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Unified Communications Offers Value To Small And Medium Businesses

*Global Study Indicates Several Benefits For SMB
Professional Services Firms (Part 3 of 3)*

A commissioned study conducted by Forrester research on behalf of
Cisco Systems

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Table Of Contents

Executive Summary	3
Professional Services Survey Responses.....	4
Key Findings From The Survey	5
Summary For Professional Services Firms	20
Appendix: Survey Methodology	22

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Executive Summary

Unified communications (UC) provides an intelligent hardware and software platform that links people to people and people to applications, simply, and it reduces delays found in business communications. UC enables organizations to collaborate more effectively by allowing employees to quickly reach co-workers using only a single telephone number or URL across multiple devices. It integrates telephone features with employees' desktops to allow a worker to identify the availability of co-workers and simply point and click on their PC to reach them via telephone, cell phone, PC, or other communication devices. Additionally, employees can launch ad hoc conference sessions — audio, Web, or video — easily from their desktop and know their co-workers' availability beforehand by seeing their status or presence indicator on their PC. While UC increases worker productivity and reduces communication blocks, it also improves existing business processes such as sales support, problem resolution, and access to experts.

To quantify how UC affects the small and medium-size business (SMB) sector, Forrester Consulting surveyed 374 organizations with 125 employees or less and no more than seven locations to determine the significance of UC in this market segment. Business and technology decision-makers in six countries participated in this survey, including the US (34%), France (16%), the UK (19%), Italy (13%), and Australia (18%). The survey included organizations from manufacturing, financial services, and professional services firms. This document focuses only on the professional services segment. See parts one and two for detailed findings on the financial services and manufacturing firms.

The overall survey asked participants how certain UC capabilities would affect their operations but were not given the name of any specific product or company. The following section describes the key findings across the three different vertical markets. Although there were some differences by country and industry, the survey confirmed that:

- SMBs are increasingly challenged to respond quickly to customers, manage rising costs, and attract qualified workers.
- UC enables smaller companies to communicate more effectively and improve core business processes, resulting in greater operational efficiency.
- The study reveals that with unified communications, SMBs could improve responsiveness to customers, decrease time to resolve problems, speed approval processes, and better support mobile workers.

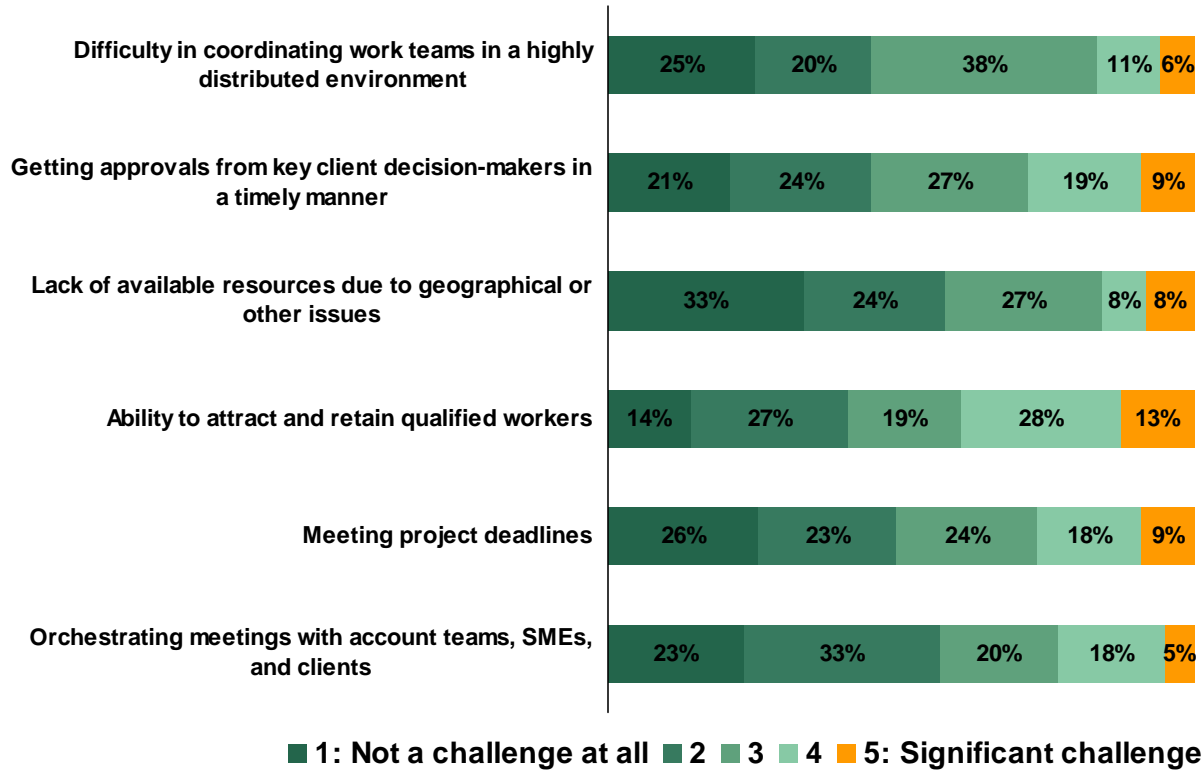
Although there are several benefits among those surveyed, there are also some differences about how each industry benefits from UC. For example, travel costs were not a major perceived value by manufacturers but very important for financial services and professional services respondents. Financial services respondents generally found more value in reaching key managers across multiple devices using a single telephone number. Across all of the categories we surveyed, professional services (PS) respondents found the most consistent business value out of UC.

Professional Services Survey Responses

Professional services (PS) firms cover many areas of business and typically support a high concentration of professionals and knowledge workers. Many PS firms require their workers to travel extensively to support customer projects. Interaction with business partners and SMEs is a core part of their business but also requires a great deal of manual effort to coordinate meetings among workers. Due to the distributed work environment for PS firms, connecting with co-workers is often subject to delays and puts projects at risk for meeting critical deadlines. Critical issues faced by PS include:

- **Difficulty in coordinating work teams.** Gathering the necessary project team requires managers to coordinate schedules across many time zones and meet tight schedules.
- **Getting approvals in a timely manner.** Many projects require approvals from clients or key decision-makers, and due to travel or other issues this may be difficult and will slow down the project's progress.
- **Lack of available resources due to geographical or other issues.** Assembling the right team to support a client requires a coordinated effort to reach the right person and line up work schedules to accommodate the project.
- **Ability to attract and retain workers.** PS firms want to hire the best available employees and seek to create an attractive work environment to retain their employees.
- **Meeting project deadlines.** Delayed projects are often subject to penalties and cause customer dissatisfaction. Meeting commitments on a regular basis builds the PS reputation as a company that is a good business partner.
- **Orchestrating meetings with account teams and SME.** For many PS firms, it takes one day to several days to coordinate meetings among project teams. These delays affect decision processes and extend the work effort among workers.

Figure 1: Please rate the level of challenge for your organization on a scale of 1 to 5, where 1 is not a challenge at all and 5 is a significant challenge.



Base: 121 manufacturing professionals

*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Key Findings From The Survey

The survey provided senior managers with a description of UC capabilities across several business areas.¹ Key findings from this global survey for small and medium-size professional services firms included:

- 68% experience delays due to the inability to reach decision-makers.
- 74% would find it useful to know the status of traveling advisors and to have it automatically updated.
- 89% would save time if they could reach co-workers using a single number, regardless of device.
- 68% indicated that if remote team members had advanced video and Web conferencing capabilities it would support faster and easier communication.
- 69% improved sales performance with Web and videoconferencing with experts.

- 64% of traveling employees benefit from knowing a team member’s status prior to contacting them.
- 67% indicated that if they became known for rapid problem resolution it would improve client loyalty.
- 68% indicated that if senior managers could become more available through real-time communications it would improve their company’s overall performance.

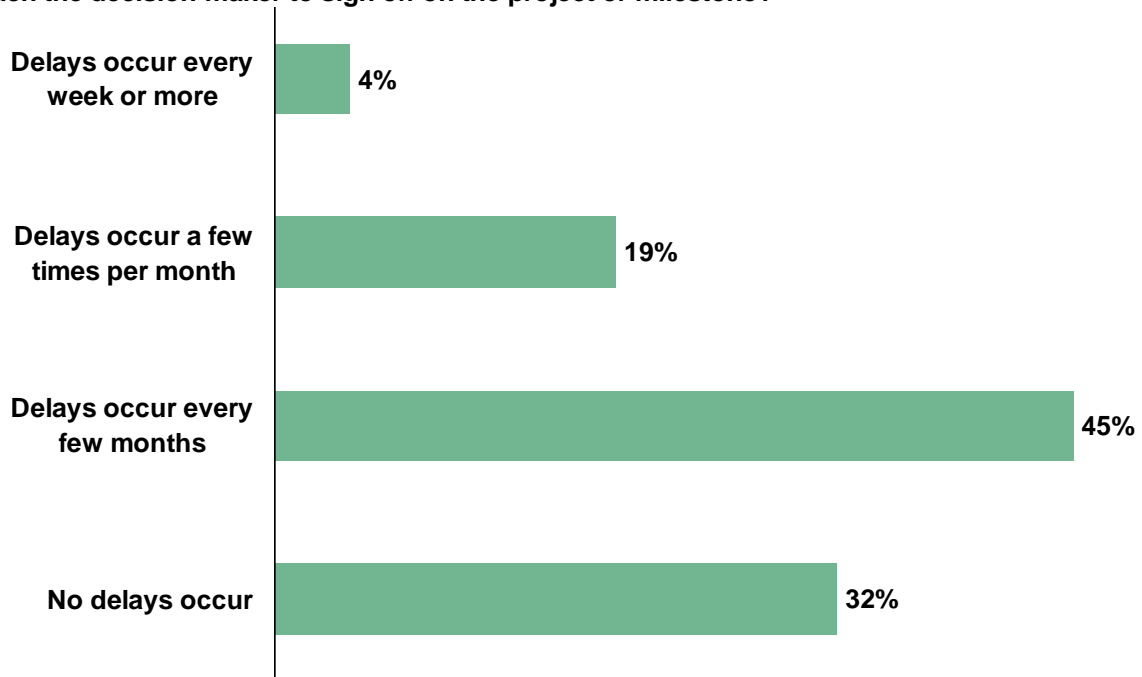
Ability To Reach Decision-Makers Keeps Projects On Track

PS firms often have project teams that require approval from senior management during critical points of the project. Due to the wide geographical coverage for PS firms, key decision-makers are often unavailable to sign off on critical project milestones. The inability to reach a key decision-maker causes project delays or workarounds while knowledge workers wait for approvals before moving forward.

Across 68% Of PS Firms, Delays In Reaching Decision-Makers Are Common

Respondents expressed that they often had difficulty in reaching decision-makers in a timely manner. Sixty-eight percent of PS firms indicated they experienced delays from every week or more, and more rarely every few months.

Figure 2: How often are critical projects delayed due to the inability of the work team to reach the decision-maker to sign off on the project or milestone?



Base: 120 professional services respondents

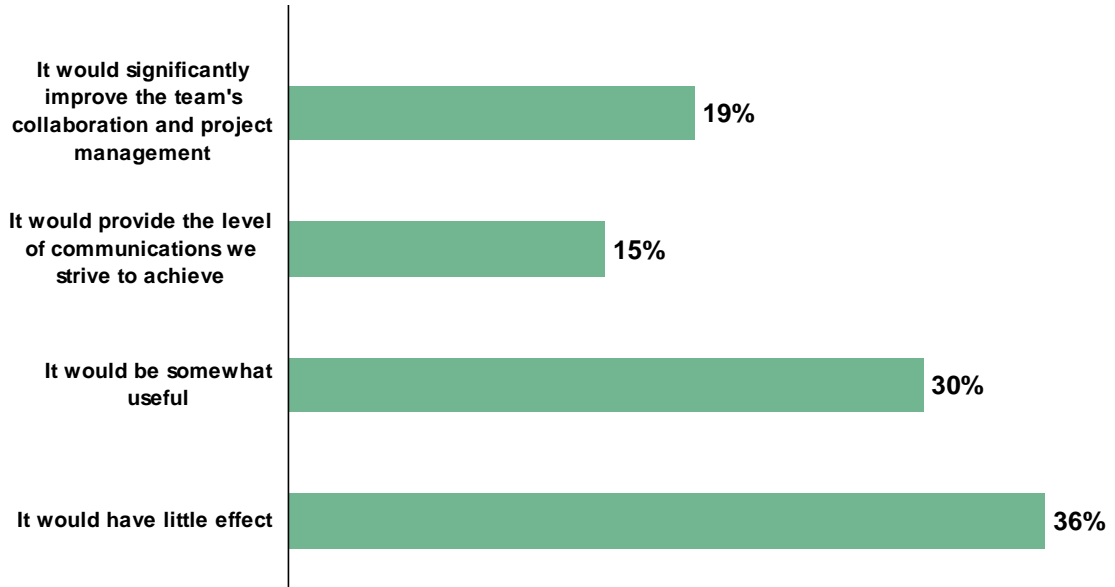
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

64% Of PS Firms Benefit By Knowing Availability Of SME And Traveling Advisors

Often firms cannot know the status of their remote employees and spend a lot of time trying to reach them across multiple addresses when critical issues arise. Sixty-four percent of respondents indicated that knowing the availability of remote SME and traveling workers and having their status automatically updated during the day would be beneficial.

Figure 3: If the status of traveling advisors or SME was automatically and continuously updated during the day when they traveled or were out of the office, what benefit would this have on sales efforts?



Base: 120 professional services respondents

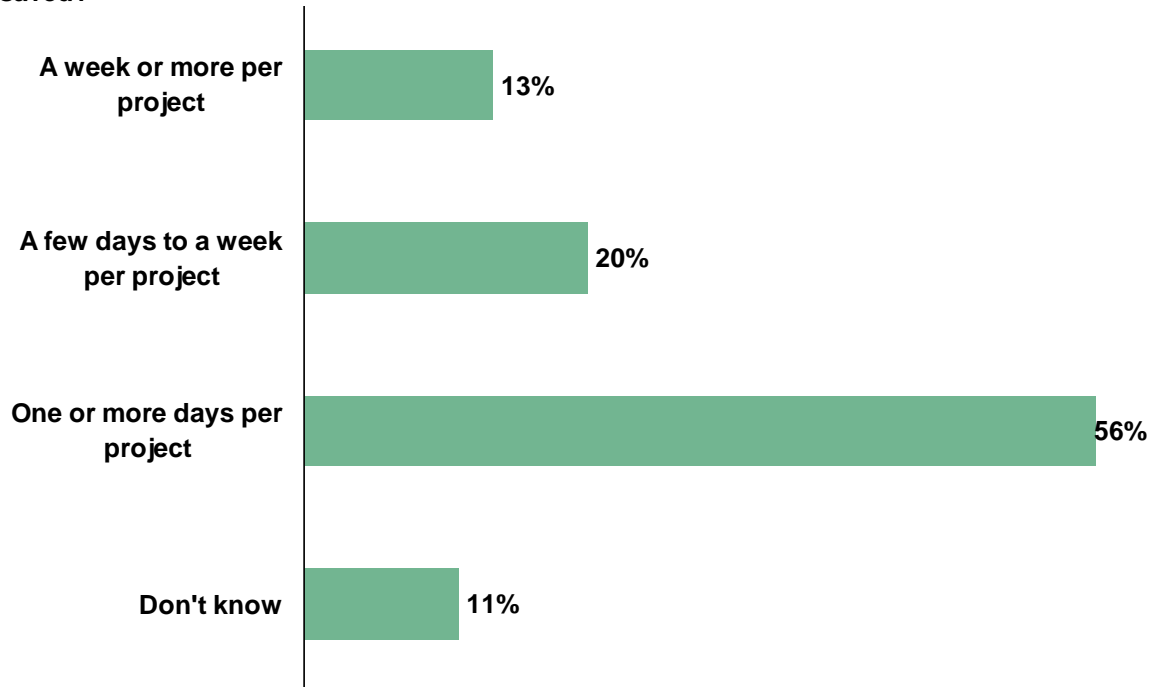
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

89% Of PS Firms Save Time With "Single Number Access" To Co-Workers

Respondents indicated that during an engagement that took them out of the office, the ability to reach co-workers with a single number regardless of device would save valuable time. Eighty-nine percent of respondents indicated that they would save one or more days per project with this capability.

Figure 4: During a client engagement that takes workers out of the office, if co-workers could reach out with a single number regardless of device and know that they would be reached on their preferred device as soon as available, what amount of time could be saved?



Base: 120 professional services respondents

*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

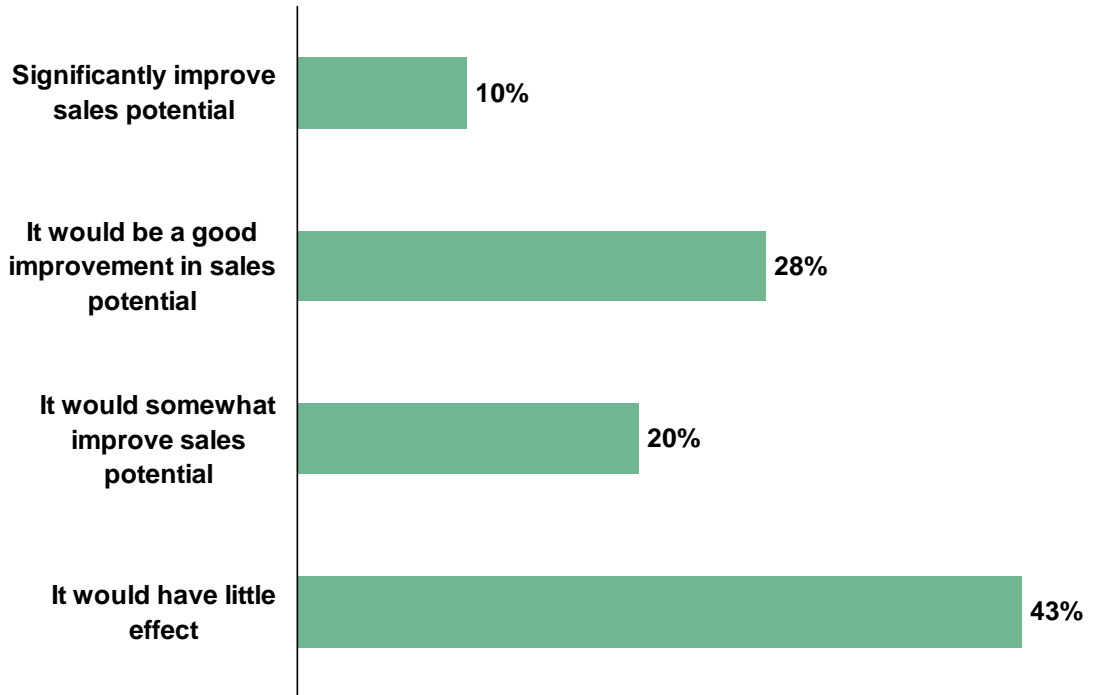
Advanced Conferencing Promotes Effective Communications

Distributed organizations often face delays in delivering information to customers or sharing information internally. PS firms typically send emails among co-workers to share information and set up meetings between their SME and customers. Waiting for an email response slows down communication efforts. Real-time communications offer workers the ability to set up ad hoc conference calls and collaborate immediately with key team members to minimize delays. This enables PS firms to respond more quickly to their customers.

Immediate Access To SME Improves Sales Potential For 58% Of PS Firms

Field account teams often do not have knowledge of SME availability and are not able to confer with them directly which causes delays in proposal generation. Fifty-eight percent of survey respondents indicated that a remote account manager's ability to collaborate with SME during critical sales calls using Web conferencing and desktop collaboration tools would increase their sales potential.

Figure 5: If remote account managers had the ability to bring SME into conference calls during critical sales calls with prospects using Web conferencing and collaboration tools, would this improve sales potential for major accounts?



Base: 120 professional services respondents

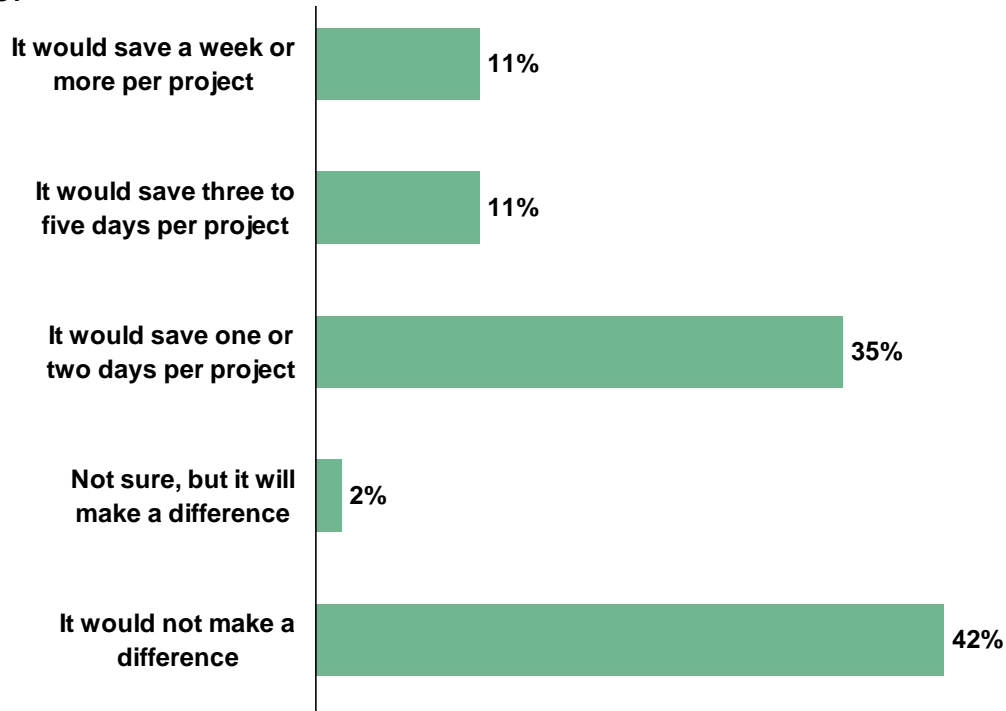
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Real-Time Collaboration Reduces Project Time For 59% Of Companies

PS firms indicate that real-time document sharing and collaboration speeds up the review process. Fifty-nine percent of respondents stated that the ability to collaborate and share documents with clients on an immediate basis compared with sending emails back and forth would save them one day to more than five days per project.

Figure 6: For distributed work teams that need to share documents and review work plans, if you had capability to collaborate and share documents with your clients in real time compared with sending them back and forth via email, how would this speed up review cycles?



Base: 120 professional services respondents

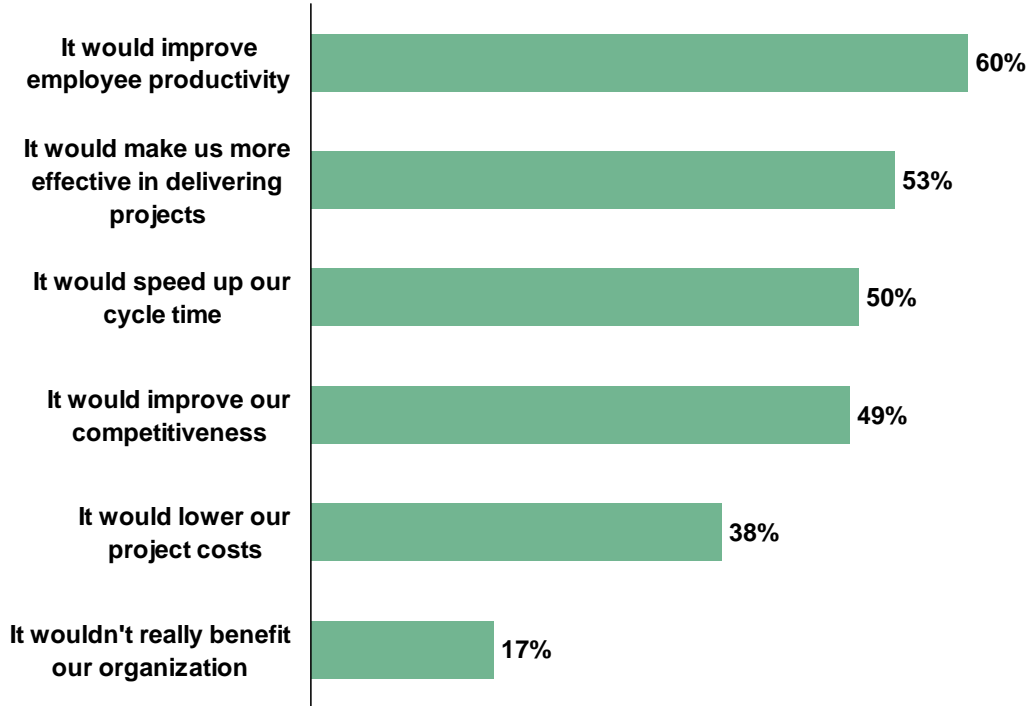
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Reducing Latency In Communications Offers Several Business Advantages

PS firms with time-sensitive projects find ineffective communications incur additional costs and potential penalties. They indicate that effectively improving communications among workers and removing common blocks would provide several advantages, including: improved employee productivity (60%), more effective project delivery (53%), and faster cycle time (50%).

Figure 7: If your company could effectively accelerate its communications and remove common blocks, what would be the benefits to your organization? (Select all that apply).



Base: 120 professional services respondents

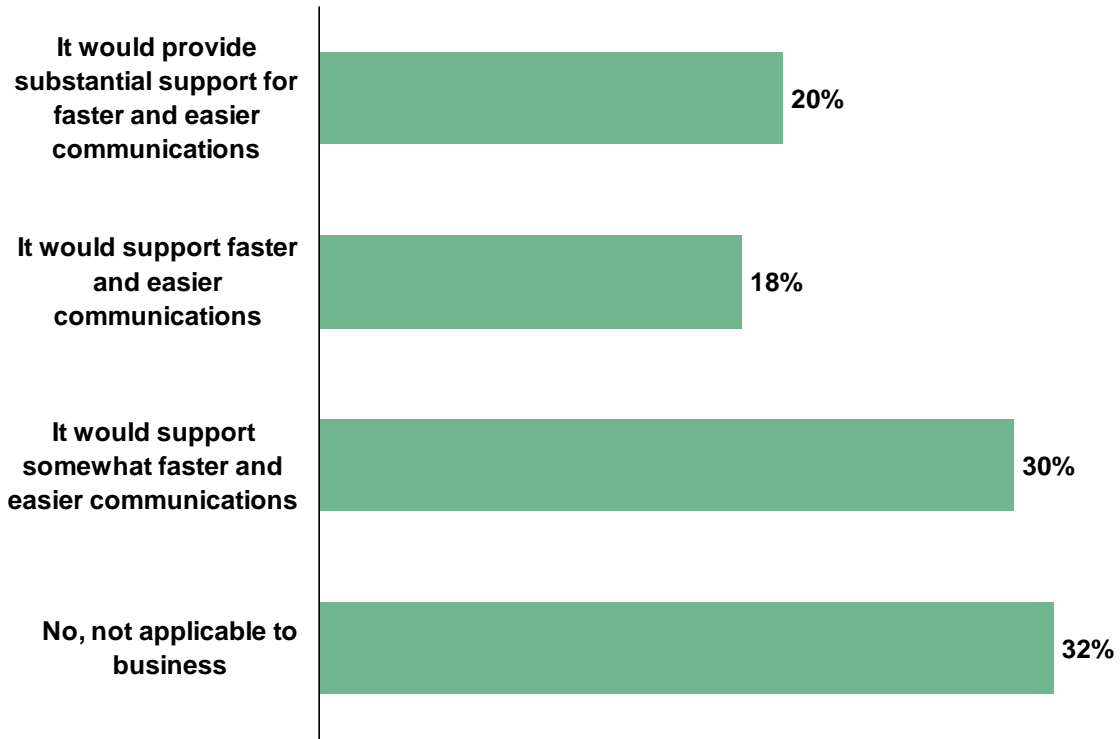
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Advanced Conferencing Features Improves PS Firm Communications' Ability

Remote team members frequently travel for internal meetings to confer with co-workers and develop project plans. Providing easy-to-use conferencing and collaboration tools to remote workers from their mobile device or PC enables them to actively participate in advanced conferencing sessions. A substantial 68% of respondents indicated that this capability would support faster and easier communications among workers.

Figure 8: If remote team members and clients had advanced video and Web capabilities from their desktop with easy user interfaces and good resolution rates, could this support better and faster decisions and speed workflow by eliminating time lag due to travel?



Base: 120 professional services respondents

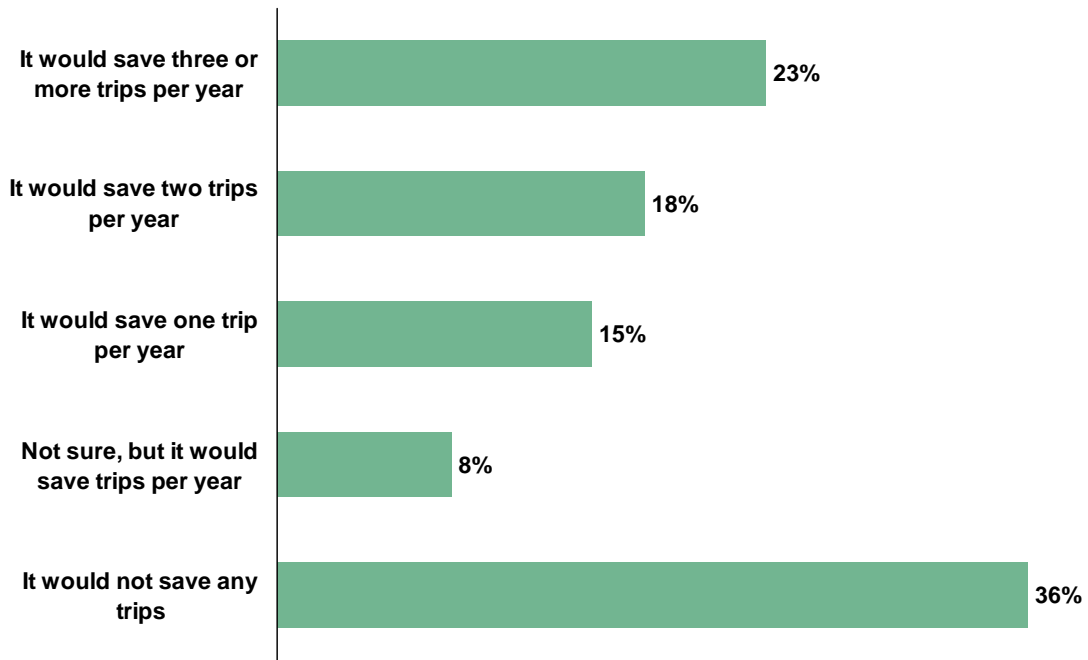
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Reduced Travel Costs For Knowledge Workers

Decreased travel costs are an immediate benefit of improved conferencing and collaboration tools. Providing remote knowledge workers and sales personnel easier access to multimodal video and advanced Web conferencing features would reduce travel for internal meetings for 64% of respondents.

Figure 9: If remote knowledge workers and sales personnel had easier access to multimodal video and advanced Web conferencing capabilities, how many trips for internal meetings could be eliminated per year per knowledge worker?



Base: 120 professional services respondents

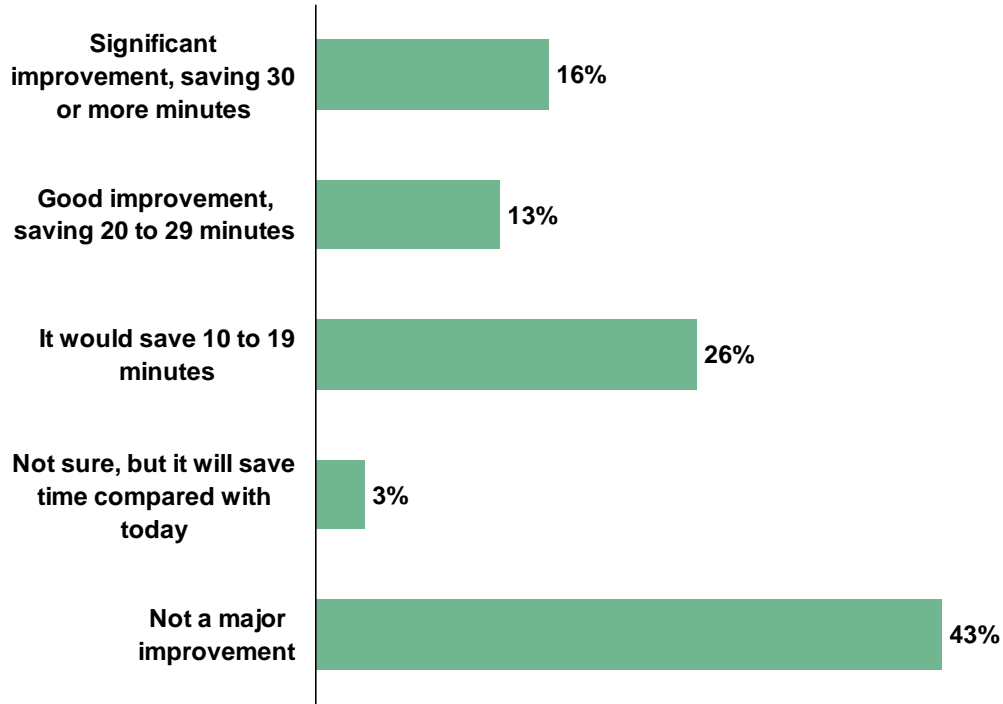
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Improved Emergency Response

Reaching others quickly during a critical or emergency situation is invaluable. However, it is not uncommon for key managers to spend time trying to reach their critical response team across many devices using multiple addresses. Fifty-eight percent of respondents stated that during an emergency, providing personnel and key managers with the ability to reach all necessary parties via the most convenient device, using a single telephone number would save a valuable 10 minutes to more than 30 minutes per episode compared with current methods.

Figure 10: If during an emergency, security personnel and key managers could connect to others using a single telephone number to reach all necessary parties via the device most convenient to them at that time, how would this affect your notification procedures?



Base: 120 professional services respondents

*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

UC Improves Sales And Customer Satisfaction For PS Firms

PS firms typically work with a smaller client base, which necessitates that they put extra effort in retaining their customers. They direct their efforts to deliver quality support, to provide more personalized customer attention, and to be responsive to their needs. UC gives PS firms an opportunity to differentiate how they respond to customers by providing them with the ability to communicate with customers more easily.

Expert Collaboration During The Sales Process Improves PS Firms' Potential

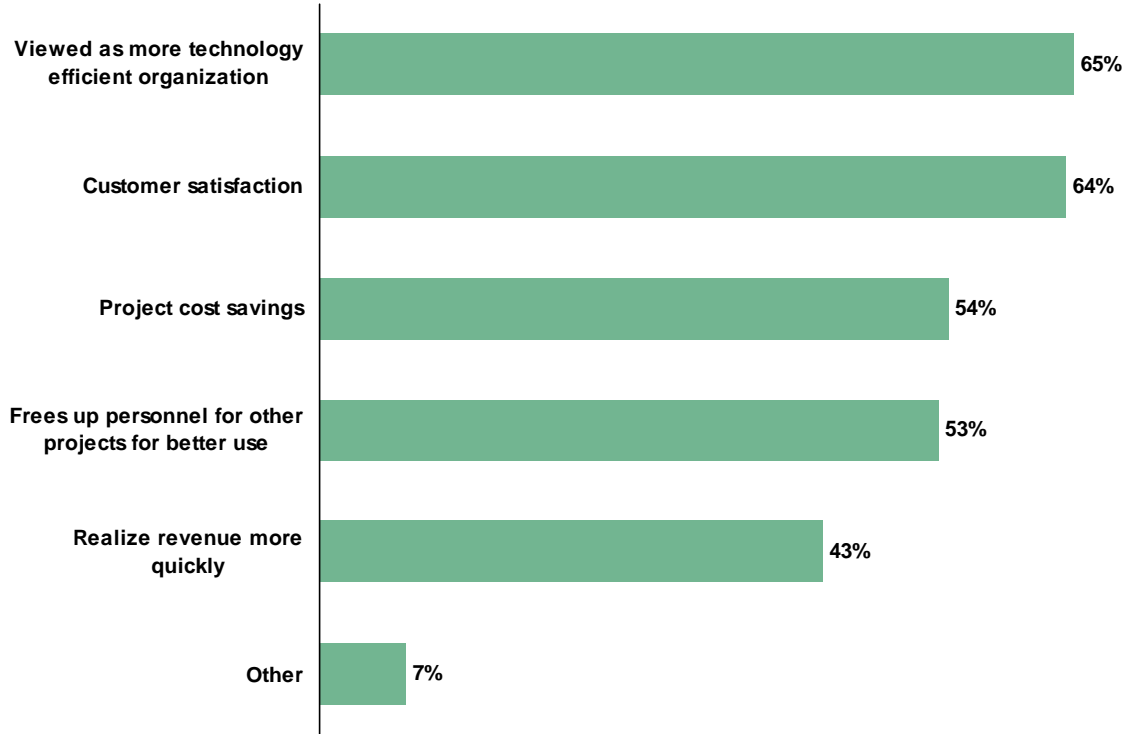
SMEs are not frequently included during the sales proposal process due to the account manager being unaware of their availability and experiencing difficulties in scheduling calls with them. However, with presence capability account managers can see an expert's availability. Sixty-nine percent of respondents indicated that providing their account manager with the ability to connect available experts with prospective clients via Web or videoconferencing would improve their sales potential.

Improved Team Coordination Accelerates Project Completion

Coordinating meetings quickly results in several advantages for PS firms. It leads to improved resource allocation and promotes faster project completion. Respondents cited multiple benefits of

having this capability, including: being viewed as more technology efficient organization (65%), improved customer satisfaction (64%), and decreased project costs (54%).

Figure 11: What would be the benefits to your organization in coordinating meetings more quickly with project teams and accelerating project completion? (Select all that apply).



Base: 120 professional services respondents

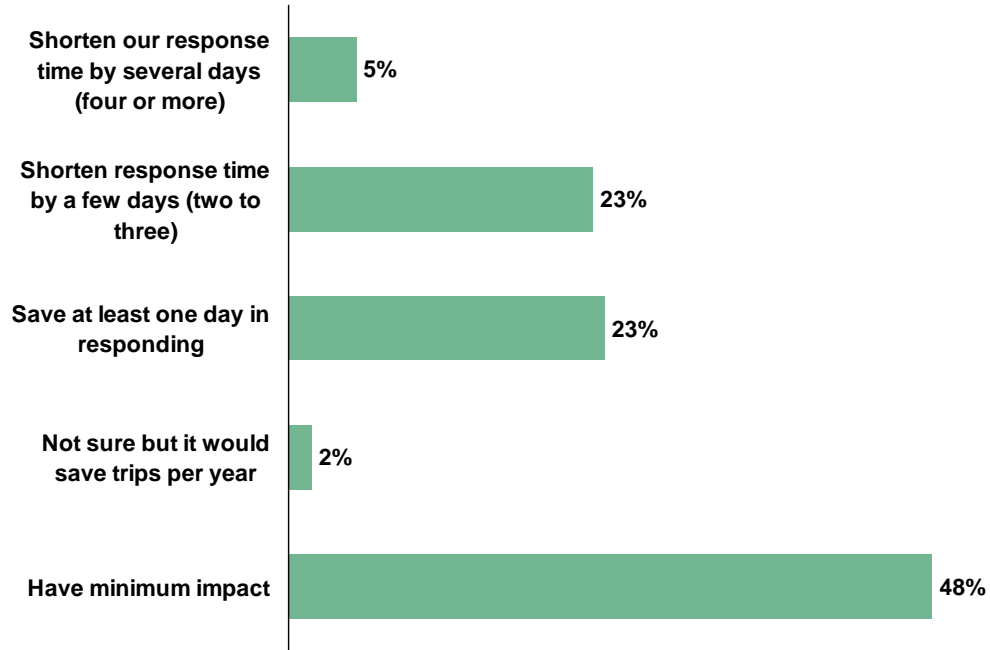
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Quickly Assembling The Right Mix Of Experts Shortens Project Time For PS Firms

Gathering a team to support new projects is often a manual effort and requires much back and forth correspondence between project directors and knowledge workers. Not having the ability to know the status of remote workers may trigger delays in communication. Fifty-three percent of respondents expressed that the ability to quickly respond to new business opportunities by assembling the right mix of experts and reaching them immediately across any device would save them from one day to four or more days per project.

Figure 12: If your organization could respond quickly to new opportunities by assembling the right mix of experts and reducing the "time lag" in their communication by the ability to reach others across any device, how would this affect your sales response time?



Base: 120 professional services respondents

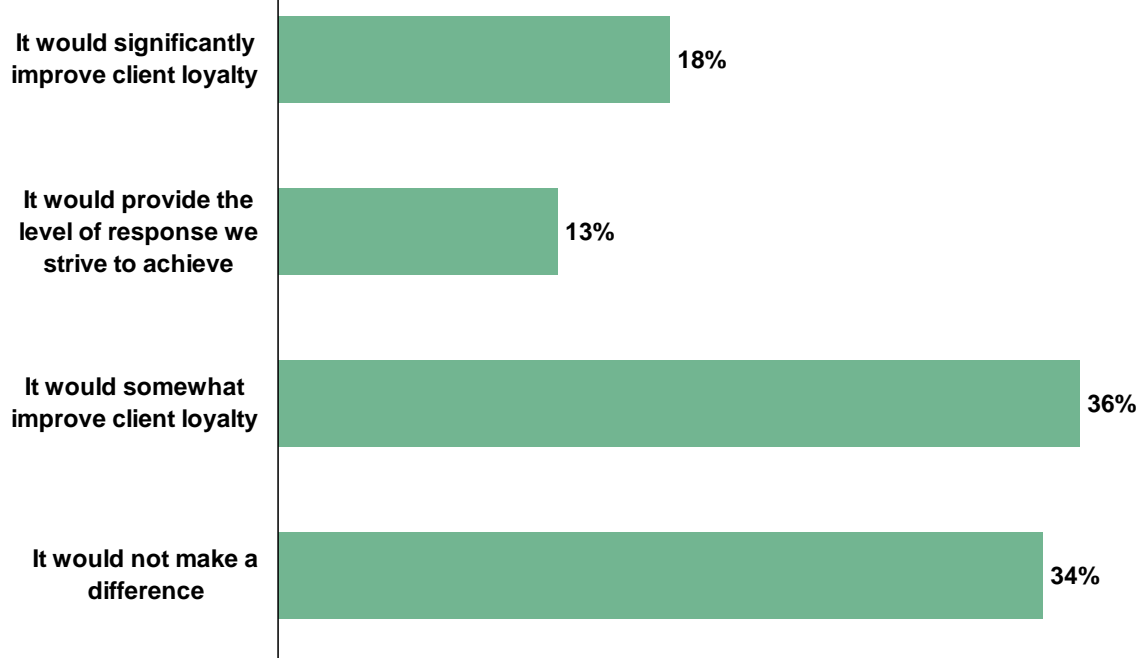
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Rapid Problem Resolution Improves Customer Loyalty For 67% Of PS Firms

Reducing delays in responding to customers provides a competitive differentiator for PS firms that want to be known for responsive customer support. The majority (67%) of respondents indicated that being known for rapid problem resolution by reducing delays in internal communications would improve customer satisfaction.

Figure 13: If your company could be known for rapid problem resolution by reducing delays in internal communication, what would this mean in terms of customer satisfaction?



Base: 120 professional services respondents

*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

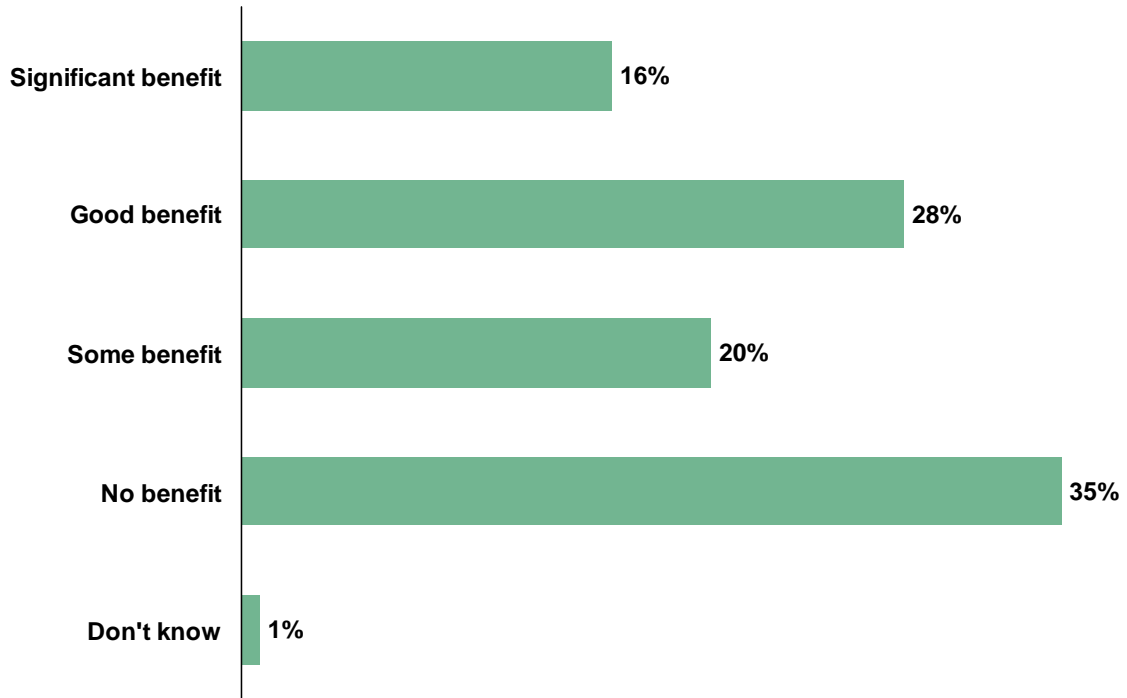
Remote Worker Support Equates To Higher Worker Productivity

PS firms have a high concentration of remote workers who rely on their cell phone or PDA to stay in touch with their office and co-workers. While cell phones provide basic connectivity, remote workers are still limited in their ability to launch collaborative work sessions and use business features such as presence. UC enables remote workers to have advanced UC features on their mobile device and allows them to collaborate easily with co-workers anywhere.

Knowing Colleagues Status Considered Beneficial For 65% Of PS Firms

Remote workers often have difficulty in reaching co-workers or management, as they do not have visibility regarding their current status. Sixty-five percent of respondents indicated that providing remote workers with this capability would be beneficial.

Figure 14: For frequently travelers, how important is it to know the status of team colleagues prior to contacting them? Please rate on a scale of 1-4, where 1 is a significant benefit and 4 is not a benefit.



Base: 120 professional services respondents

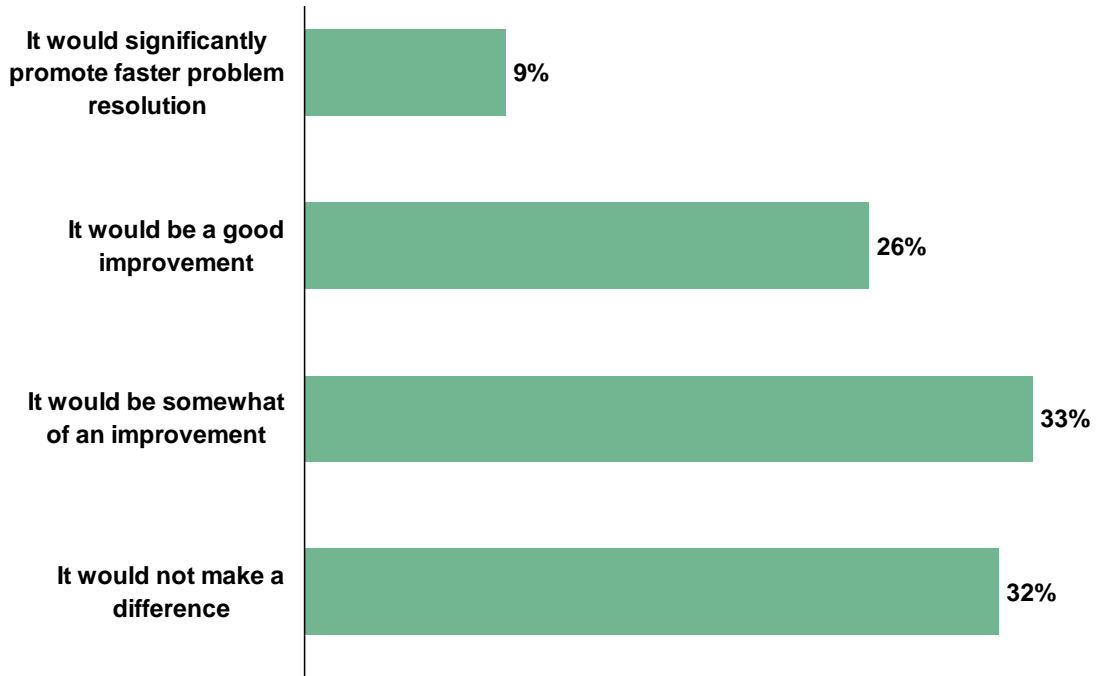
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Senior Manager's Accessibility Improves 68% Of PS Firms' Overall Performance

Enabling senior management to become closer with customers with real-time communications and the features listed above supports overall company performance. Sixty-eight percent of respondents indicated that it would improve problem resolution and on-time performance.

Figure 15: If senior managers could become more available through all the models of real-time communication previously described, how would this improve the overall company's performance?



Base: 120 professional services respondents

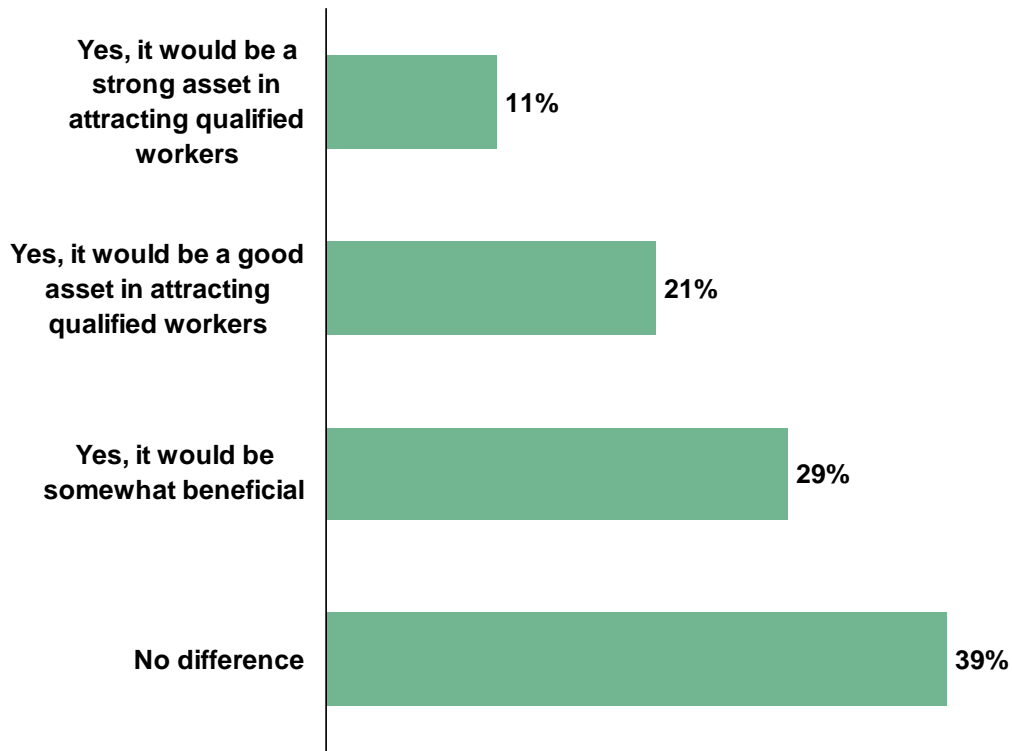
*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Advanced Communication And UC Supports Hiring Efforts For 61% Of PS Firms

Sixty-one percent of respondents indicated that providing their knowledge workers with UC advanced communication capabilities and up-to-date technology that facilitated communications among employees would be beneficial or even a strong asset in attracting qualified workers.

Figure 16: Would it become easier to recruit and retain knowledge workers if your company had up-to-date technology to facilitate communication and add more productivity to each account manager?



Base: 120 professional services respondents

*Percentages do not total 100 because of rounding

Source: A commissioned study conducted by Forrester Consulting on behalf of Cisco

Summary For Professional Services Firms

SMB professional services firms need to deliver quality service, yet they face challenges in managing their remote workforce and collaborating with co-workers to meet project timelines. UC allows PS firms to facilitate decision-making, collaborate more effectively with peers, respond faster to customers, and increase productivity for mobile workers. This survey confirms the following SMB PS firm's benefits for UC:

- **Improved worker productivity.** The ability to reach remote co-workers using only a single address across any device saves valuable project time.
- **Immediate access to experts.** PS firms indicated that if they could support real-time collaboration with experts, sales potential would improve.
- **Easier way to reach co-workers.** PS firms indicate that they could save valuable time with the ability to reach co-workers across any device with a single number.
- **Better communications with remote workers.** The ability to collaborate with remote workers using advanced Web and videoconferencing facilitates communications with remote employees and supports faster communications.

UC Offers Value To SMB Businesses

- **Faster problem resolution.** Improved communications reduces delays in decision-making and enables PS firms to solve problems more quickly. This capability also improves client loyalty.
- **Improved overall performance with collaboration.** Improving real-time access to senior management results in an improvement in the company's overall operations.

Appendix: Survey Methodology

¹ Forrester interviewed 120 PS companies in six countries (the United States, the UK, France, Italy, and Australia) to evaluate the benefits of UC for their organization. This survey was directed at PS firms in legal, marketing, and consulting services. Survey participants included decision-makers for LOB and IT. Questions provided to the participants asked how UC capabilities would apply to various scenarios and were provided a choice of responses for each situation including a negative response. Forty-seven percent of participants had operations supported in more than one country.