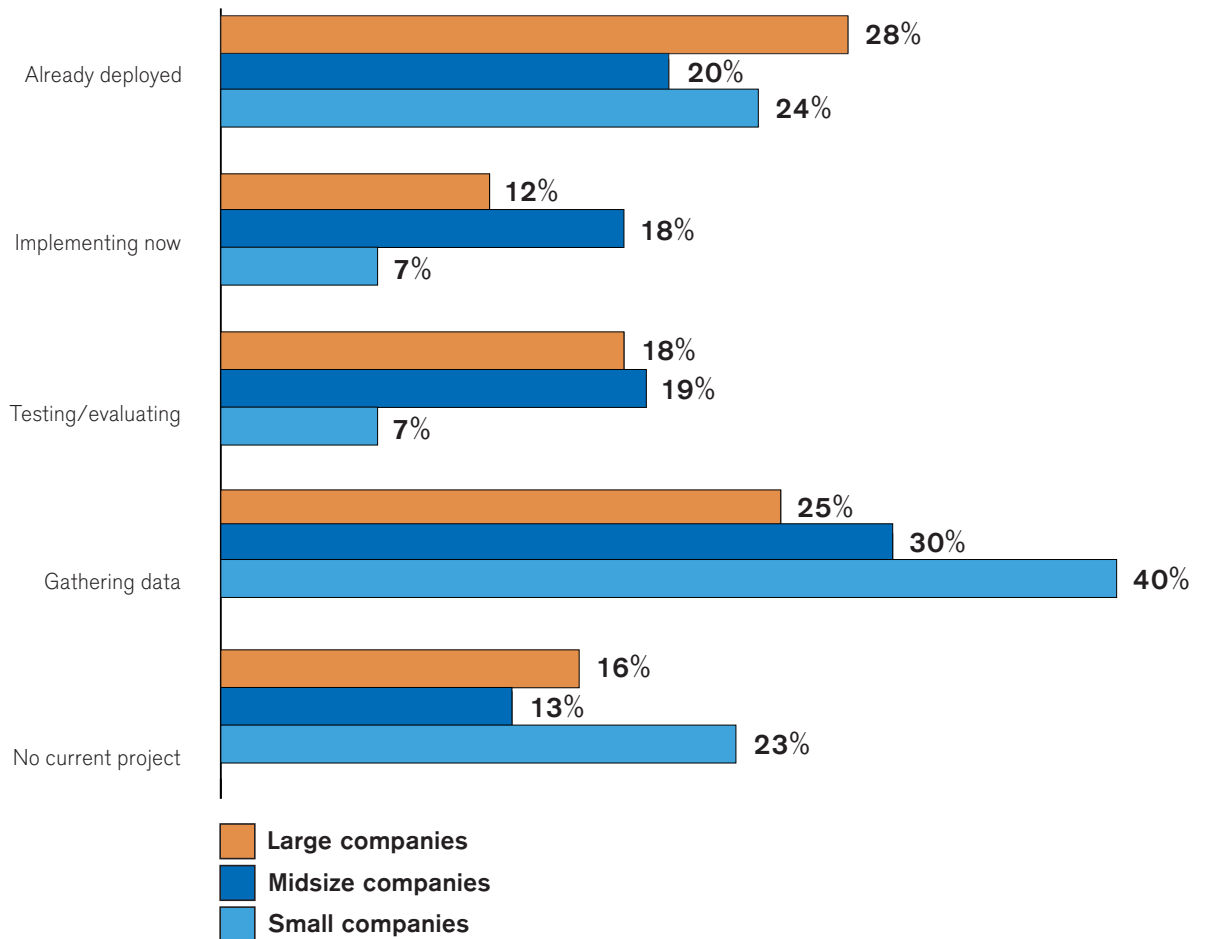
IP Telephony Implementation

One quarter of organizations polled currently have an IP telephony system deployed at their organization. A large percentage of organizations (46%) are in the process of testing/evaluating or are gathering data related to IP telephony, and an additional 17% don't seem to have it on their radar screens right now.



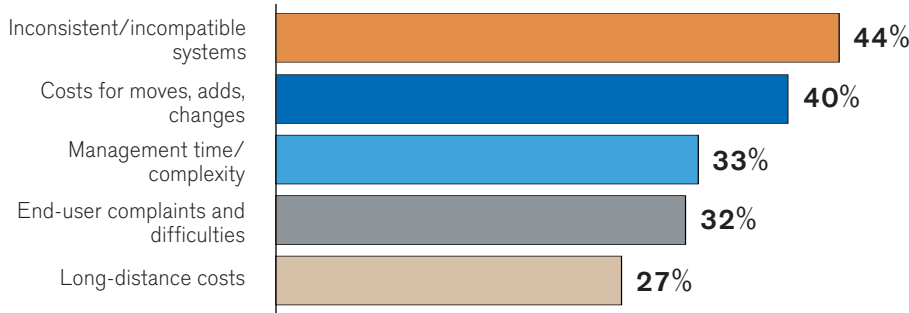
IP Telephony Implementation – by Company Size

When looking at implementation by company size, we see roughly one-fourth of organizations at each company size have already deployed IP telephony (24% for small, 20% for midsize and 28% for large). We also see that midsize organizations are slightly more likely to be in the process of implementing IP telephony right now than smaller or larger organizations. In addition, midsize and large organizations are more likely to be testing/evaluating than small companies, and smaller companies are more likely to be in the stage of gathering data or to have no project yet than are their larger counterparts.



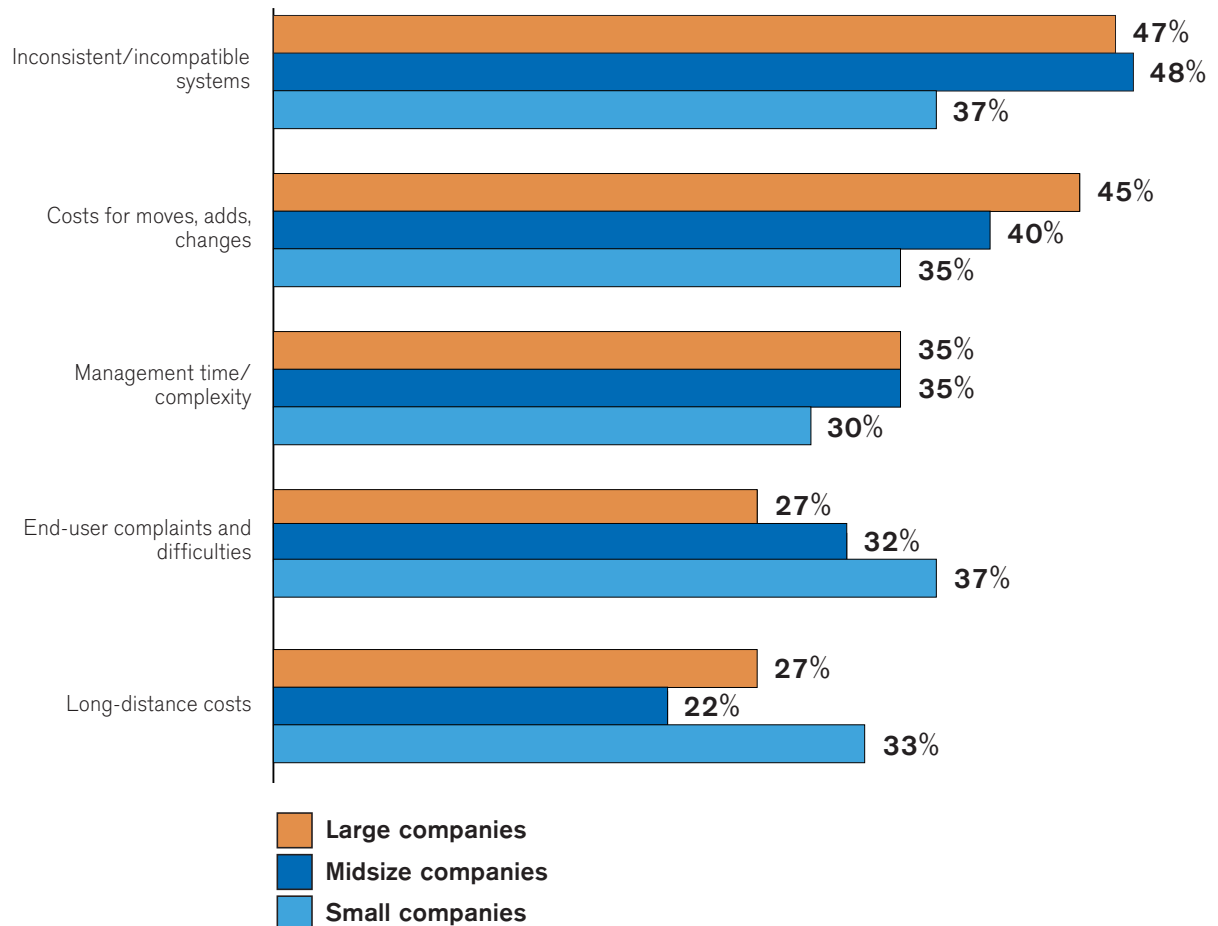
Phone System Challenges

This survey showed that managers of IP telephony systems identify a lot of challenges with managing their phone systems. The No. 1 challenge was inconsistent/incompatible phone systems. Close behind that was the challenge of controlling costs due to moves, adds and changes. Long-distance calls were seen as less challenging than some of the other challenges listed but were still fairly high on the radar screen.



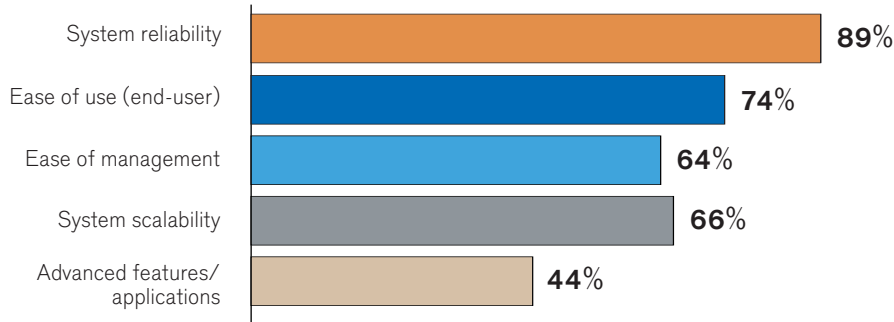
Phone System Challenges – by Company Size

When analyzing what IP telephony managers at companies of different sizes see as challenges, we see a lot of differences. Larger organizations are clearly more challenged by inconsistent/incompatible systems and the costs for moves, adds or changes. Small organizations are more likely to cite end-user complaints and difficulties and long-distance calls as major challenges. These differences are most likely a factor of the lack of staff smaller companies have for dealing with complaints and the lack of funding and plans they have for long-distance calling.



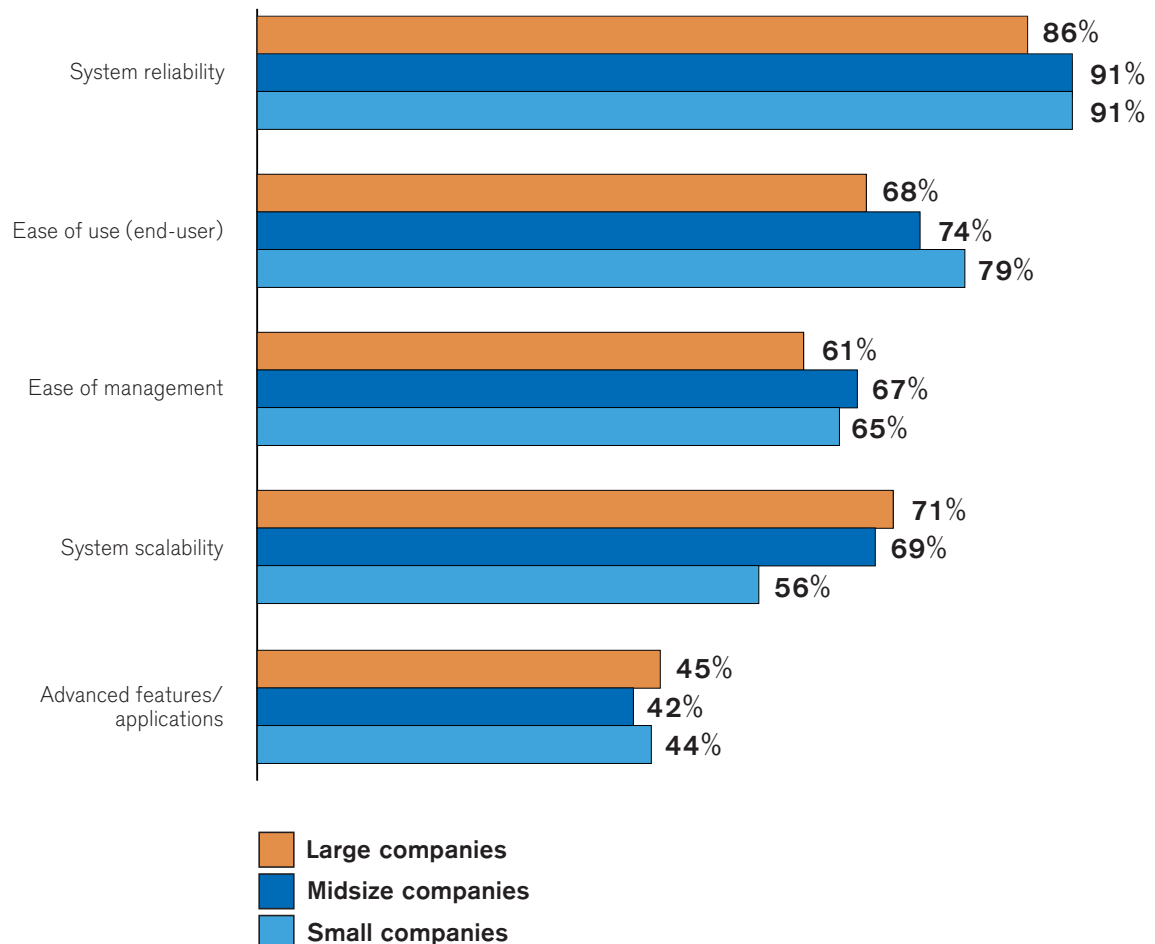
Telephone Capabilities Important to IP Telephony Managers

When asked which telephone system capabilities are most important to them, IP telephony influencers pointed to system reliability followed closely by ease of use for the end user. They were less concerned with advanced features and applications.



Telephone Capabilities Important to IP Telephony Managers – by Company Size

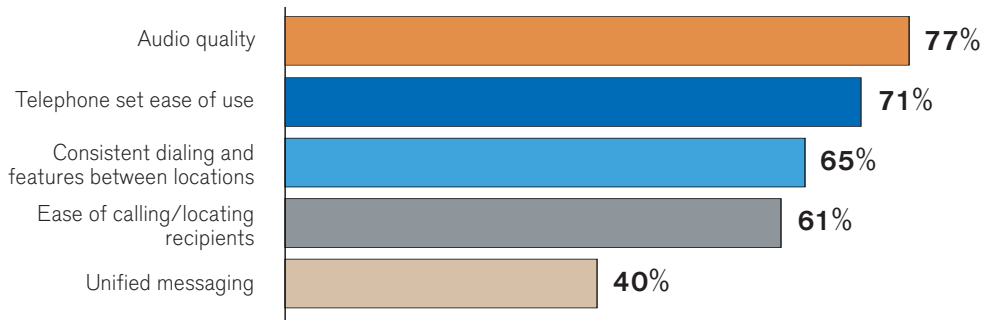
IP telephony managers at different-size organizations had a fairly consistent view of what was important. Whether you work for a small, midsize or large organization, system reliability is the most important capability for a telephone system. The only place we see some differences among the different company sizes is that the larger the organization, the more likely it is that the organization finds system scalability important. This is not surprising, given that most very small organizations probably aren't bracing themselves for rapid growth of their phone systems.



Telephone Capabilities Important to IP End Users

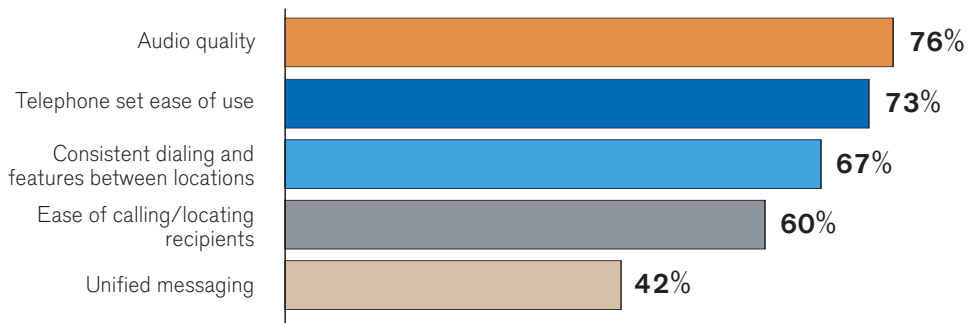
The top bar chart below shows what IP telephony influencers feel are important telephone capabilities in the eyes of their end users. For the purpose of analysis of this one question, we also solicited responses from 189 end users to see if they lined up with what their telephony managers are thinking. If you look at the chart below, you'll see that end users find the same capabilities important that the IP telephony managers thought they would. Hopefully this is a sign that IP telephony influencers are at least somewhat on the same page about what their users need in a telephone system.

What IP telephony influencers think end users find important



Base: 388 IP telephony influencers

What end users find important

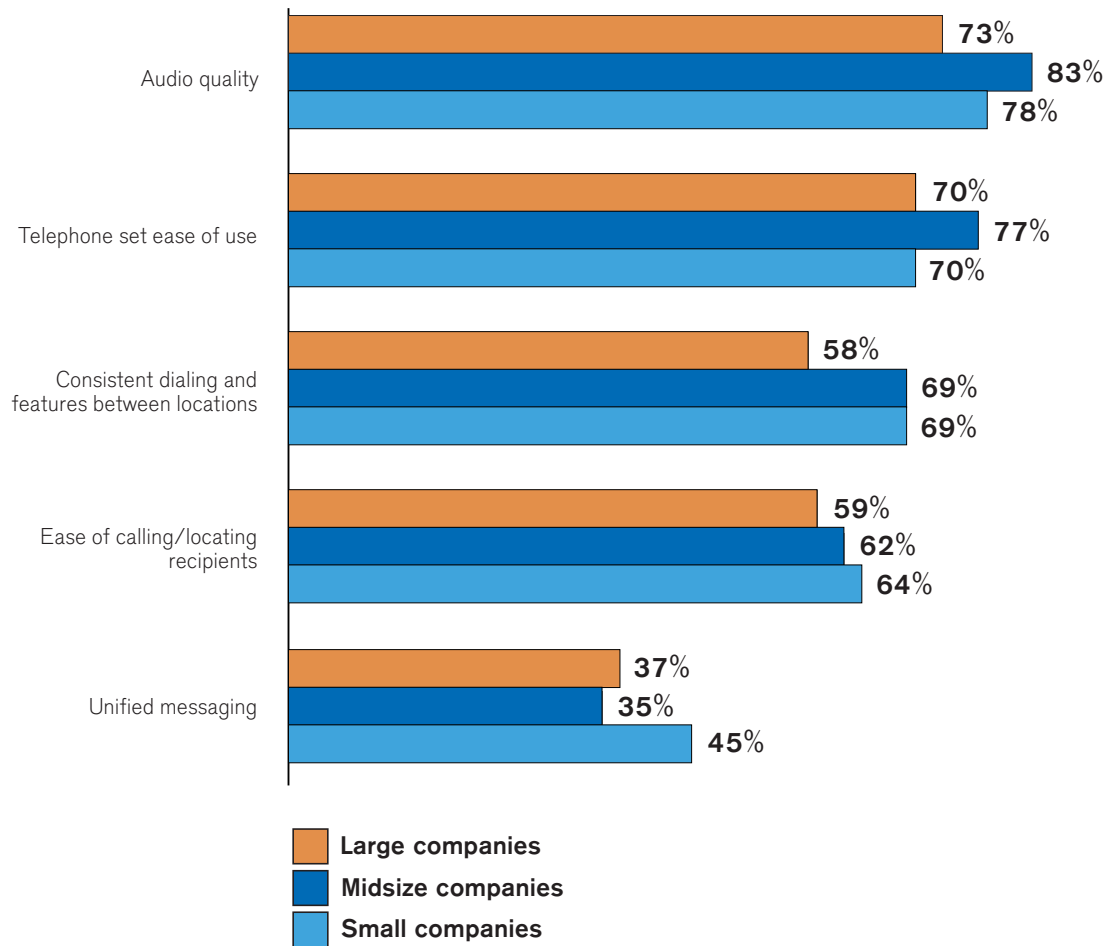


Base: 189 IP telephony end users

Telephone Capabilities Important to IP End Users – by Company Size

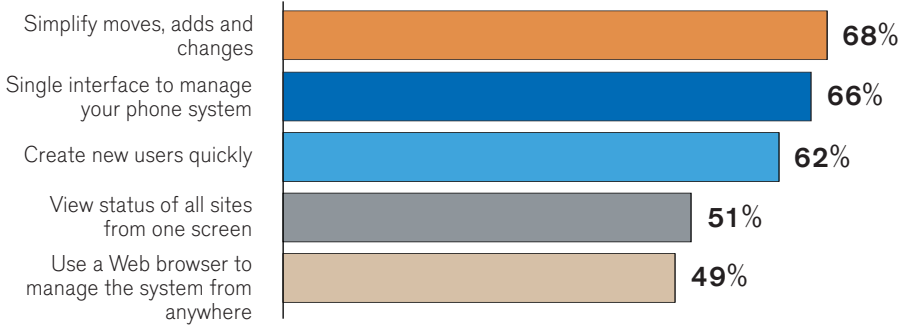
For the purpose of analyzing company size differences related to capabilities end users find important, we chose to examine just the IP telephony influencers.

We don't see any huge differences here except that large companies don't feel that consistent dialing and features between locations is quite as important as do their counterparts in midsize and small organizations.



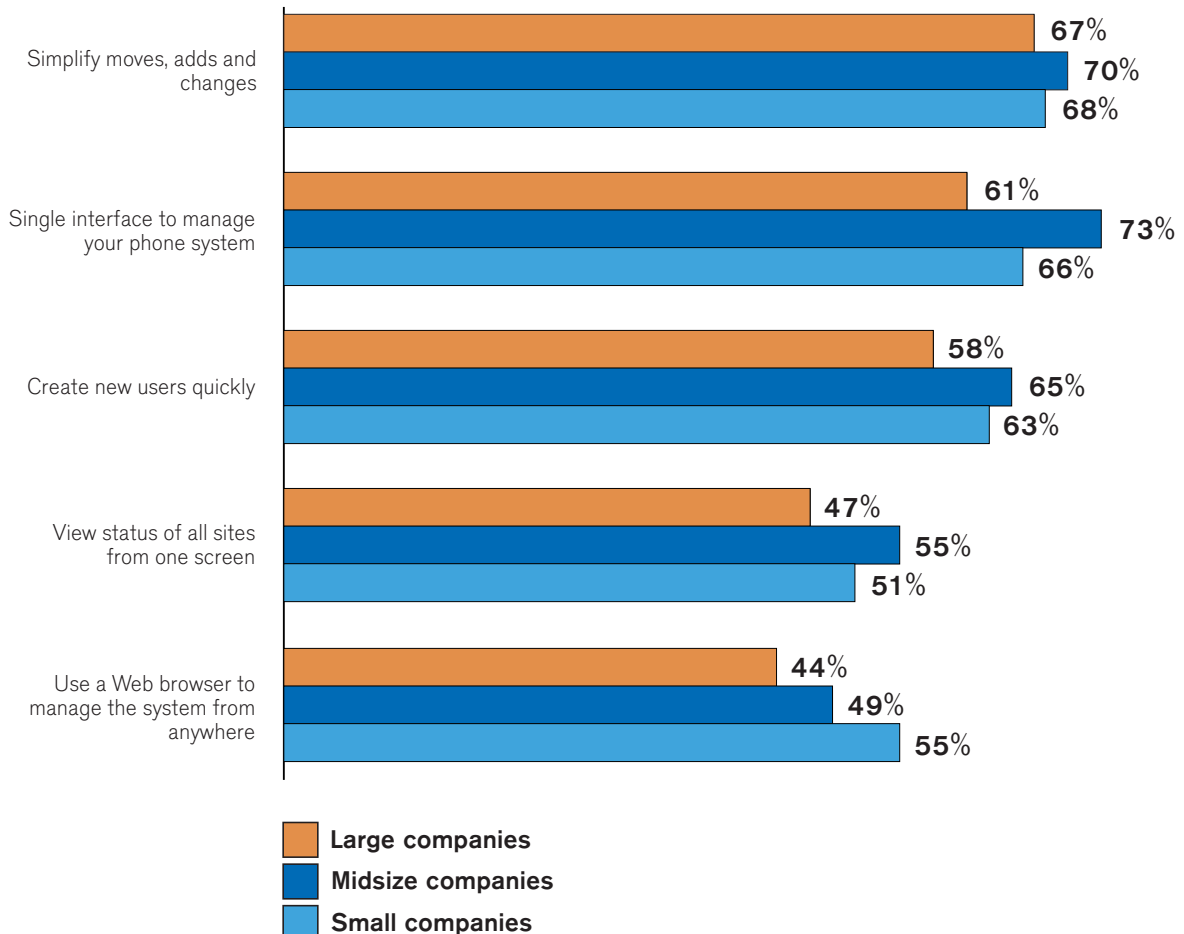
Important Management Functions

Whereas earlier we looked at telephone system capabilities important to the IP telephony influencers and to end users, we now will look at which management functions are important to IP telephony influencers. The results show that telephony managers are generally looking for simplification. The No. 1 function in terms of importance is the ability to simplify moves, adds and changes, while close behind that is the desire for a single interface to manage the phone system.



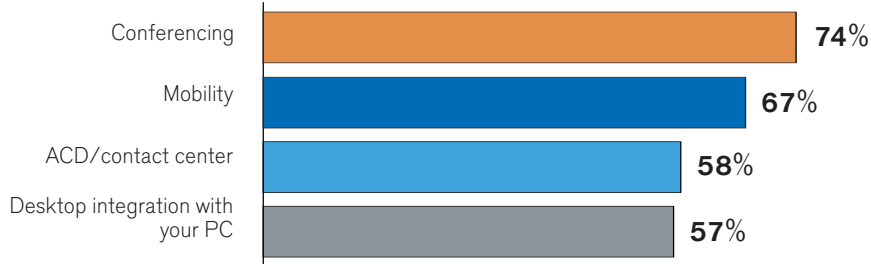
Important Management Functions – by Company Size

Through analysis of respondents from different-size companies, we don't see a lot of differences in the management functions they find important. We do see a general trend toward the large-company respondents being less inclined to cite any of these functions as important. This could possibly be because some of them already have these functions to some extent, while at smaller companies they may be struggling with very few management functions.



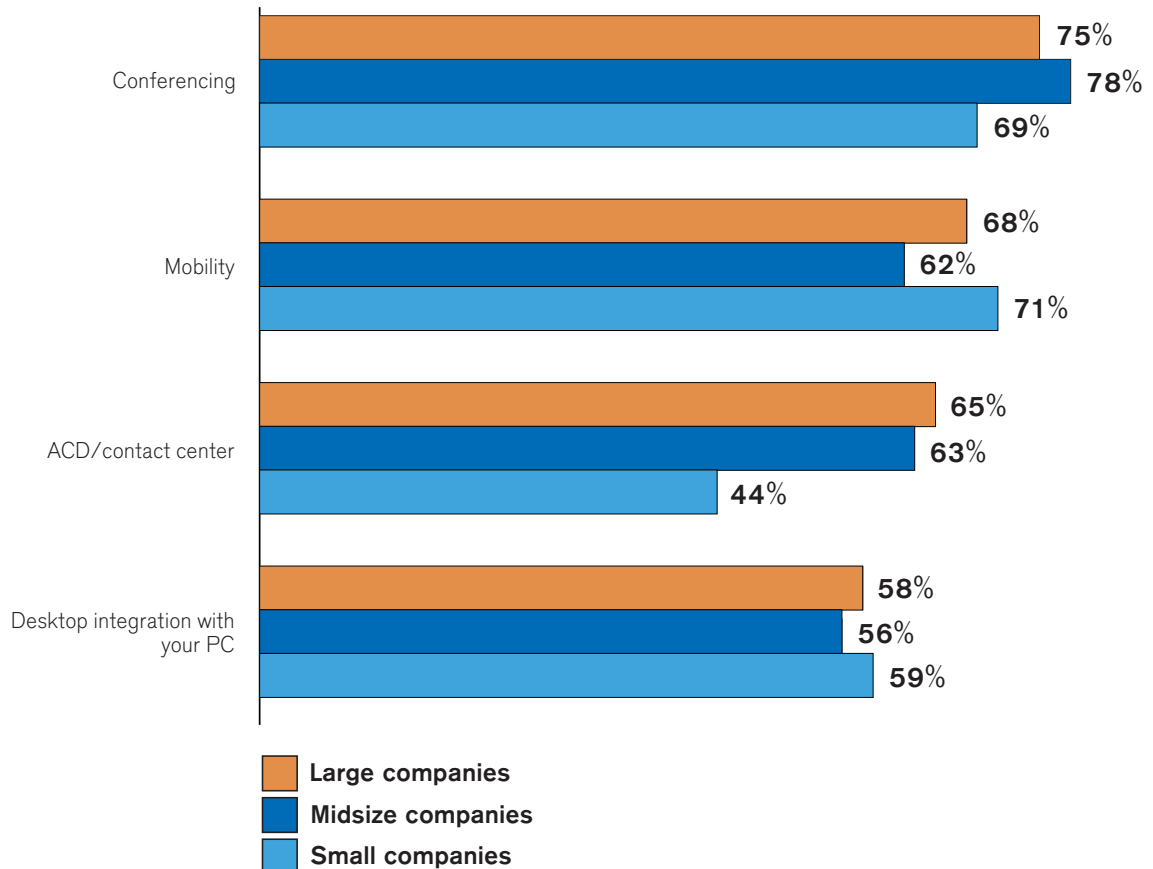
Additional Telephone System Applications

The most important additional telephone system application in the mind of IP telephony influencers is conferencing, followed closely by mobility. Even the last two applications on the list – ACD/contact center and desktop integration with PC – were seen as valuable enough to get more than half of respondents to consider them important or very important.



Additional Telephone System Applications – by Company Size

As with a lot of the questions, respondents were fairly consistent across company size on the issue of which additional telephone system applications they'd find important. The one clear exception to this is with ACD/contact centers, which small companies found far less important than their larger counterparts.



Conclusion

This study showed that over half of organizations across North America are implementing or testing IP telephony solutions. It also showed that there are many challenges that IT and telephony managers are facing in managing their phone systems. For the organizations that have already deployed an IP telephony solution or are in the process of deploying one, this report should help to illuminate some pitfalls they may find along the way. For the 48% of organizations that have not yet taken the IP telephony plunge, this report can help prepare them for some of the challenges and for some of the things to look for in an IP telephony provider.

As we saw, a major challenge is inconsistent/incompatible systems. The obvious way for organizations to address this issue is to make sure any new systems work well with current systems. The survey also showed that system reliability is the key capability that managers look for in phone systems, while audio quality and telephone ease of use are the keys for end users. In general, organizations want to simplify their phone systems, be able to manage them in a centralized way without running into incompatibility issues, and sleep at night knowing they will be reliable and will provide the quality their users hope for. Any organization evaluating IP telephony solutions should make sure the potential provider scores well on all of these fronts and understands these challenges of managing a phone system in an enterprise.