WHAT'S IN STORE FOR ENTERPRISES IN 2016

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What's in Store for Enterprises in 2016

Enterprise communications continue to evolve, and the combination of ideas from traditional enterprise suppliers like Microsoft, Cisco and Avaya coupled with a whole crop of Silicon Valley start-ups promises to make 2016 an exciting year. When thinking about the future, I'm always drawn to a line from Bill Gates' 1996 book "The Road Ahead", "We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next ten."

So it is in 2016. Most of the changes we anticipate go back a number of years and might not come to fruition for another two or three. Further, the organization that conceives the idea might not be the one that ultimately reaps the rewards. We see that today with creative startups that challenge established players... organizations spun from the same cloth as Amazon, Uber, eBay and airbnb, companies that have developed technology-based ideas and business models that have reshaped entire industries.

So as we look at the ideas and technologies that will impact enterprises in 2016, we are really looking at macro changes in our field and then taking a snapshot of developments that will play out over a much longer span of time. As Bob Dylan sang in "The Times They Are a Changin'", "And don't speak too soon 'cause the wheel's still in spin, and there's no tellin' who that it's naming."

UC&C - THE RISE OF THE LATTER "C"

Unified communications, the integration of communications tools including voice, video, email and text in single dashboard with presence capability to allow users the ability to see a correspondent's availability status (Available, Busy, On Phone, In Meeting, Out of Office, etc.) has spawned an additional "C" for "collaboration". It is that latter "C" that will grow in importance in 2016.

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Now, through UC&C, users have access not only to their communications tools but the full range of collaboration capabilities including audio and video conferencing, web conferencing and screen sharing. Typically, collaboration delivers the greatest value from the UC&C solution and the greatest ROI to organizations.

The ease with which conferences can be scheduled or set up ad hoc and the click-to-join function is an obvious time saver, and vendors add new tricks and twists with each new release. However, the mix of conferences that are being held is changing.   The traditional audio conference still dominates the category, but more and more of those conferences involve a web or screen-sharing element. The single biggest development is the growth of ad hoc video, either through the UC&C platform or through the public cloud-based versions like Vidyo, Blue Jeans or the old stalwart, Skype.

Importantly, video is no longer a "Hollywood production." Cisco introduced its TelePresence offering in 2006 and continued with the acquisition of Tandberg in 2009, and each new model offered better HD resolution and generally required more network bandwidth (thereby selling more Cisco switches and routers). These high-end TelePresence systems called for specially designed rooms with adequate and properly configured lighting and usually required on-call technical staff to manage any glitches when the CEO's conference didn't launch as planned.

While high-end rooms are still there, more conferences are originating from huddle rooms, desktops or from work-at-home users. And the only technology you need is a Skype (or Vidyo or Blue Jeans) account, a Logitech camera and a decent residential broadband connection.

UC&C MORPHS INTO WCC

While UC&C moves along apace, a new set of offerings is taking UC&C in a direction that analyst Dave Michels of TalkingPointz has termed Workstream Communications and Collaboration or "WCC." Where UC&C is focused on integrating communications, WCC is a new way to organize and manage collaborative projects.

Unify was first out of the gate with this solution that was introduced as Project Ansible and subsequently rebranded as Circuit in 2014. Cisco followed the next year with Project Square, which has now been rebranded as Spark. Microsoft doesn't

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currently have a "packaged" capability of this type, but most of the elements are available through the Groups function in Skype for Business (formerly Lync), SharePoint and the other Microsoft productivity tools.

A number of startups also jumped into the space, led by Slack who claims more than 2 million daily active users. Other start-ups include Redbooth Glip (acquired by Ring Central), and Fuze (acquired by Thinking Phone Networks). In addition, Mitel and some other UC&C vendors are reportedly planning to enter the WCC space.

The premise of WCC is to find an alternative to email for coordinating collaborative projects. You could think of WCC as a form of persistent chat, but as the products have matured, the vendors added a lot more capabilities. When a project team is assembled, a joint workspace is configured and all of the team members are provided access. In Circuit, these shared workspaces are called "conversations" and in Spark they are called "rooms." All project communications are conducted through that shared workspace. Participants can also upload documents, files, videos and other supporting material.

Text was the first mode of communications supported, but as these platforms have matured, the vendors added the ability to establish voice or video calls through the workspace, and set-up conferences as well. Essentially, these platforms now allow access to all of the same communications and collaboration tools as a traditional UC&C platform.

It is difficult to say if WCC is an alternative to UC&C or just the next generation of UC&C capabilities, but their adoption is certainly one of the biggest developments to watch in 2016.

THE CLOUD - OF COURSE

One key thing about WCC solutions is they are all 100% cloud-based; no one is offering a premises-based version as yet, nor have they announced any plans to do so. However, this shouldn't be surprising for two reasons.

Cloud-based services are exploding. While the market for premises-based PBX and UC&C systems is essentially flat, most estimates peg the growth of cloud-based alternatives in the 30% to 40% range. And in many cases, it's not just a matter of cost. In reality, most analysis shows that when all of the support costs are included, cloud solutions are generally more costly after the first two to three years. Organizations are going to the cloud for business reasons more than for purely financial considerations.

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The other reason is that cloud reflects the consumer model of delivering a new service. First it was "bring your own device", typically a consumer inspired one like the iPhone, but then it morphed into "bring your own application." Now we're starting to see enterprise suppliers emulating the business models and roll-out plans of consumer suppliers with "freemium" options to entice user adoption.

The key with cloud is that it now a business issue as opposed to a strictly dollars-and-cents issue. Enterprise C-levels are looking to outsource all non-core tasks so they can focus resources on the capabilities that are truly unique to their organizations and best able to produce business results.

THE DECLINE OF VOICE

People like to talk, so voice will never fully disappear; however, its usefulness in the traditional enterprise model is indeed declining. The best evidence is the fact that some enterprises are now seriously considering shutting down their voicemail systems. Companies like Coca-Cola and JPMorgan are discovering they can save money by doing away with voicemail and get almost no negative feedback from users…this is particularly true of young users who may never have left a voicemail message in their lives!

It is somewhat ironic that voicemail is on the wane as UC&C continues to grow. One of the first big capabilities touted for UC&C was unified messaging where users could get sound files of their voice messages sent to their email. Of course, you could also get your faxes that way too, if someone could find a fax machine to send you one.

Voice will survive in certain applications, particularly audio conferencing and contact center. However, increasingly we are seeing audio conferences (and even one-on-one calls) augmented with web conferencing or screen sharing. (With regard to the contact center, I'd love to see a study that tracked the average age of callers to a contact center. I know my mother-in-law still calls that toll free number to listen to music on hold but my son certainly doesn't!). In the meantime, the contact center industry is moving as quickly to the multi-modal contact center model where reps field text chats, emails and social media interactions as well as voice calls.

THE ASCENDANCE OF TEXT

While traditional person-to-person voice calling is in decline, text is skyrocketing. What started with AOL Instant Messenger, then matured with mobile short message service (even when we had to compose those messages on a 12-button keypad), exploded with the introduction of smartphones. However, text remains a Tower of Babel, a problem we hope the industry will start to tackle in 2016.

The vehicles people use for text are changing. In the US, traditional mobile SMS usage peaked in 2012. Its clear users are not giving up on text; rather, they have switched to other options. The first major breakout was BlackBerry Messenger, but now Apple's Messages, WhatsApp, and the texting capabilities in Facebook and the other social media platforms have clearly taken over. Unfortunately for enterprise users, the UC&C texting capabilities remain largely outside the mainstream. A few do offer the capability to inter-operate with SMS, but none are able to tap into Messages, WhatsApp or the other popular IP-based services.

The mobile industry has done a decent job of interconnecting the non-UC&C texting options, but we're still waiting for the one fully integrated texting app that will bring all of these various capabilities together. Apple has probably done the best job in integrating Messages, SMS, AIM and others (including Cisco's Jabber) on both Macs and iPhones/iPads, but we still have a long way to go.

In the meantime, we will still see lots of enterprise users in front of their PCs with the big monitor and full-size keyboard and texting away on their mobile devices.

CONCLUSION - MORE CONSUMER, LESS FUSS

We are in the midst of an epic shift from expensive, heavy-duty but limited function enterprise oriented solutions to lighter, cheaper and embarrassingly, more functional consumer-oriented solutions. That migration will continue and even accelerate in 2016. Driven largely by the mobile industry, enterprise users are finding that these consumer-oriented tools build on the knowledge base they have built up through their personal use of mobile technologies, and those tools can offer tremendous boosts in productivity along with a truly engaging user experience.

Certainly there will be specialized applications that still call for heavy-duty solutions, and the security requirements of heavily regulated industries will likely stymie the adoption of these consumer alternatives in those environments, but those will be the exception rather than the rule. Users are demanding the types of tools they have found in their personal lives and will demand the same type of experience at work. IT can fret about the loss of control, but the genie is out of the bottle, and we will have to embrace the solutions users are calling for.

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