

In this issue:

What phone system model (Hosted, Premise-Based, Managed) is best for my business?

Hello, and welcome to the January 2010 edition of ListenUp!, your source for the latest news and expert advice about the world of business communications and data solutions.

Confused about whether your business should be buying a new phone system, going hosted, or using a managed program? In our feature article, we explore all the items you need to consider about all three so you can make the choice that's best for your business.

More articles to check out:

[ETA's Brand New, Hi-Tech Home](#)

[ETA Employees Step Up with Toys for Tots Donation](#)

[ETA Volunteers Help Low Income Families Get Computers](#)

[Mitel "Simply Communicating" Tour Bus to Visit ETA 1/27/10](#)

Hosted, Managed or Premise-Based Phone System: Which is Best for My Business?

With the overload of information and options out there, figuring out what kind of phone system is right for your business can be difficult and even frustrating - Especially if you're not technical. And of course, you can't count on providers that only offer one type of solution to deliver objective advice, either.

That's why we put together a plain-English comparison of the three models of phone systems: Hosted, Premise-Based and Managed. At ETA, we believe in helping our customers understand how their investment in technology will pay their business back - Which means knowing how they work and how they're priced.

Hosted PBX (Hosted VoIP) Systems

Overview: Hosted PBX, or Hosted VoIP (Voice over IP), represents the latest wave in phone system technology. With Hosted PBX, the phone system server resides in the provider's data center instead of your office. Voice and data traffic is routed over the public switched telephone network, or PSTN, to the hosted system. Since the system itself is offsite, Hosted PBXs offer Web-based access to configure the system, define how you want calls to flow, view call detail records and billing information, listen to and delete voice mail, and more.

Operational/Pricing Model: There are two predominant ways Hosted PBX providers structure their pricing. For simplicity's sake, we'll call them "Service-Only" and "Bundled."

In the Service Only model, companies pay a monthly fee to use and access the Hosted PBX in addition to their carrier services costs (local, long distance, Internet, etc.) Companies opting for this model also take on all hardware costs such as Power over Ethernet (PoE) switches and VoIP phones - In other words, the equipment you need at your location. Most providers sell phones and equipment that are certified to work with their system but also allow customers to buy their own equipment elsewhere, albeit with no guarantees of compatibility with their system. This model is typically a good fit for smaller companies on a tight budget, who don't have in-house staff for ongoing system management.

In the Bundled model, companies pay a "per extension, per month" charge that includes the cost of a phone (usually a "standard" model with basic functionality), a fee for using the Hosted PBX, and sometimes a bundle of included domestic calling minutes. This model is typically good for smaller companies (up to 15 employees) who want an easy way to control costs and the flexibility to add extensions as needed.

Though both of these models can provide smaller companies ways to get robust VoIP functionality on a budget, we've found that they often can become cost prohibitive when scaling to larger numbers of employees. That's why we like [VoxNet Hosted PBX's VoxScale](#) plan.

VoxScale allows you to seamlessly scale your phone system as your business grows. Plans include pre-built blocks of extensions, allowing you to easily add new users on the fly.



Which Phone System Model Can Score for Your Business?

ETA Employees Step Up with Toys for Tots Donation

Last holiday season, with only 10 days left until Christmas, the Philadelphia area Toys for Tots team was beyond upset. With donations woefully under goal, the Marine Corps was worried they'd be unable to deliver toys to thousands of children in need.

Fortunately, with the help of an all-out media blitz, the public overwhelmingly responded - By more than doubling the amount of toy donations needed. The final tally: About 139,000 toys vs. the original goal of 60,000.

ETA was proud to be part of this successful season, though our donation drive started 6 months earlier. ETA was able to almost fill our lobby with toys purchased through employee donations.

So when Toys for Tots decided to up the ante this year and raise their goal to 150,000 toys, ETA employees were once again up to the challenge.

This year, ETA was overjoyed to donate over \$1,300 worth of toys to this worthy cause. The toys once again overflowed outside of our collection bin and piled up down the hallways of our new office. The funds for these toys were raised with weekly donations from ETA employees over a 6 month period.

To learn more about Toys for Tots or locate a donation center near you, visit www.toysfortots.org.

VoxScale plans come in groups of 10, 20, 50 and 100 extensions, but can be customized to the size of your business as well. VoxScale plans include an extensive set of rich features, unlimited auto attendant menus, and the ability to customize your shared usage plan across all users in all of your locations. You then simply just choose the usage plan that fits your business best. You can either "pay as you go" or choose a plan that includes unlimited domestic inbound and outbound calling and low International rates.

Pros:

- Cost-effective way for smaller businesses to get rich VoIP functionality
- Minimal IT involvement needed to install solution
- Easy, online access to administer features, manage the system, and add/delete users
- Scales easily in small businesses (Service-Only/Bundled) or larger businesses (VoxScale)

Other Considerations:

- System improvements and upgrades are performed on the provider's schedule and may not be available when you want or need them
- Upfront costs can be substantial depending on level of VoIP infrastructure needed and phones that need to be purchased
- Many providers are start ups, so you'll need to decide if you have concerns about whether they'll go out of business or consolidate with another vendor

Premise-Based PBX/VoIP Systems

Overview: Premise-based PBX and VoIP systems are solutions where the equipment - Including phone system servers, cabling and routers - are installed and maintained locally at your company's place of business. System providers are typically affiliated with large, national or multi-national manufacturers with substantial staff dedicated to product development and engineering. This high level of support helps ensure system hardware and applications are constantly updated to meet the emerging needs of the marketplace.

Premise-Based systems can be digital, VoIP or a hybrid of both. While many companies want to take advantage of the collaboration, productivity, and mobility solutions VoIP offers, hybrid Digital/VoIP systems (such as the Mitel 5000 system popular with thousands of businesses, including many ETA customers) offer a phased migration path to VoIP for companies without the financial or personnel resources to make the transition all at once.

However, the landscape of premise-based systems is changing. Mitel, the technology provider fueling ETA's premise-based and managed solutions, is working towards providing software-based VoIP solutions that can run on both industry standard servers (Sun, IBM, etc.) and in virtualized environments via VMWare. This will provide a high degree of flexibility, scalability and collaboration by leveraging their existing IT infrastructure.

Operational/Pricing Model: Premise-based systems are purchased up front, and the hardware is owned by the customer. This can be beneficial for companies with fixed IT upgrade budgets and/or sizable dedicated internal IT staff. These systems can either be serviced by the provider via a maintenance contract or internally by the company's IT staff.

Pros:

- Systems and applications can be fully customized to business needs and requirements
- Internal IT teams can make updates and changes to the system on the fly
- Ongoing technology updates available to meet emerging business needs

Other Considerations:

- Substantial upfront capital expenditure required
- Ongoing provider maintenance fees typically increase annually
- Repairs, replacement costs, upgrades, and updates can be hefty expenses if not included in a maintenance contract
- System's business value may never be truly realized because a large number of features are available but never installed or used
- Hardware is a poor capital investment because it loses nearly all of its value before you sell or dispose of it. By investing working capital into depreciating assets, you eliminate the potential for that money to generate positive cash flow back into your business

ETA's New Hi-Tech Home: We Are What We Offer

If you've ever visited ETA for a demonstration or strategy session, you might have heard Chris Aldred, our Marketing Programs Manager, talk about how we "eat our own dog food."

Of course, you won't see cans of Alpo littering our office - What he means is that we believe SO strongly in the technology we provide that we not only use it all ourselves - We LIVE it. That's why we designed our brand new office PA to take maximum advantage of the productivity, collaboration, and efficiency enhancing voice and data solutions we offer.

This is evident from the time you walk into the building - And see our network room right in front of you. Every last piece of equipment in this room - Phone system and application servers, network security devices, and more is used every day by ETA employees.

Make a quick right into our Network Operations Center, and right away you'll see several big screen TVs displaying vital call center statistics for our help desk and network monitoring tools we use to stay on top of the status of critical services our customers rely on to keep their business up and running. These impressive, flashy screens are highly visible examples of technologies we both use and provide to our customers.

However, the area of our new office that showcases our most extensive use of technology isn't so obvious: In fact, if no one pointed it out, you'd probably walk by it without giving it a second thought.

Why? Because it's a row of mostly empty cubicles... affectionately known to ETA employees as "Hotel Row." And it's impressive because it's the ultimate example of how we use our technology to make our own business better.

These "hotel" cubes are where our Virtual Office (VO) team works when they're in our office. ETA made the decision to "Go VO" when we moved to our new office to help increase employee productivity and reduce costs - All while we continue to expand our business. In fact, by adopting VO, we were able to keep our new office the same size, even considering our aggressive growth plans for 2010 and beyond.

However, we wouldn't have been able to do it without our "Dog Food": In other words, VO-enabling technologies like Voice over IP, Unified Communications, Audio & Web Conferencing, SSL VPN and more.

Managed PBX/VoIP Systems

Overview: With managed phone system programs, providers offer all the equipment, software, and technical expertise needed for a company to reap the benefits of the system's functionality without the costs, risks, and headaches of owning the equipment.

There are many flavors of managed phone system programs, but the best ones include some level of maintenance, remote access services, fixed pricing for commonly added items (i.e. wireless headsets), end-user training, discounts on future relocations and more. This allows companies to select the technology they need when they need it, eliminate financial risk and cost uncertainties, and get technical expertise and support from a team of specialists with extensive expertise deploying and maintaining the technology to a wide range of businesses.

Operational/Pricing Model: With a managed phone system program, companies pay a flat monthly fee for the hardware, support, and services provided in the program. At the end of the program term, customers have several options, including upgrading to a new system or continuing in the program.

At ETA, a large number of our customers choose to take advantage of MyWay™, our innovative managed services program. MyWay™ helps free up capital and overcome budget limitations by eliminating the hefty downpayment, maintenance fees that increase annually, and significant replacement costs associated with traditional purchase programs. This empowers our MyWay™ customers to tailor their business communications platform to their exact specifications - Something they often otherwise could not afford to do. MyWay™ has also empowered many of our customers to take advantage of the latest advances in technology without having to invest significant upfront capital.

Pros:

- Get the benefits of premise-based technology without the upfront costs, annually increasing maintenance fees and replacement costs
- Round-the-clock access to support and service by technicians and help desk personnel with extensive experience programming, servicing, and deploying the technology in a wide range of business environments
- Control ongoing costs and reduce financial risk. Programs can include free or discounted software upgrades, technology refresh programs, free or discounted end-user training, site relocation discounts and more
- Enjoy discounted, fixed price upgrade options for commonly added items

Other Considerations:

- Internal IT staff not able to make programming changes on the fly
- Companies with fixed, one time budgets may not be able to take advantage of managed programs
- Best payment terms based on credit worthiness

We hope this overview helped answer some basic questions about the difference between Hosted, Premise-Based and Managed Phone Systems. However, if you'd like personalized expertise to help determine what option might be best for your business, please reach out to your ETA representative or [email us by clicking here](#). We're happy to work with you to thoroughly understand your company's needs, business requirements, and budget and determine what type of phone system is best for you.

Mitel "Simply Communicating" Tour Bus to Visit ETA Wednesday, January 27th from 9:00-12:00!

Get on the bus - The Mitel Simply Communicating Tour Bus!

ETA is proud to host the Mitel Simply Communicating Tour Bus, a travelling technology road show that gives you a chance to get up close and personal with Mitel productivity, collaboration, mobility, call center and enterprise management solutions. The bus contains several demonstration "pods" that let you experience the power of cutting-edge technologies like Telecollaboration, Dynamic Mobility, Unified Communications, Desktop Collaboration, Virtualized Communications environments, and more.

The Mitel Simply Communicating Tour is visiting 45 cities throughout the US and Canada, but is only stopping in Philadelphia once. Interested in checking out the bus? [Click here to reserve your spot.](#)

ETA Volunteers Help Low Income Families Get Computers



(From Left to Right: Mark Wallace, ETA Carrier Sales Support, Stan Pokras, NTR Executive Director, Chris Aldred, ETA Marketing Programs Manager, Pam Moore, ETA Carrier Coordinator)

Last fall, several ETA employees volunteered their time and energy to help the Nonprofit Technology Resource (NTR) group sort and organize donated computers, monitors, and printers so they could be distributed to those in need. NTR relies almost entirely on volunteer support to carry out its mission, so even small investments of time like this are critical to their success.

Nonprofit Technology Resources serves low-income Philadelphia residents by recycling used computers, providing hands-on training and assisting community-based services organizations to use computers in their work.

For more information on NTR or to make a donation, please visit their Website at <http://ntrweb.org/>. Although all donations are appreciated, NTR is currently in need of Pentium III or later laptops.