

Addressing questions:

Why purchase a system rather than use a hosted (rented) phone solution:

Cost

A hosted solution in the long run is more of a wash than you might expect. It is obvious from the outset that the initial and setup costs for a hosted solution may be lower than for an on-premises solution. But it isn't necessarily so clear where long term operating costs end up taking the overall cost equation. The variables that come into play include the lifetime of equipment, how rapidly technological change will outdate existing equipment and the ease-of-use and flexibility of the solution in question.

Hosted

Pros: May be lower setup cost, no maintenance costs (normally still require the purchase of switches and instruments)

Cons: Potentially higher ongoing service provider costs

On-premise IP-PBX

Pros: Potentially lower ongoing costs, no risk of fee increases set maintenance cost for 5-8 years

Cons: Possibly higher setup costs

Cabling will be necessary either way

Future Expansion

The potential for future expansion is more a matter of control and timeframe than of locking yourself into some kind of limitation. Both on-premise and hosted IP-PBX solutions leave you room for expansion and growth. Both will incur higher costs along with growth at a rate that should reduce your overall per-seat cost but will still mean a higher total bill. Both have the potential for allowing big jumps in future expansion. The difference is that with a hosted provider you may eliminate some of the risk and difficulty but at the cost of a potentially longer turn-around time, possibly losing some flexibility and possibly not having feature or applications available that you want or need moving forward.

Hosted IP-PBX

Pros: Provider shoulders all the risk, work and complexity
Cons: Your provider may not be able to make changes as quickly and may not be able to precisely match your needs.

On-premise IP-PBX

Pros: You have complete control and flexibility - you can even switch solutions or mix-and-match.

Cons: You need to communicate your needs as they change and work with the vendor

Control

Control is a tricky issue and really what is at the heart of a decision between a hosted or on-premise solution in terms of strategy. Some organizations prefer to keep control as much as possible internally, even at the cost of added cost, work and complexity. Other organizations want to outsource as much as possible to keep internal focus on core business - even if that decision ends up costing them more.

Hosted IP-PBX

Pros: Paradoxically, by giving up control you may be able to see the forest better rather than the trees.

Cons: Let's face reality - your service provider has the actual control - you don't.

On-premise IP-PBX

Pros: You really do have control over every detail. An easy-to-use solution with careful management will give you a solution that matches your needs better than anything else can.

Cons: You have control - now you have to exercise it...

Flexibility

While there are differences for an organization between a hosted and on-premise solution in this regard, they are more to do with timing. Any reputable hosted solution will be prepared to work with you to add the features you need and require and will also be prepared to become more flexible as market needs arise. But there is disadvantage for someone using the hosted solution. It will always be a common solution for all the provider's customers and it will take the service provider longer to implement it than could be

done with an on-premise solution.

Hosted IP-PBX

Pros: Service provider may have more resources to implement a solution you could not afford to do just for yourself.

Cons: Slowness to adapt and reluctance to adapt for a single customer.

On-premise IP-PBX

Pros: You can do what you want with your equipment - the ultimate flexibility.

Cons: May require vendor resources to do complex or difficult things

Range of Features/Options

The same issues arise with features and options as they do with flexibility - if you own the solution you will always have the ability to add more features and options - for a price. The actual individual solution matters far more in this area than specifically whether it is a hosted or on-premise solution. Your business has a required set of features, a desired set of features, a nice-to-have set of features and you really don't care about the rest.

Hosted IP-PBX

Pros: Only one thing matters - does it have the feature set you want.

On-premise IP-PBX

Pros: Only one thing matters - does it have the feature set you want.

List of desired features

Basic phone service Call forward, Transfer, Conference Calling, Speakerphones, Caller ID and Voice Mail

Main number added with live and or auto attendant answering available day or night.

Direct inward dial numbers (allowing calls to ring directly to an individual phone)

These numbers need to be owned by the company

The ability to work from the office, home and the road with the same level of voice functionality

Unified Messaging (email, voice mail and fax mail all accessible through one place on your desktop)

Some type of presence (Available, Out of office, Working from home, in Remote Office, etc.)

List of desired features

Find Me Follow Me

Computer enabled dialing Click on a contact and click call

Smartphone application to connect to the office phone system

5 party conference calling

Twinning (ringing Cell phone and desk phone simultaneously)

Softphone

List of nice-to-have features

Web conferencing

CRM (Customer Relationship Management) Integration

Routing rules (how you want any call or a specific call handled)

Call record

Call Center

We have presented a proposal customized for QED Systems; I asked direct questions that are pertinent to your business now and in the future. The answers that we given were used to determine the best value, most complete telecommunications system and network infrastructure. Companies need to consider what they get for what they pay. Our proposal delivers significant benefits within the solution.