

# Why SMBs Need to Consider Hosted PBX

By Greg Galitzine

At some point in time, every business owner — regardless of the size of the company — is faced with the challenge of purchasing a phone system. In some cases, successful businesses simply outgrow their current solutions. In some cases, the existing solutions reach the end of their useful life. Of course, there are the "greenfield" opportunities that come about as new companies sprout from the pages of a business plan and need to consider the physical elements of starting a business, like location, office equipment, staffing, and communications.

Small and medium business (SMB) owners are faced with a multitude of choices when it comes to communications equipment manufacturers, and they need to ask themselves what features they want/need, how much they are willing to spend, how fast they expect to grow, in addition to considering the need to hire a specialist to deploy and manage the solution in-house.

Choosing between Hosted PBX technology and deploying a PBX at the customer location often comes down to a "religious" decision between deploying technology in-house with all the control and security that it implies versus letting your provider host services in their network, while you get to focus on your core business competencies. Let's face it, not everyone has the staff or technical expertise to manage their technology needs — these types of small businesses are the perfect candidates for hosted PBX services. These solutions allow the SMB to do what they do best, while the service provider handles their communications needs.

At the end of the day, the goal of a Hosted PBX solution is to simplify communications for the SMB while providing some of the must-have features of the online world (e-mail integration, Web-based management). For that reason, among others, SMB owners are increasingly looking to hosted PBX services to fulfill their communications needs.

Why? What are the benefits of hosted versus premise-based solutions? And, how does a hosted PBX give small companies a competitive advantage?

Traditionally, small business owners did not have as many choices nor did they have any "purchasing power" to sway manufacturers of phone systems to provide features and cost structure geared toward the SMB market. Hosted PBX technology enables small businesses to purchase connectivity and the features that they need at a price that is within their budget. In fact, they are able to deploy communications solutions that will make them appear to all the world as if they are a much larger enterprise.

One way to describe this is "Big business benefits on a small business budget."

Among further cost considerations, deploying a Hosted PBX solution means there is no significant up-front commitment to installation and maintenance, nor is there the commitment to what can be a steep learning curve regarding how to deploy and use the system. That translates to lower capital outlays on staffing and support infrastructure. Good service providers will provide 24/7 customer service and will often proactively manage the solution, so that if a problem occurs, they can begin addressing the issue long before the customer even realizes there's a problem.

And that's good news for the CFO who wants to know what the TCO of the communications solution will be. A largely fixed monthly cost, with service and software upgrades rolled in makes it an easier sell to those who hold the purse strings. And it should be mentioned that since we're discussing IP-based communications, the lower monthly costs of making phone calls will also go a long way to help make the CFO smile.

But it's the so-called soft benefits of moving to a completely IP-based system — especially one that is hosted by the service provider — that are driving the decision to adopt these solutions. IP-based solutions deliver increased efficiencies, with easier integration of voice into other existing business processes, such as integration with Microsoft Outlook for click to dial directly from the corporate directory or

integrating your communications with back end customer databases for increased customer service or contact center functionality.

Moves, adds, and changes, that dreaded administration of new employees and employees changing physical locations, which used to cost a fortune — in time as well as money — become a simple matter of a mouse click or two. In fact, by taking advantage of a network-based Hosted PBX solution, whole remote offices can be brought online and re-configured in a matter of hours by a single remote user sitting at a computer. (Of course, this does not take into account the process of porting existing telephone numbers from the LEC, a process, which can take weeks; but in the case of new numbers it is a much faster process.) This is especially beneficial in the case of a business that has the need to set up temporary campaign-type situations or other transient work locations, or multiple locations (without skilled IT personnel on site).

Another benefit of the Hosted PBX has to do with disaster recovery. Nowadays, in a post-9/11, post-hurricane Katrina world, the need to prepare a business' communications systems for unexpected disasters has become table stakes. However in a traditional, premise equipment-based scenario, the costs of disaster preparedness are high, when one factors in the necessary levels of redundancy, failover, multiple site networking, etc. A network-based hosted PBX solution affords a much less expensive alternative. If a major disaster were to hit, you could simply have all your calls redirected to a temporary telephone number (such as a cell phone), send your employees home or relocate your equipment to another IP-enabled facility. Since all the call processing and features are tied to servers that sit in the network, all the features are tied to the "cloud" ensuring availability in the event of a disaster.

Another benefit of using a Hosted PBX is that I can increase employee productivity when they are mobile. Taking advantage of a softphone on a laptop computer, for example, an employee can log in from anywhere in the world, provided they have a broadband connection, and most of the features and functionality of the phone that sits on their desk back at headquarters is transferred to the softphone regardless of location. This makes the employees more responsive to calls, and the ability to transfer calls or bridge third parties into a conference from anywhere in the world speaks volumes regarding increased productivity and a pro-

fessional-looking response to customer needs. And again, it gives the small business an outward appearance of a large, competent, professional organization.

Lastly, since a hosted solution is not necessarily tied to a specific phone vendor, the SMB is free to choose phones based on their needs, be they cost, features, vendor preference, or the like. The increasing array of available end-points means that SMBs are free to choose what works best for them.

If the SMB contracts for Hosted PBX services from a service provider, they would do well to consider a carrier that provides the broadband "pipe" as well as the Hosted PBX functionality. By choosing a vendor that provides the full package of connectivity and services, SMBs enjoy other benefits such as Quality of Service guarantees (and one provider to point the finger at if those levels are not met), a secure and reliable network that provides voice traffic priority, access to constant solution upgrades, and more.

As mentioned earlier, the decision to embrace a Hosted PBX solution often comes down to a religious debate. But as research and analysis from nearly every major analyst firm shows, enterprises of all sizes — particularly the small and medium sized business segment — are increasingly setting their sights on Hosted PBX as the communications solution of choice. The benefits are clear. **IT**

*Greg Galitzine is the editorial director of Internet Telephony.*

## Speakeasy Business VoIP: One Clear, Simple Solution

*By Arnaud Gautier*

As one of the fastest growing voice and data providers in the nation, Speakeasy is well equipped to understand the communication needs of small and medium businesses. Over the past 10 years, the company has evolved from a premium broadband provider to a small business solution provider offering a full range of voice and data communications services. Speakeasy is now one of the largest independent broadband providers in the nation with Business Voice over IP (VoIP) emerging as its premier service; in fact, the editorial staff and readers of *Internet Telephony* recently recognized Speakeasy as a Superior VoIP Service Provider.

Speakeasy Business VoIP is popular with small businesses because it cuts costs and delivers competitive advantages unavailable with traditional phone systems. Advanced features, like voicemail delivered as e-mail and MS Outlook integration, give small businesses a revolutionary toolset for boosting productivity and maximizing business continuity. Employees can make VoIP calls from any location with Remote Office, or install softphones on their laptops and make VoIP calls from the road. With Find Me/Follow Me, incoming calls can be routed to search for employees at multiple numbers, so critical calls always get answered. Because Speakeasy Voice over IP is a hosted solution with Web-based administration, management is virtually effortless. Speakeasy also assigns every business customer a Dedicated Business Account Manager, a single point of contact for customer support.

In order to guarantee superior voice quality, Speakeasy bundles Business VoIP with a Speakeasy broadband connection. Because Speakeasy has full control over its voice-optimized nationwide network, the company can use Voice Quality Technology to prioritize voice traffic over data. Other voice providers don't have full control over the broadband networks that transmit their calls and are unable to prevent call quality degradation when data traffic overruns voice traffic. In contrast, Speakeasy's private, multi-redundant nationwide network is custom designed to provide extraordinary reliability, security, and performance. Simply, this means that Speakeasy VoIP call quality remains a top priority, even when a large file is being downloaded or multiple programs are running simultaneously.

Businesses that choose Speakeasy Business VoIP also appreciate receiving predictable bills from one provider for all their voice and data communications. By choosing appropriate calling plans for each user in the company — such as a Premium Unlimited plan for unrestricted calling throughout the U.S., Canada, and 21 other countries worldwide — businesses can realize enormous savings.

When Capstone Granite launched its business in Washington State, it already had plans to open two additional out-of-state, branch locations. To sell its products effectively, Capstone Granite needed quality voice service at its facilities and on the road, but it didn't want to invest thousands of dollars in a traditional PBX system. Capstone chose Hosted VoIP from Speakeasy for an integrated voice and data solution that will scale easily as they grow.

"Speakeasy Business VoIP offers tremendous flexibility and low capital costs on the introduction. You can buy toward the future rather than being simplistic in your thinking. As we open our other facilities, the cost advantage will be substantial," notes Barry Abraham, President and CEO of Capstone Granite.

Start-up costs for Speakeasy Business VoIP are far below the major investment required by a traditional PBX system. Moves, additions and changes can be handled via a simple online interface, saving time and minimizing maintenance costs. Capstone Granite further improves efficiency by using Auto Attendant to route incoming calls and MS Outlook integration to call clients by simply clicking a mouse. Traveling employees can make VoIP calls with a softphone from their laptops and have incoming calls follow them on the road. As Capstone opens new facilities, free four-digit dialing between branch locations and the ability for its offices to share a 1-800 number will help keep the business running smoothly. Clients respond to optimized communication, and Capstone Granite can focus on building their business.

Arnaud Gautier is director of product development for Speakeasy. For more information about how Speakeasy Broadband and VoIP can help your business run more efficiently — while saving money — please visit [www.speakeasy.net/voip](http://www.speakeasy.net/voip) or call 800-556-5829.