

COMMUNICATIONS as a SERVICE: The Value of Hosted VoIP

By Frank M. Grillo

In the same way that Software as a Service (SaaS) revolutionized the software industry, Communications as a Service (CaaS) is changing the way businesses, and financial firms in particular, think about communications. Touted by industry experts as the most innovative of the VoIP delivery models, CaaS goes beyond typical offerings by delivering a comprehensive solution that includes IP voice and data services as well as unified communications functionality—all fully hosted and managed. The CaaS provider manages the LAN/WAN, the phone on each employee's desk, and VoIP network traffic.

Much like the SaaS model, businesses pay for usage, not ownership. CaaS is designed with utility-based pricing that provides businesses with comprehensive, flexible and scalable options. The bundled service typically includes integrated voice and data access, handsets, local and long distance, voicemail, PBX calling features such as caller ID, call forwarding and call waiting, and advanced unified communications functionality such as video calling, Web collaboration, chat, presence and unified messaging. CaaS solutions require little internal oversight, so firms can easily re-allocate IT budget and personnel resources to where they'll create the most business growth and value.

CaaS for Financial Services Firms

With high-value employees conducting high-value transactions, financial services firms are ideal candidates for CaaS implementation. These firms can have the productivity benefits of unified communications without the complexity and time required to build a premises-based system—and without the capital investment. There's no expensive hardware to purchase and maintain and no need to hire and train additional staff to manage the infrastructure. Financial services firms will need to carefully balance the value of CaaS, which is based on a single-vendor delivery model, against the traditional practice of using multiple vendors for implementation, service and customer support.

CaaS and Business Continuity

Perhaps the most compelling aspect of CaaS for financial services firms is the solution's capacity to provide business continuity. In the professional services arena, employees' ability to communicate with

each other and with clients is paramount for success. Whether it's a one-day event like a burst water main that keeps people out of the building, or a more catastrophic event like a fire or natural disaster, every minute employees spend without the ability to communicate equals lost revenue.

Unlike data continuity, eliminating single points of failure for a voice network is usually cost-prohibitive because of the large scale and complexity of the project, which usually leads firms to not even consider voice continuity as a viable option. However, a CaaS solution typically includes network, POP and circuit diversity, equipment redundancy and WAN failover with no single point of failure, resulting in an infrastructure with high availability and guaranteed survivability in any circumstance—something that would be difficult or nearly impossible for a single organization to obtain. With a CaaS solution, calls can be made and voicemails received continuously, ensuring that business continues as usual, no matter what occurs at the physical location.

By providing financial services firms with the tools they need to achieve increased productivity, better collaboration, and ultimately, a greater competitive advantage, CaaS implementation is expected to rise significantly over the next five years. With its unique end-to-end management model, robust feature set and inherent business continuity, CaaS is set to become the new standard in business communications.

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