

Unified Communications: Holding Its Own in Tough Economic Times



An Analysis by Steven Taylor and David DeWeese

Introduction and Key Findings

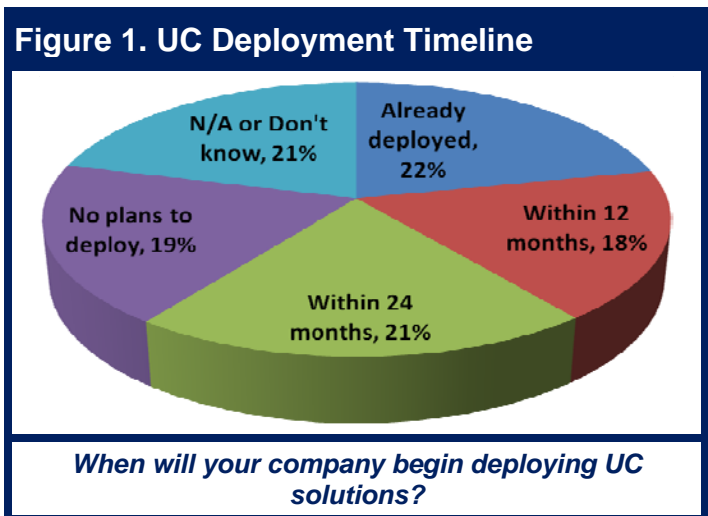
In April of 2009, members of two Nortel user groups - the International Nortel Networks Users Association (INNUA) and the Nortel INSIGHT100 large-campus user group - were invited to participate in a survey about Unified Communications (UC). Roughly 75% of the survey respondents were located in North America, with another 15% in the UK. Respondents in the education, healthcare/pharmaceutical, government, and telecommunications industries comprised the largest number of respondents (48%, collectively), though users from oil and gas, finance, manufacturing, retail, and other industries were also represented in single-digit percentages each. For the purposes of this survey, UC was defined as “presence-enabled communications that integrates telephony, desktop and business applications to deliver a unified user experience and to streamline desktop and business processes.”

The key findings of this analysis are:

- UC is still a priority for the vast majority of today’s enterprise organizations.
- Green IT remains important to UC customers despite changing economic conditions.
- A strong correlation exists between how important users think an aspect of UC is and how satisfied they are with the capabilities UC provides.

61% of the respondents reported that they already have or will have begun deploying UC within two years ([Figure 1](#)). This is essentially unchanged from last year when 60% reported plans to deploy within two years. Of course, this does indicate some delay, which is to be expected due to expenditures being frozen or reduced.

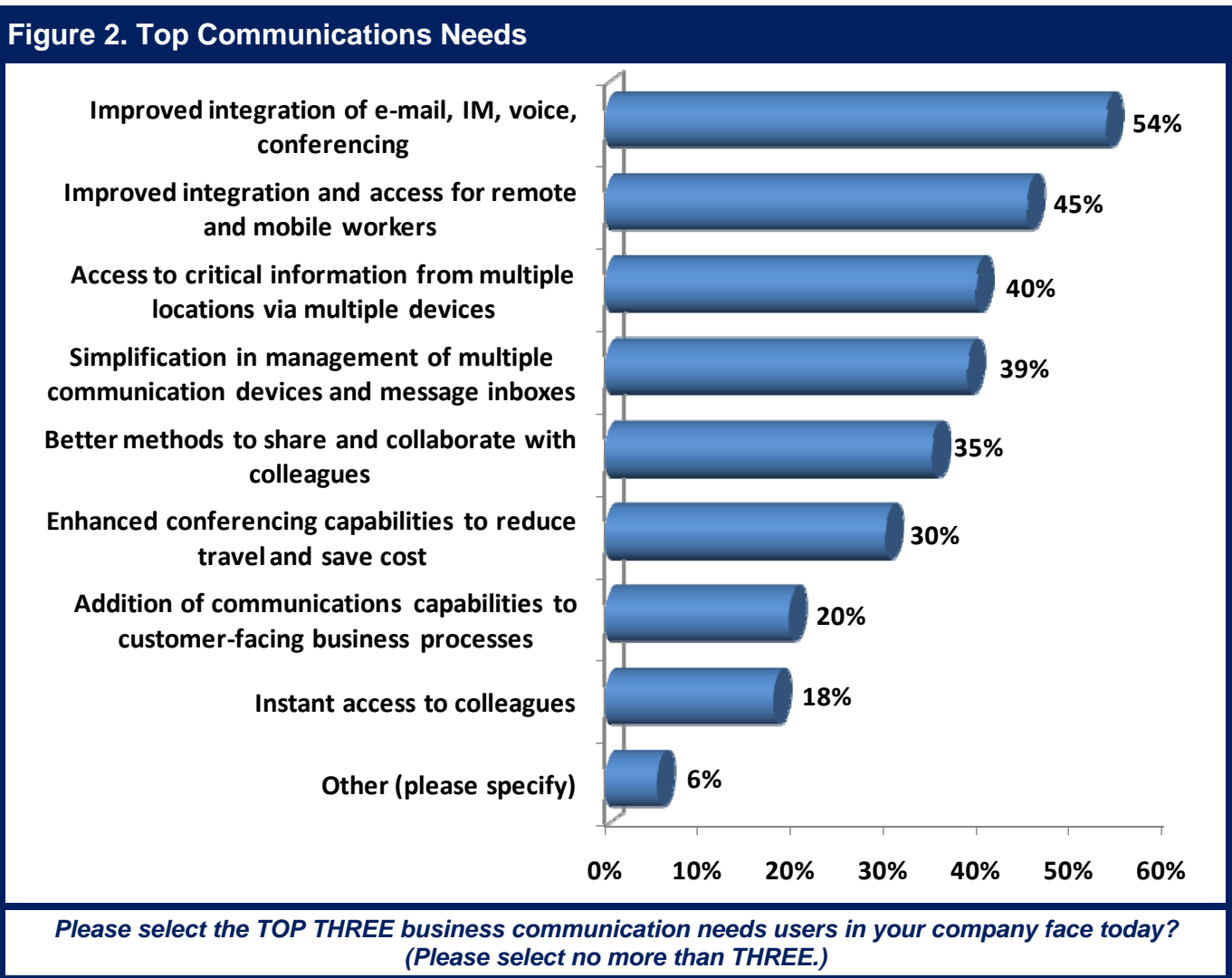
Significantly, though, in terms of relative importance for expenditures, UC moved from fifth out of ten options in 2008 to third out of eleven options this year.



Furthermore, only 6% of the respondents described themselves as being among the first to implement new technology, while 81% of the respondents were more mainstream adopters: 37% described themselves as early adopters who tended to wait “until we see the problems others have had” before implementing, while 44% described themselves as those who tend to do so once a new technology has become widely accepted. Moreover, 44% of self-described early adopters have already deployed UC, so organizations that intend to do so mostly fit the profile of the mainstream adopter, a sign of UC’s ongoing maturation.

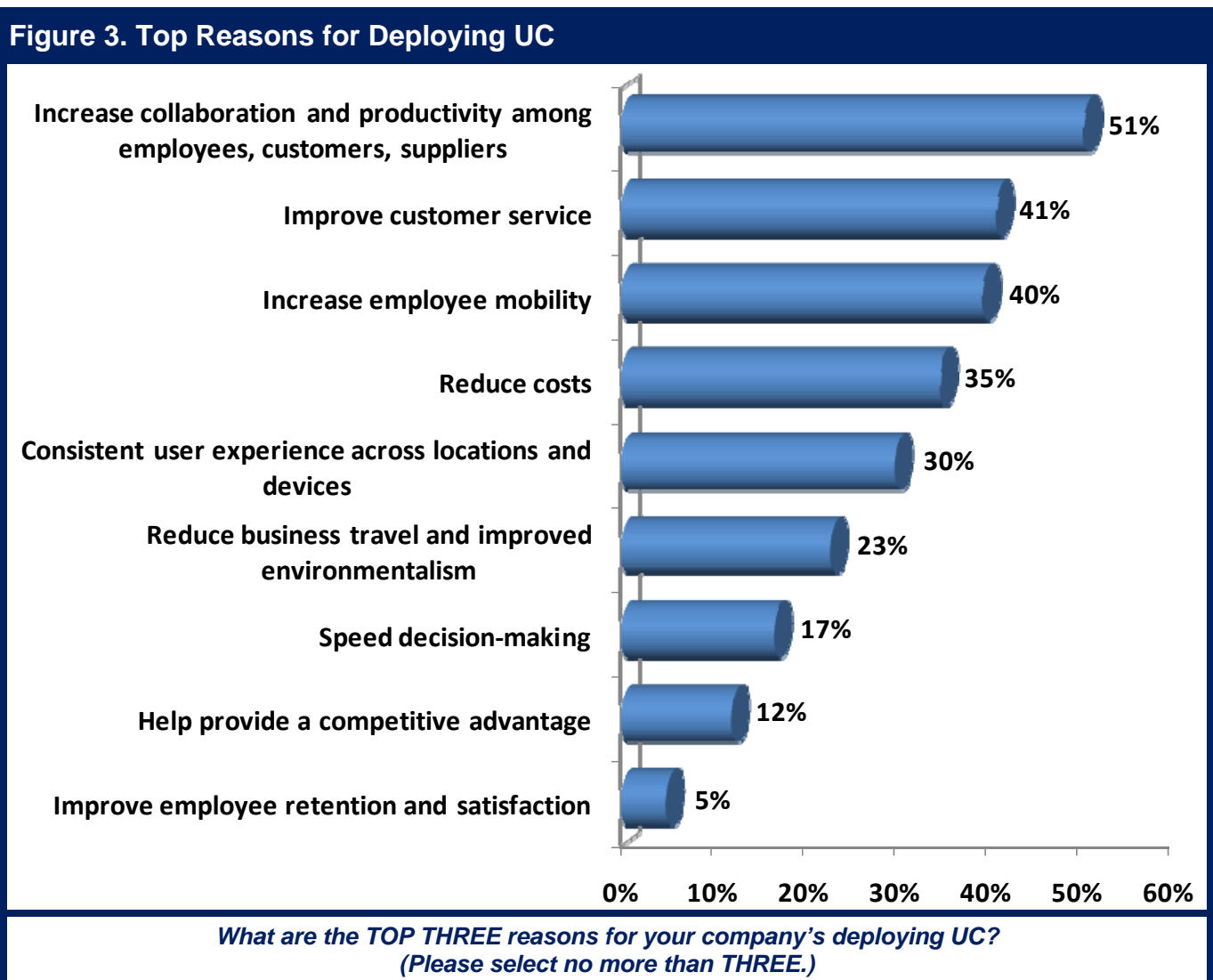
How Does UC Meet Organizations’ Communications Needs?

Survey-takers ranked improved integration as the top communication need for companies today. In fact, the top three choices all reflect a need for better integration among communications technologies or networks (Figure 2).



It is unsurprising, then, that 51% of respondents indicated that one of the top three reasons their company was deploying UC was to increase collaboration and productivity (**Figure 3**). Other popular options that demonstrate that companies are turning to UC to meet their top communications needs are “increase employee mobility” (40%) and “consistent user experience across locations and devices” (30%), which are direct responses to the top three needs reported above. Interestingly, the responses to this question varied little from last year’s survey, despite the differences in market conditions at the time the survey responses were collected. This finding would perhaps suggest that many organizations have already been thinking of deploying UC for some time, since reasons to deploy do not show any significant shift towards direct cost savings.

Working Smarter, Better, and Mobile. As Figures 2 and 3 reflect, organizations are interested in UC for its ability to integrate otherwise disparate methods of communication and improve efficiency. Using UC, employees quickly become armed with relevant information that



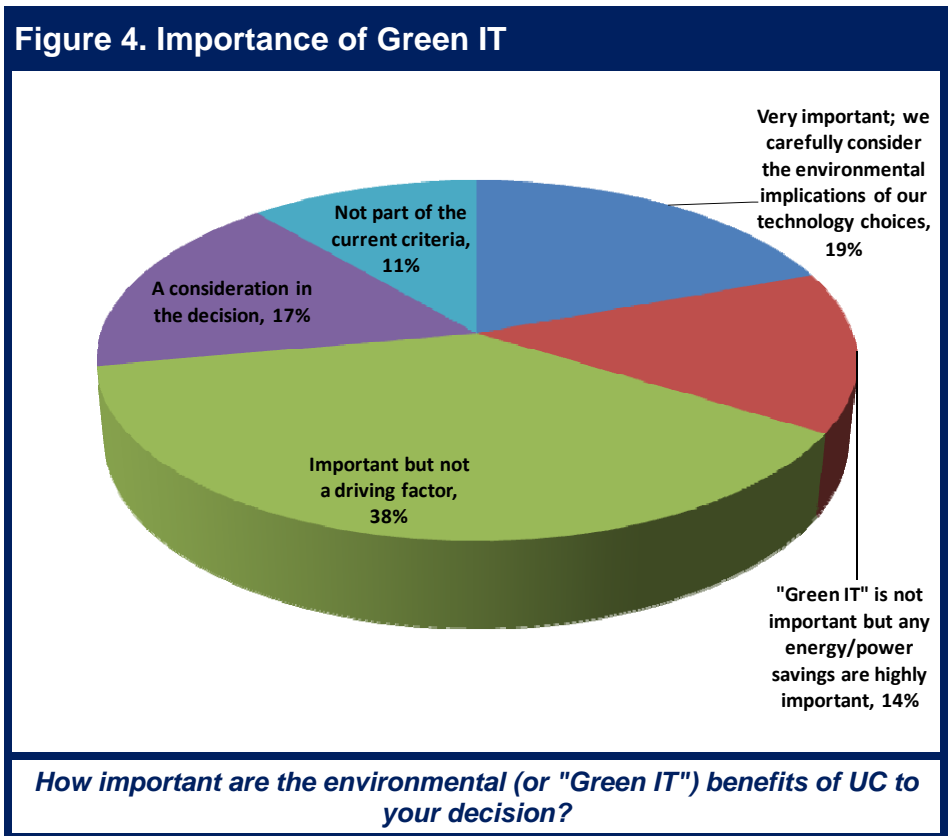
will improve the speed, quality, and flexibility of their response to their coworkers and customers, from any location, at any time.

While it is challenging to put a hard dollar value on “faster, easier, and more efficient” communications, it is intuitive that such benefits improve business processes and accelerate work flow, ultimately enabling individuals to do their jobs better and the organization as a whole to grow stronger. For example, users having to check just one electronic message inbox instead of two or three (business voicemail, cellular voicemail, and business email, for instance) alone has been shown to save at least 20 minutes per user per day, and some studies claim savings of over twice that much time. This is time that employees can spend instead interfacing with customers or otherwise accomplishing “real” work. In fact, using conservative estimates of time savings per day and number of days worked per year, this easily recovers two weeks of work per employee per year.

The benefits of UC become particularly attractive as mobile work forces grow common and allow certain groups of employees to operate closer to their customers, co-workers, and processes. If users were forced to give up information access and have limited communication capabilities when in closer proximity to the people and processes they manage, the efficiency and effectiveness of business operations would suffer immensely.

Responses indicate that this is certainly a concern for our survey-takers, with 40% deploying UC to improve employee mobility, and two of the top communications needs - integration for remote workers (45%) and the ability to access critical information from multiple locations (40%) - both key elements for successful, productive mobile workers.

Green IT. Environmental aspects of UC were important in some way to 89% of respondents (Figure 4). Though 38% said environmental benefits were not a specific driving factor in deploying UC, the same group also described it as “important,” and another 19% described it as “very important.” 14% said that

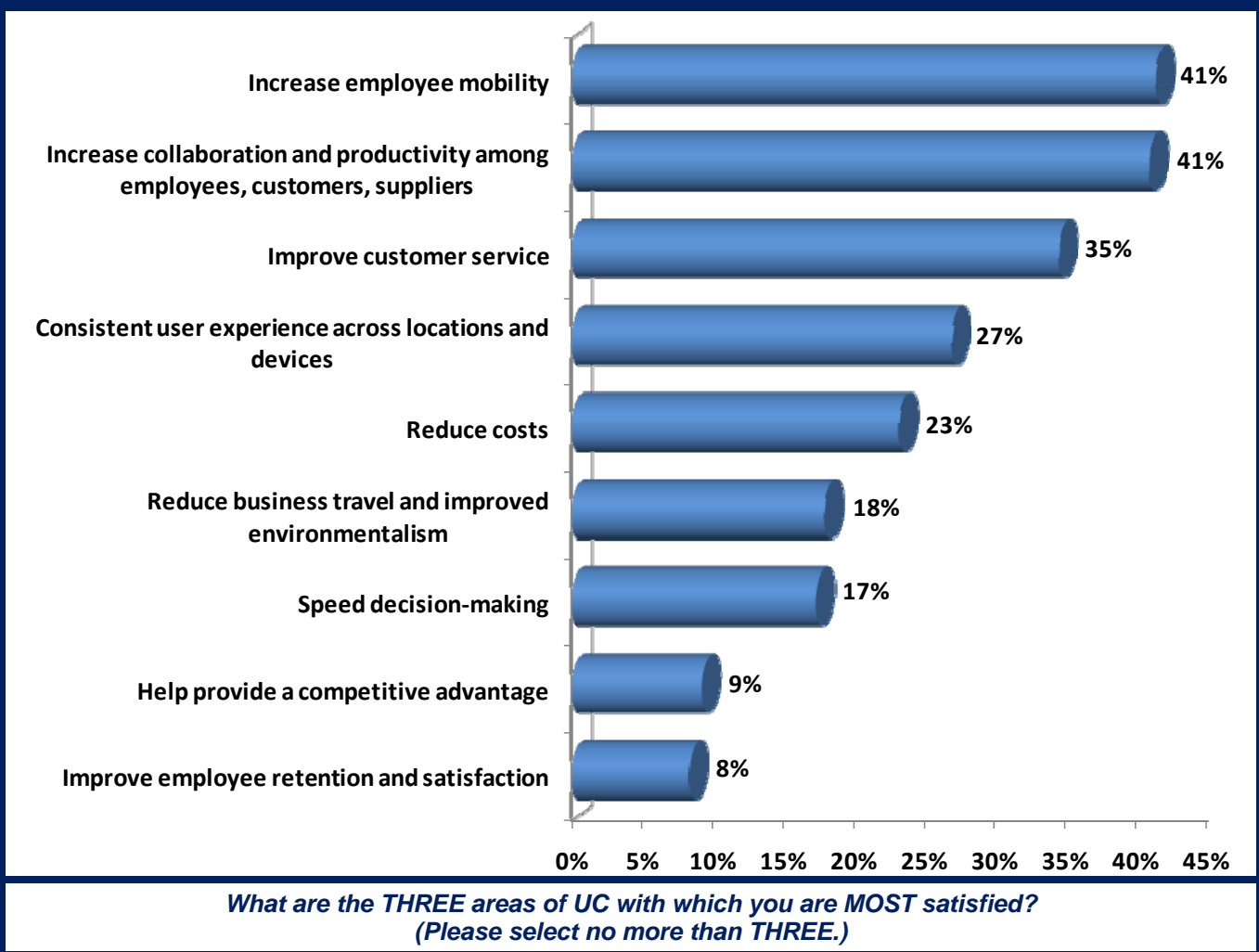


any energy/power savings were highly important, and another 17% said Green IT was a consideration in their UC decisions. These percentages are also little changed from last year's survey, despite the shifting economic conditions. While the current economic downturn may limit the availability of funds for many new projects, the strength of interest in Green IT suggests that organizations are not averse to investing in new technologies that can provide cost reductions.

Importance of and Satisfaction with UC

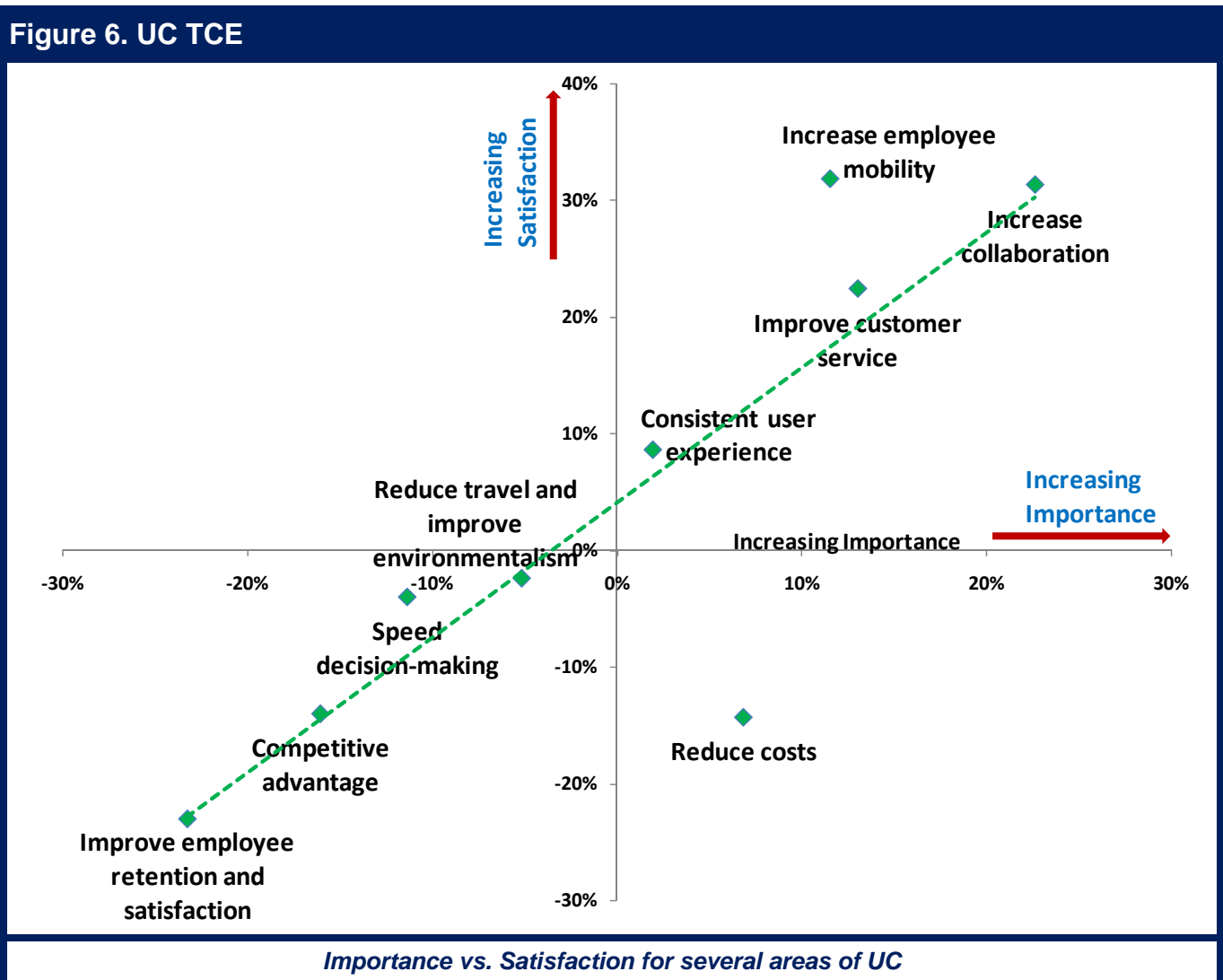
Survey-takers reported that they were most satisfied with the ability of UC to improve employee mobility, closely followed by improving collaboration and productivity (Figure 5). But how well does this mesh with what customers consider most important? It is a very good sign for UC vendors that these are also among the top reasons companies choose to deploy UC, since it suggests a high level of satisfaction with their product. Indeed, when we plotted the

Figure 5. UC Satisfaction



importance vs. satisfaction¹ for various areas of UC, the most important areas typically showed the highest satisfaction (Figure 6). For example, respondents thought that increasing collaboration and improving customer service were the two most important areas of UC, and survey-takers likewise were second and third most satisfied with UC’s capabilities to meet those goals. Similarly, most respondents did not attach much importance to the ability of UC to improve employee retention or provide a competitive advantage, nor were they particularly satisfied with UC’s capabilities in these areas. These results are somewhat unusual; such graphs tend to have no correlation between satisfaction and importance. Overall, this should be considered good news for UC vendors and customers, since users of UC are generally getting the functionalities they most desire from the technology.

There were two major exceptions to this general observation: respondents tended to be happier with increases to employee mobility than the prevailing trend would predict, and less happy with cost reductions. It will be critically important to continue to find ways for UC



¹ Importance is plotted on the horizontal axis, with the percentages indicating a positive or negative difference from the average. Both satisfaction and dissatisfaction were surveyed, and the vertical axis indicates the satisfaction minus the dissatisfaction.

vendors to continue to increase the cost-effectiveness of their products and solutions, or risk decreasing satisfaction or delays in UC deployment growth, but otherwise customers are reasonably satisfied with the capabilities of UC they find most significant. However, UC vendors have a major selling point in their unusually high levels of satisfaction with increases to employee mobility, one of the chief benefits of UC and one of the most pressing communication needs facing businesses today.

Two other minor deviations are positive; respondents were somewhat happier with their capabilities with respect to speeding decision-making and reducing travel than would have been expected from the dominant, linear relationship between importance and satisfaction. Overall, this finding suggests that users of UC are mostly happy with the aspects of UC they want most, while deriving additional benefits from secondary capabilities.

Conclusion

Unified communications technologies and applications have clearly emerged as a top priority for the enterprise. This will ultimately fulfill the need for users to work more collaboratively with their internal colleagues, who are increasingly wanting to telecommute or access organization resources from alternate sites. Helping solve the challenges of teleworking with UC - including unifying the myriad networks and devices associated with the state of being off-site - will help avoid the creation of an unwieldy number of redundant interfaces, message inboxes, and electronic contact lists. Additionally, UC will help organizations address needs for capabilities such as Web collaboration, unified messaging, and conferencing, leading to the fully networked enterprise.

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