



WEEKLY MESSAGELINK

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UC DELIVERS 4X RETURN ON INVESTMENT



STUDY, SPONSORED BY VERIZON AND CISCO, FIRST TO QUANTIFY IMPROVED PERFORMANCE FROM ADVANCED COLLABORATION

FROST & SULLIVAN RESEARCH FINDS DRAMATIC RETURN ON INVESTMENTS IN ADVANCED COLLABORATION TOOLS; IP NETWORKS GROWING BUSINESS PLATFORM

Organizations around the world that deploy the most advanced Internet-Protocol-Based collaboration technologies achieve more than twice the return on their collaborative investment and perform better than less collaborative peers, according to a new Frost & Sullivan study released Wednesday, October 14, 2009.

Meetings Around the World II: Charting the Course of Advanced Collaboration, sponsored by Verizon and Cisco, examines how professionals in business and government agencies get their work done by using advanced collaboration tools such as Voice Over Internet Protocol (VoIP), Instant Messaging or meeting via High-Definition video. The study introduces the industry's first quantitative model for a return on collaborative investment. The groundbreaking measurement, called the Return on Collaboration index, establishes a progressive impact of deploying advanced unified communications and collaboration (UC&C) technologies on business performance and measures improvements in areas such as research and development, human resources, sales, marketing, investor relations and public relations.

The study found that businesses and government agencies deploying increasingly more sophisticated collaboration tools – such as VoIP soft phones, immersive video and fixed mobile convergence saw a corresponding improvement in business results relative to the amount investment. The overall average

Return on Collaboration (ROC) score was 4.2, meaning organizations received an average return of four times their investment in deploying collaboration technologies in terms of improvement across business-critical areas.

The organizations surveyed by the study reported that advanced collaboration such as UC&C enhances their ability to produce positive results. For example, research and development managers in organizations deploying UC&C reported that advanced collaboration tools enable products and solutions to be developed more quickly, with an improved chance of market success, a higher degree of quality, and a lower overall cost of development. 3,662 SMB, Enterprise Decision-Makers in 10 Countries.

Frost & Sullivan in May 2009 conducted an online survey of 3,662 information technology (IT) or line-of-business decision-makers in organizations in 10 countries in Asia-Pacific, Europe and the U.S. The survey gauged attitudes and practices within small and medium-sized businesses (50 to 999 employees) and enterprises (1,000 or more employees) in the financial services, government, health care, high technology, professional services, manufacturing and retail industries.

The study was undertaken as organizations around the world grappled with a challenging economy, and results showed use of UC&C solutions are becoming increasingly popular. Nearly half (44 percent) of all organizations surveyed have deployed UC&C tools -- such as user presence on a device, document sharing, immersive video or Cisco TelePresence for near-lifelike visual communications, integrated voice, e-mail and instant messaging, and telephone features and management capabilities on mobile devices and the desktop.

The study also found that 40 percent of organizations that deploy UC&C plan to increase spending on this despite current economic conditions. In addition, more than 80 percent of organizations that have not deployed UC&C tools plan to deploy some form of them in the next two to three years.

Nancy Gofus, senior vice president of global business products for Verizon, said, "Based on this study, we see an era of advanced collaboration on the horizon. Organizations embracing unified communications and collaboration tools in an open, decentralized structure are enabling a more effective work style and cultivating a fertile ground for success. As organizations aspire to become advanced collaborators, even small steps taken along the way can immediately pay off."

Creating a Collaboration 'Network Effect' – The greatest impact of collaboration was where the largest numbers of people interacted for a common goal, including sales, research and development and marketing. By implementing more advanced UC&C tools, the study found, organizations could increase their return across all areas. This finding suggests that teams using UC&C tools can benefit from a "network effect" -- a theory attributed to Robert Metcalfe, the co-inventor of Ethernet, that holds that the more users on a network, the more value is likely realized from it. While larger enterprises tended to receive greater collaboration returns, small and medium-sized businesses can increase returns by deploying progressively more advanced tools and expanding their reach beyond their organizations working with customers, partners and suppliers. The bottom line is the idea of leveraging unified communications as core technology to improve business processes is becoming mainstream and more

and more organizations large and small are embracing the technology as it now can illustrate Real hard ROI to the organizations operations beyond soft dollar productivity

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