



WHITE PAPER

Your PBX Is Killing Your Business

5 Reasons Why You Should Ditch It for the Cloud

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How Your Legacy PBX Puts Your Business At Risk

8 Signs Your Legacy PBX Is Putting Your Business at Risk

1. Your business has suffered from a recent unforeseen event such as a transit strike or natural disaster, and employees could not communicate from outside of the office.
2. Your employees and customers are experiencing chronically poor audio quality.
3. You have difficulty adding new capabilities such as mobility.
4. You face considerable challenges extending communications services to new locations and countries.
5. Remote workers or telecommuters can't access full communications services and capabilities.
6. You have to continually update your server environment to keep your PBX system current.
7. Your key infrastructure components are no longer supported by OEMs, forcing you to buy new alternatives.
8. Your staffing costs to manage legacy communications run high.

Your traditional PBX has served you well. In all likelihood, it's already paid for. So you have a certain incentive to stick with it. That may seem like a safe choice on the surface. After all, changing your communications system is a significant undertaking and entails a certain amount of risk. However, it may be far riskier to stay with an out-of-date and underperforming on-premises PBX.

The longer you keep your PBX system, the greater your risks and costs, including:

- Losing ground to competitors with superior communications capabilities—just imagine what your outdated communications say about your business
- System outages and unplanned downtime that harm your business, reputation, and profitability
- Inability to replace critical components as dated technology reaches end of life
- Attrition of in-house expertise required to maintain legacy infrastructure
- High upgrade costs associated with keeping server environments up to date

However, the most potentially damaging issue with your legacy PBX is that it just can't keep pace with soaring demand for innovative communications. Communication technology is changing rapidly. So are expectations for your employees and customers. Ease of use and rich features are the order of the day.

Trying to wrestle new functionality from your old PBX is a costly and unending struggle. Next generation on-premises converged communication systems are more adaptable than their predecessors, but they can cost millions of dollars. Compared to cloud communications, however, they're prohibitively expensive. And they still lack the agility, functionality, and hassle-free advantages of cloud alternatives.

Increasingly, companies from small businesses to global enterprises are embracing cloud communications. Adoption is projected to grow at a rate of 25-30% a year between now and 2020, according to a 2015 Frost and Sullivan report. Cloud communications, also known as hosted voice over IP (VoIP), are prized for their adaptability, elastic scalability, reliability, and cost efficiency. Moreover, compared to other options, they can accommodate the broadest range of communication needs, including business phone services, collaboration, contact centers, unified communications, and mobility.

5 Reasons to Switch from PBX to Cloud Communications

There are many reasons to leave your aging PBX behind and entrust your communications to the cloud. Here are five of the most critical.

1. Eliminate disjointed, inefficient multi-vendor communications.

Most legacy communications systems are comprised of separate solutions for essential capabilities—often involving multiple vendors.

A typical system might include a PBX for core call control, and different solutions for services such as instant messaging (IM), directory/Presence, web collaboration, video conferencing, and contact center solutions.

Even companies hoping to centralize communications on one vendor, such as Cisco, find that in order to meet all of their needs, they still must deploy individual solutions, such as Cisco Unified Communications Manager, WebEx, Jabber, and Cisco Unified Contact Center Enterprise. Disjointed capabilities such as these can have a crippling effect on the productivity and effectiveness of your entire organization. For example:

- Point solutions offer little cross-platform integration. As a result, business users encounter inconsistent experiences from one solution to the next, and often have to enter multiple passwords to access different services.
- The siloed, multi-vendor nature of legacy systems introduces complexity at every turn—from deployment to management, and maintenance to troubleshooting.
- Disconnected communications result in slow response times that erode customer satisfaction, diminish sales, and reduce revenues.
- Vendor lock-in for devices and infrastructure trap you into paying more over time to replace components as they become out-of-date or deteriorate.

With cloud communications, you can eliminate silos and unify communication capabilities into a single, tightly integrated system.

Cloud platforms from top vendors gracefully join together such services as business phones, collaboration, and contact center. These systems also integrate a broad spectrum of essential services such as presence, IM, and Web collaboration. Integrations can even extend to customer relationship management (CRM) tools and other productivity apps.

In addition, with cloud VoIP, you can eliminate the enormous time and cost associated with deploying, integrating, and managing disparate multi-vendor technologies. You can consolidate vendor relationships for unified communications, and also for such services as local, toll-free, international calling and MPLS. Indeed, some cloud communication providers simplify vendor management to the point that even the largest multinational enterprises are able to get all of their communications services consolidated on one monthly bill.

2. Easily scale communications as your business grows.

Traditional communications platforms are too rigid to accommodate growth. As businesses undergo mergers and acquisitions, move offices, launch new international locations, and hire new teleworkers, your communications must be able to adapt quickly.

Regrettably, that's not an option with on-premises PBX. Scaling services on these systems can be slow, labor-intensive, and expensive, involving countless nests of wires, routers, and switches. For example, think of the time and resources it currently takes you to administer moves, adds, and changes (MACs) for employees in just one location. Now imagine having to do the same for multiple locations spread across the globe, each with its own on-premises solutions and unique needs. This issue is among the **8 Signs Your Legacy PBX Is Putting Your Business at Risk** listed in the sidebar on page 3.

A cloud-based system gives you the flexibility to quickly adjust communications capacity to precisely match the needs of your enterprise at all times.

Cloud VoIP enables far greater business agility than traditional systems. Add new lines, phones, and locations whenever you need. Or disconnect them. Cloud systems require only a public Internet connection—while also supporting MPLS and private network connections. So there are no phone wires to run and no infrastructure to nurse. All the complexity moves off premises, off your plate, and into the cloud. Whether you're opening a new office in Boise or Berlin, employees can have sophisticated communications services in a matter of weeks versus several months.

And because cloud systems often combine multiple capabilities, you can rapidly scale not only phone services, but everything your enterprise requires—phones, conferencing, contact center, unified communications, and mobile capabilities—incrementally or all at once.

3. Add new communications features your business needs to survive and thrive.

In today's hyper-connected world, employees demand an entirely new realm of communication features that last century's PBX systems were never designed to support. Consider mobility. According to a 2015 study conducted by Citrix and Forrester, 85% of employees use a mobile device for work. That figure will only grow in coming years.

And yet most traditional PBX systems, with their hard-wired infrastructures, can't easily accommodate the needs of an increasingly wireless, mobile world.

With PBX, executing a BYOD strategy is a painful endeavor. Using these systems, it's often not feasible to bring even such basic communications features such as "find-me follow-me" call forwarding and voicemail notification to mobile devices.

Beyond mobile, traditional PBX also makes it hard to incorporate other popular features such as video conferencing and Presence, or to extend communications into other business applications. For example, sales and support staff are far more productive when the CRM

applications they rely on are "communications-enabled," with built-in web dialing and automatic communications-logging capabilities. However, adding such features with traditional systems, when it's possible at all, often requires expensive customization and professional services. New features may also be tied to hardware, which limits choice and increases costs.

Cloud communications support whatever features employees and customers want—today and down the road.

The versatility and agility of cloud communications make them ideally suited for deploying the full range of features that empower people to be more productive and effective anywhere business takes them. In a cloud-based system, even highly sophisticated features such as mobile collaboration, hot desking, call monitoring (barge, monitor, whisper), and CRM integrations, are readily accessible and simple to use.

What's more, cloud solutions enable seamless, continuous communications experiences. For example, from a single application and a single workflow, employees can easily locate contacts, check Presence, and access click-to-chat, click-to-call or even click-to-collaborate features.

And unlike legacy PBX, cloud communications make it easy for companies to deploy new features centrally and remotely over the Internet, and with minimal IT assistance. In addition, with cloud systems, new features support a corporate BYOD strategy, substantially reducing IT costs.



4. Gain critical visibility and insight into your communications.

When it comes to gauging the effectiveness of business communications, traditional PBX implementations leave you in the dark. They offer little in the way of reporting or analysis. For starters, the fragmented, proprietary nature of these patchwork systems makes it very difficult to perform analysis.

What scant insights you can extract from legacy technology are so slow and cumbersome to produce and so piecemeal as to be all but unusable in any practical sense. Without access to timely, relevant data, you lack critical insight and accountability over your investments in your communication systems.



With a cloud-based platform, you can glean profitable insights from all your communications.

In contrast to legacy systems, cloud communications are cohesive across the full spectrum of individual services. They also use open technologies, so they integrate readily with advanced analytics and reporting capabilities. With the visibility and transparency you get from cloud communications, you can replace hunches and guesswork with data-driven insight to make more informed business decisions.

To get the most from analytics, consider cloud-based platforms that offer versatile interactive dashboards and custom reports. They enable you to monitor and track such aspects as active calls, unreturned calls, agent performance, and call queue status, allowing you to quickly identify areas that need improvement. Look for these and other critical capabilities in the section, **8 Questions to Ask When Assessing Cloud Communications Providers** on page 7.

5. Maintain communications at all times, even during unforeseen disasters and events.

Of the many shortcomings of traditional PBX systems, their lack of adequate disaster recovery and business continuity may be the most serious. On-site legacy systems are not designed to provide continuous connectivity in the event of outages from natural disasters and other events.



For example, disruptions due to aging PBX infrastructure components, transportation strikes, and major construction projects can shut down all or part of a PBX system without warning. The costs from service disruptions can be severe, ranging from tens to hundreds of thousands of dollars an hour. Moreover, communications failures can place employees and customers at risk and cause lasting damage to your company's brand and reputation.

With a cloud communications system, your business stays connected.

Cloud VoIP assures high availability, disaster recovery, and business continuity by design. Unlike traditional on-site PBX, there is no single point of failure in a cloud implementation.

Instead, the best cloud communications systems are hosted on redundant, geographically dispersed data centers. If one server in one part of the world fails, connections are continuously maintained on other mirrored servers in the system, so there are no service disruptions. In the event of a loss of Internet connectivity, for example during fires, earthquakes, or severe weather, calls in a cloud-based system can automatically route to mobile phones. No matter what happens, employees can still connect with customers using their business number.

In addition, if headquarters locations go offline, cloud VoIP offers the flexibility to connect via the Internet remotely (e.g., via a Web browser and desktop and mobile apps from home or branch locations).

8 Questions to Ask When Assessing Cloud Communication Providers

Cloud communications clearly offer superior advantages over traditional PBX. But not all cloud communications providers are alike. It's essential to look beyond features and functionality. Here are eight topics to ask a cloud communications vendor about.

1. **Security and compliance:** Do they offer third-party validated compliance with standards such as PCI-DSS, FISMA, HIPAA? How do they secure communications?
2. **Global coverage:** Where are their data centers located and do they provide geographic redundancy? In which countries do they provide international local, toll-free, and local number porting services? When employees travel internationally, how are calls routed to ensure optimum quality and lowest lag time?
3. **Reliability:** Can they offer a service level agreement (SLA) for a minimum of 99.99% uptime with financial backing?
4. **Call quality:** Can they guarantee a minimum call quality of 3.0 MOS (mean opinion score) over the public Internet or over MPLS?
5. **Deployment:** What is their average time to deployment?
6. **End-to-end communications:** Do they offer the full breadth of capabilities you need across phones, contact center, unified communications, conferencing and mobility?
7. **Application integration:** Do they offer out-of-the-box integrations with CRM and other business productivity tools?
8. **Analytics:** Do they offer more than just Call Detail Records? Do their analytics tools include interactive dashboards?

Conclusion

It may be painful to contemplate, but the reality is that your PBX is not going to get better with age. In today's ultra-competitive environment, maintaining the status quo is no longer an option. Compared to your existing system, cloud communications are extremely cost effective, low risk, feature-rich, and far simpler to manage and use. And unlike your PBX, a cloud-based system ensures your communications are always available, even during disasters. It's time to leave your outdated technology behind and explore the many competitive advantages of cloud communications.

About 8x8

8x8, Inc. (NASDAQ:EGHT) is the trusted provider of secure and reliable enterprise cloud communications solutions to more than 40,000 businesses operating in more than 100 countries across six continents. 8x8's out-of-the-box cloud solutions replace traditional on-premises PBX hardware and software-based systems with a flexible and scalable Software as a Service (SaaS) alternative, encompassing cloud business phone service, contact center solutions, and conferencing.

