

# The voice of reason?

Hailed as the future of telephony, VoIP is really still in its early days but looks promising in what it can offer both in terms of cost savings and usability. Gary Flood finds that some charities have already implemented the technology to their benefit, and others are certain to follow suit

Charities pride themselves on being fanatically responsible when it comes to expenditure on their non-cause items. Every penny spent on admin or keeping the organisational lights on is always one penny less supporting the issue that the trustees are there to make sure is served. This has led to a 'prove it' attitude that has been a very effective filter to any claim on budget – why do we need this now? And technology has been a major focus here: you'd be hard pressed to find a non-profit organisation that features leading-edge ICT (information and communications technology).

But when technologies pass their hype phase and get to a stage where proven returns are demonstrable, that conservatism can start hampering the organisation. Money can often be saved by investing in new hardware or software that can increase efficiency and pare down costs.

This brings us to a form of technology which has previously been seen as non-mainstream, but which charities can now start actively evaluating: convergence – the fusing of what have been two separate networks, voice (telephony) and data (computer) into one. This is now referred to as VoIP (Voice over

Internet Protocol) as this uses the same format for transmission of information as the net itself.

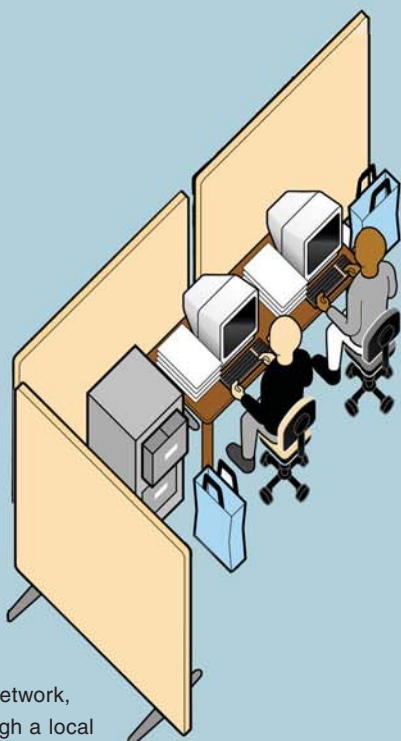
IT analyst firm Gartner Group reports that convergence can cut network costs by up to 80 per cent, thanks to the greater economies of scale and ease of management.

By moving voice traffic onto a data network, you no longer need to route calls through a local operator such as BT. Instead, calls can be directed across the charity's own network, or using a flat-rate network provided by an Internet Service Provider. And most VoIP adopters should see an immediate reduction in communications costs of between 10 and 15 per cent, according to another analyst outfit, Butler Group. In addition, building converged networks is 10 per cent cheaper than traditional systems, and running costs should be 15 per cent lower.

Strong claims? Well, enough commercial organisations have reported benefits that there does seem to be some basis for this. And there does seem to be a general 'straw in the wind' feeling that the days of the standalone telephone system may be numbered. Much of this was spurred by online auction house eBay's \$2.6bn (£1.5bn) swoop on Internet telephony company Skype last September, with the idea being that we'd all, as consumers, soon be making calls over the Internet for nothing.

A lot of that is hype, of course, and there are several reasons why VoIP has taken longer to take off than anticipated. Many organisations felt, for example, that the QoS (quality of service) – i.e. adequacy of voice calls – wasn't up to scratch. But the industry has responded well to these issues and now (depending on the supplier) it is genuinely hard to tell if a call is being made over a copper wire or the VoIP connection. (This isn't so true of Skype or Vonage or other straight internet telephony solutions, but even here users say for staff to staff calls they are perfectly fine).

As with all computer technology there are risks to be aware of. Network security and back up need to be thought through – to these ends some organisations are looking to have converged networks as a managed service – outsourcing its operation to a third party whose responsibility is to guarantee uptime and availability.



## Case Study: The Wellcome Trust

The Wellcome Trust, a major medical research charity based in central London, is in the middle of a major switch to VoIP says its Infrastructure Services Manager Paul Stafford. In 2005 the Trust moved in to its new headquarters but the charity has been evaluating options for telephony within the new building as far back as 2003. "The traditional system used was adequate for where we were then, but not for where we wanted to be. A more dynamic approach to telephony was required, but the decision to place this on the LAN was one that required careful consideration. As the Trust was looking at a green-field site, a decision had to be made to install traditional PABX wiring throughout the building or only provide wiring for the LAN."

The move, he goes on, does have monetary advantages but convenience for employees is almost as big a factor. "Staff at the Trust can work anywhere in the building and log in to a telephone that is instantly theirs, with their extension number and settings ported to that phone. This has been of great benefit to staff who move desk, or who are on secondment. We also have 'wireless' telephones that hang off our existing wireless network throughout the building. Facilities staff who wander about the building are always contactable, security staff can now carry telephones and AV staff are no longer wandering the corridors or work areas looking for a spare phone to make a call."

"Administration and management of the system is far less than it ever has been in the past," he adds. "Functions that were once only available to a telephone system administrator are now available for staff to manage themselves, like setting a call forward remotely; this can now be done via the internet portal. The receptionists can now update numbers and information in real-time, a function that would have required logging in to a separate terminal before to manage."

As for VoIP going forward, the tide may have turned in the general sense that the future of the network is converged. Last month analyst group Informa released research predicting the global income phone companies get from voice 'minutes' over traditional phone lines will decline by \$100bn between the end of 2005 and 2011, a 16.7 per cent drop, mainly due to VoIP.

However, don't chuck your telephone exchange into the landfill just yet. The move to VoIP is still gathering steam and there's no need whatsoever to make a transition without extracting as much value as possible from your existing investment. "If you have over 100 telephone lines we are confident you can make at least 50 per cent savings in phone bills," claims Campbell Williams, head of solutions marketing at technology supplier Mitel, which has a number of non-profit clients. "In pure cost reduction terms it has to be a real option now. But there's no problem in keeping your existing investment going as long as possible.

If your PABX has three years of life in it, keep it, but maybe use VoIP to connect your different offices internally as a stop-gap."

Charities that have taken the leap include a Northern Irish charity called the Greater Shankill Partnership and the Scottish Society for Autism. The former says by linking four previously separate sites in Belfast via a VoIP solution it'll save over £5,000 a year on cheaper inter-office staff calls alone. Meanwhile, The Scottish Society for Autism has used similar technology to link ten of its offices, a configuration its IT manager Colin Sharp says means "we can now work from any location, all of our connected offices can share documents and applications, and the cost of making calls and sending emails throughout the Society has been cut dramatically".

"We can also work more effectively, and that's very important to us as a charity as we can spend more time doing the important things such as fundraising for autism," he adds. In specific pounds shillings and pence terms, the charity says the cost of installing and running the new IP (converged) network is less than the ongoing running costs of the old network, with cheaper admin a major plus.

Another VoIP convert, the Wellcome Trust (see box) is convinced other charities should be following their lead. "Any organisation looking at its telephony should first and foremost look at VoIP as a solution," says infrastructure services manager Paul Stafford. "The cost savings alone on running traditional PABX wiring throughout a building compared to running this over the existing LAN infrastructure is good justification – but when you start to look at the flexibility you get with VoIP, it far exceeds what a traditional system can do."

