

ShoreTel Inc. White Paper

The Power of Integrated Collaboration

New, Practical Unified Communication Applications

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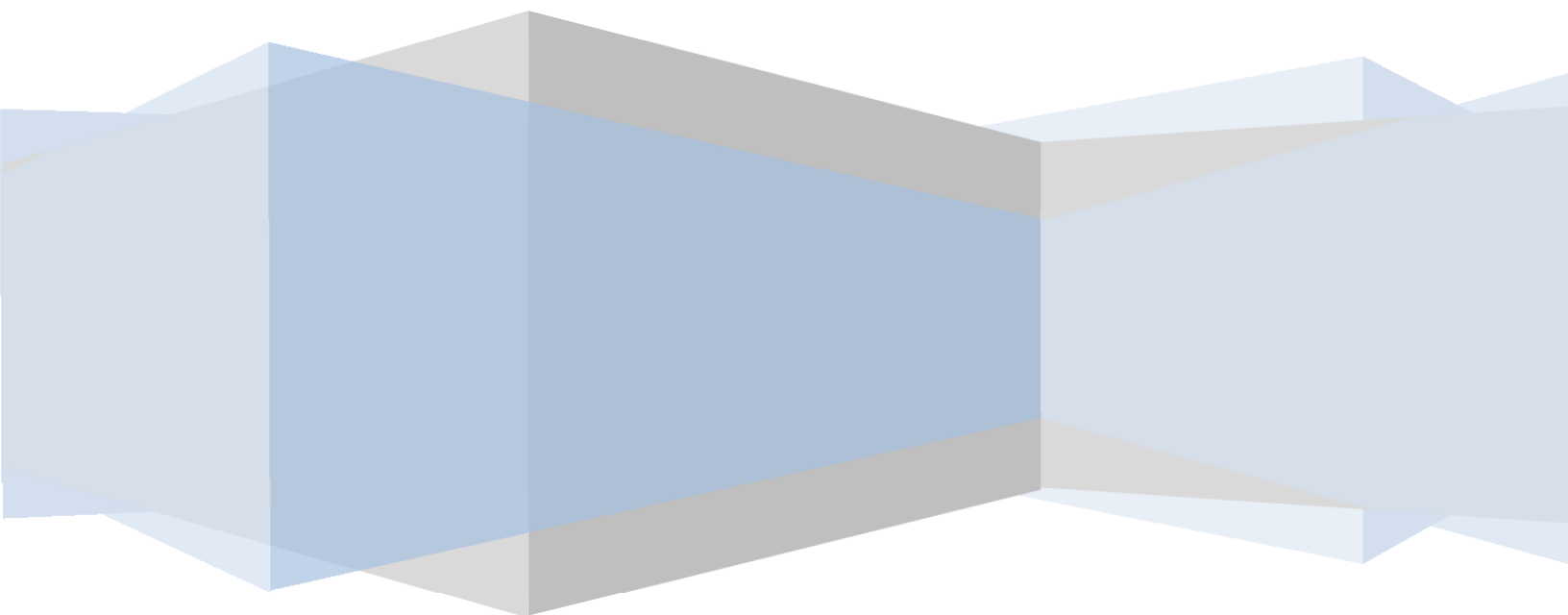


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What's happening in Communications and Collaboration today?

The world of business communications and collaboration is changing at lightning speed. New communication capabilities, called Unified Communications (UC), are adding major value to both telephone and email systems. One very powerful UC capability is Integrated Collaboration (IC), which delivers savings and value by bringing groups of people together to produce new ideas or products faster than ever before. This is done by converting in-person meetings to instant virtual gatherings, and by merging unified communications tools with the documents and software tools that teams use to get their jobs done.

Almost every organization can benefit from IC. These new tools are changing how work gets done and how customers or clients are served. The results are significant savings and efficiencies, as well as the potential for increased business growth.

This paper will describe these new technologies, highlight the top areas for proven savings and financial gains, and show how ShoreTel products can help you realize those benefits.

New user capabilities

IC brings a new set of tools to communications. Here are four top technologies:

- **Presence:** Software can now show you who is logged into the network, where that person is, whether they are busy (e.g. on the phone, in a meeting, away from their desk, etc.), and if they are available for questions, assignments or collaboration. Presence also helps your employees avoid wasting time on phone calls or landing in voice mail.
- **Instant Messaging (IM):** It is now possible to communicate quickly, without the disruption of a phone call, using instant messaging (the office version of texting). Quick IM chats can replace up to 30 percent of internal phone calls. Instant messaging is more flexible too: you can simultaneously IM with more than one person even if they are on the phone (e.g. checking facts while talking to a customer).
- **Virtual Meetings:** These meetings are like being at the same table in the same room. These can be one-on-one meetings, where you and another person are looking at the same document while you are talking about it. You can even turn on video to be “in the same room.” These can be scheduled group conference calls, just as before, but now you can share presentations or documents, essentially from anywhere on the network.
- **Mobility:** You can take these new tools on the road. Just as cell phones took voice calls on the road and smartphones took email on the road, you can now take IC on the road, having presence, IM, and virtual meetings from essentially anywhere.

These four capabilities are opening up big changes through new methods.

New methods

With these new IC tools, work can be streamlined by using new methods:

- Keep people working productively wherever they are.
- Help teams collaborate to speed up project and service completion.
- Immediately find the right resource for the task.
- Respond to customers more quickly.
- Eliminate waste in space, travel and time.
- Cut costs for communication and conferencing systems.

These new methods remove communication barriers or ‘hot spots’ that were built into the older ways of communicating and collaborating. With those problems gone, work speeds up, costs go down, customers are more loyal and your operations can grow and thrive.

New cost and profit models

New methods let you break out into new zones of financial success. Whether the goal is to cut costs in response to economic or competitive pressures or to grow profits and invest in the growth of the business, the new methods change the game.

The examples below show you how to get cost and profit returns from very specific IC actions and investments such as annual travel savings of over \$4,000 for traveling team members, annual facilities savings averaging \$2,500 per office employee, overtime reductions of \$1,500 per non-exempt position, and major savings in project time and expenses. Additionally, if you are paying an external audio conferencing service, [success stories](#) report annual savings in the thousands of dollars.

Benefits of Implementing Integrated Collaboration

Out of pocket savings

Cut conferencing and collaboration costs

Right up front, you may be paying high dollar amounts for cell phone service, calls outside your local coverage area, and audio or Web conferencing services.

IC can slash those costs in two ways. First, with presence showing who is busy or away, there is no time or expense wasted in calling those people. In the past, an average of 70 percent of calls landed in voice mail when the recipient was on another call or away from their desk. Presence can eliminate almost all of those wasted calls and voice messages, and avoid the cost of retrieving voice mail and returning phone calls (for issues that are usually already resolved).

Second, with audio and Web conferencing, outside conferencing service bills can be cut to a minimum or eliminated altogether. In addition, if the voice calls are routed across your network using Voice over IP (VoIP), toll costs can also be reduced. Typical audio conferencing services can cost \$10 per user per month; typical Web conferencing/document sharing services can cost from \$5 to \$20 per user per

month. Conducting these meetings on your in-house system could save as much as \$20,000 per year for an operation with 100 active audio conferencing and 50 active Web conferencing users.

Avoiding travel – local or beyond

Travel is a big out-of-pocket cost. Mileage reimbursements and air travel costs, as well as expense reimbursements, just keep going higher. Also, travel consumes a lot of time even with mobile email and cell phones.

IC can save a lot on travel costs, both for internal operations and for client contact. If you have people driving between your locations, IC lets many of those people work together without leaving their desk or home office - time is saved and mileage costs are avoided. If you have people driving around the local territory or flying around a larger geography to see customers, IC can connect you with your customers more quickly, frequently and easily via online meetings. If you have employees driving to a central site for classroom training, you can save that time and travel expense in most cases by offering the training online as a webinar through IC conferencing features.

If traveling employees could save 20 percent (one day's travel, say 50 miles) per week, you could save \$1,250 per year paid out to that employee. If you could shave one airline trip per quarter for each traveling field person, you could be saving \$4,320 per year for each field position (the average air travel business trip costs \$1,080 for air, hotel, meals, etc. per American Express).

Reducing office space – why rent empty space

Office space is another big out of pocket cost that is even more annoying when you are paying to lease offices that are empty most of the time. Studies report offices and cubicles are vacant during business hours between 25 and 65 percent of the time. Of course this varies by the type of work and job at any location, but there is a savings potential for personnel who are often in the field or at client locations.

IC can save you money on recurring, fixed-cost office space by enabling some of employees to work remotely, at home or at the client locations. This is a growing trend, with 17.2 million occasional U.S. teleworkers in 2009 and a forecasted growth of 18 percent per year in private businesses over the next three years. It is also easier to bring part-time or contract staff into your workflow without asking them to commute to the office. With IC, you can still be in control since you can use presence to see if remote people are available or on a call, and you can have a voice or video session to check in and to review their work.

In U.S. metropolitan suburbs, a typical office can lease for \$2,500 to \$4,000 per year. If you can reduce office count by 10 percent for a workforce of 100 people, you could save \$25,000 or more per year.

Optimizing staffing levels – eliminate waste, delay and redundancy

Time is money, there's no question about it when it comes to payroll. Whether you're talking about saving overtime, reducing part-time staff, or avoiding that "just one more" staff position, you can save real money if you can reduce the labor content of your workflows.

IC is a proven time saver. First, if you have multiple locations, you don't need duplicate experts in each office. With IC you can have multiple experts in a central location and everyone else can be in touch with

them using presence, instant messaging, document sharing, voice, or video to get the needed information, assistance or approvals. Second, when you have presence, you see who is available right away, so work gets done without delays or losing time to restart the project when someone calls back. Third, you can get things done faster by just sharing the work on the PC with the other person – no faxing or emailing.

Avoiding staff positions by sharing resources can represent \$40,000 per position saved (based on average U.S. administrative payroll rates). Working more efficiently to avoid just 12 minutes of overtime per day is worth \$150,000 per year for a group of 100 employees.

Operational speed, efficiency, profits

Reaching the right resource, on demand

Time is wasted, business is lost and talent is underused when the right person cannot be found to get the job done. Maybe a customer is on the line and you need information. Maybe you need a key fact to finish an engineering plan or obtain government permits. Maybe price approval is needed to win a deal. In every case you need to find the right resource. Presence shows you who is available, so you can find what you need. A project lead could find an engineer who is logged-in from a client site and shows as available. A field sales person could find a manager who is available to approve the pricing deal.

In all these cases, IC opens the door to getting the job done using presence to see who is available. Then the user decides what's most efficient – IM, call, conference, document sharing or video – to complete the task.

The benefits depend on your business situation. If you can close 10 percent more deals, you can increase your margin by 10 percent. If you can finish projects faster, you will either cut labor costs or increase your billings, or a mix of both.

Being available to customers and partners

Customers who are not served promptly will become dissatisfied and will find alternatives. Often, communications problems are the root cause of problems when answers aren't provided promptly or interaction is delayed or ineffective. Sometimes, just the time to schedule an appointment and drive to a meeting place adds to the frustration.

IC breaks many of these satisfaction barriers. When a customer calls (or sends a message) you can route the call (or message) to someone who is immediately available. That person can use presence and IM to find the person or information they need to serve the customer immediately. The best team member can then get back to the customer, perhaps even opening up a virtual meeting conference call so they can share information, presentations, forms or diagrams with the customer in real time.

The benefits here are measured in three ways – satisfaction, cost and revenues. When you can meet the customer's request immediately, you save all the time it takes for the cycles of calls or messages until you are done, avoiding the risk of error or frustration in each step. And, many sources highlight that it

can cost at least four times as much to sell products and services to new prospects as to existing customers. In the end, faster and better responses using IC capabilities are money-making methods.

Accelerating collaborative projects

Collaborative projects consume time, which costs money, and are prone to delays that postpone cash flow, revenues and paybacks from the projects. These delays are often based on the communication 'hot spots' mentioned above. These 'hot spots' are the places in the collaborative process where work cannot proceed without collaborative conversations to resolve issues and formulate plans.

Collaborative projects happen in almost every business – engineering firms, construction firms, utilities, government agencies, educational institutions, field installation and service firms, and professional firms such as architects, accountants, attorneys and advertising agencies. So, if you can eliminate the delays while preserving or increasing quality, there's money to be made.

IC capabilities and methods make this possible. The biggest improvement comes from eliminating every possible delay in the projects. First, you can use IC to find the resources you need at any time. Second, you can use IC to bring people into meetings at the moment they are needed. No more scheduling meetings only when everyone is in the office, you can now join a virtual IC meeting at any time. No more waiting for documents to be delivered, you can share the documents or applications right on the computer screen (or projector). No more time and cost to get answers from the client; you can invite them into the virtual IC meeting.

The results are pretty impressive. Companies are reporting reductions of up to 25 percent in time to complete projects. If you have a four person team working on a two month project and can finish 12.5 percent faster, you will save a month of staff time, which could be \$6,000 of professional salary costs per project and up to \$36,000 per project team each year. The project could be delivered and billed about a week earlier and will increase your project capacity by almost 15 percent with no added personnel.

How ShoreTel Delivers Integrated Collaboration

ShoreTel offers Integrated Collaboration (IC) capabilities as options for their customers. Following their motto of "Brilliantly Simple," the ShoreTel System includes a number of UC and IC capabilities as described here.

Presence and IM

The ShoreTel System includes ShoreTel Communicator, a Windows, Mac or Web-based UC client, which provides presence for everyone on the system. For those with only a desktop phone, you will be able to see if those people are busy. For those who are also using the ShoreTel Communicator, you will see both their telephone and presence status set by the user to show if they are busy (e.g. on a project) or away from the desk/PC. The presence status is automated to show if the user is in a ShoreTel conference or if they are in a scheduled meeting.

Presence indications are even available within Microsoft Outlook and Word. This feature increases end-user productivity by allowing them to initiate a call, start an IM conversation or flag for presence changes directly from the email client or document. These Presence and IM features support the new methods and benefits shown above.

Click-to-collaborate

The ShoreTel System also enables users to click-to-collaborate with any other user who is logged-in to their ShoreTel Communicator. They can start communicating via IM, as mentioned above, or the user can click on any name in the presence list to place an audio call between the two users and click to open this up to video communications, if needed.

Also, click-to-collaborate includes Web sharing. This means that two users who may already be chatting on IM or are talking via voice or video can add document sharing to the session. This is really important for the collaboration applications described in the prior sections.

Thus, users can immediately move into a communication session as soon as they find the best available person through presence, to assist in realizing the important benefits described above.

Audio and Web conferencing

The ShoreTel System also has a robust conferencing application. With ShoreTel Conferencing, users can schedule audio conferences with a group of people, simply by inviting those people into a meeting. The conference can start immediately or be scheduled for a future date. The future date can be scheduled either by the ShoreTel system alone or in conjunction with Microsoft Outlook. The ShoreTel system automatically generates all the information necessary for the call and inserts that into the meeting invites.

ShoreTel Conferencing also includes the ability to share documents and presentations with all of the attendees. This Integrated Collaboration enables the many benefits described in the previous sections.

Distributed architecture

The ShoreTel System's "Brilliantly Simple" distributed architecture means multiple locations can be connected and new capacity can be added to the system simply by plugging additional collaboration appliances into the system or onto the network. This modular architecture also provides well-documented resiliency and redundancy to support ongoing operations.

Economical cost of ownership

Finally, ShoreTel has won many awards for their low total cost of ownership (TCO). Since the system is modular, customers only need to buy the amount of capacity they need. Since the modules are pre-packaged, they are simple and easy to install and maintain. [TCO information](#) is available on the ShoreTel website. ShoreTel's results in this category are well documented by many positive customer [success stories](#) and analysts reports.

Summary

Communications and Collaboration are changing rapidly, for the better. New communication tools make it possible to remove long-standing communication barriers to business efficiency. Progressive businesses and agencies are using Unified Communications and Integrated Collaboration to produce cost savings, customer satisfaction, speedier project completions, and higher growth and profit. ShoreTel Integrated Collaboration capabilities offer significant opportunities for hard-dollar benefits in all of the areas described in this paper. Be sure to consider these opportunities as you plan your organization's communication system investments.