

Hosted IP-PBX is here, but is it better than a customer premise based approach?

With VoIP coming into its own, multiple vendors are starting to offer hosted IP-PBX solutions. The idea is that voice and Internet access can be integrated over the same last mile connection. The primary advantage is the combination of enterprise-class, premise-based IP PBX features delivered over network-based services. The main goal is to deliver full access to the corporate phone system and network any remote employee, regardless of their location.

But does this approach provide all that it promises? Hosted IP-PBX is a relatively new technology, populated by numerous startup service providers focusing primarily on the small and medium business (SMB) market segment. Enterprise-class solutions have yet to appear on the marketplace in force. Additionally, these services are typically available only within large metropolitan service areas. There is also decided lack of control when your entire phone system is hosted at another location by a third party. You don't have access to the equipment, and you have limited access to anyone onsite who has the network expertise you need.

How does Customer Premise stack up?

Customer Premise vendors are well established at both the small-to-medium, and the enterprise level. As the name implies, all equipment is housed at your business, meaning your geographic location has little bearing on this type of system. When operating a customer premise system, you will have direct control over hardware, software, integration to back-end systems, maintenance and information security. You can manage your system using your own dedicated IT staff. All of your equipment is right on hand, and you will be able to protect your existing infrastructure investment.

Regarding remote employee access, customer premise vendors are now offering new and highly efficient methods to guarantee employee access no matter where their location. Employees can access both their voice and data network over a single packet connection to the corporate office. They can use the same phones with all of the features and functionality that are supported by their corporate PBX. And a single system administrator can handle all set-up and administration for the users.

The right vendor makes the difference

Of course, vendor selection is key whether you opt for a customer-premise or hosted operating environment. When undergoing the vendor selection process, consider these factors:

- System and Application Uptime/Availability
- Network Performance (latency, etc.)
- Disaster Recovery Time
- Voice Port Occupancy
- Security
- System Data Recovery and Reporting



SLAs

The service level agreement (SLA) with your Customer Premise or Hosted vendor plays a key role in guaranteeing the performance you need. The SLA should be customized for the unique nature of your business, and for your specific operating environment. Here's an example: In most cases, network uptime for the customer is paramount. But in the case of certain IVR functions, the time it takes for a speech application to process a customer's name and address information may be even more important. It all depends on what applications you employ and what you are looking to accomplish.

The bottom line is that there is a wide range of options out there. You need to spend the diligence defining your requirements, and then look at how a hosted vs. a customer premise approach will meet or exceed those requirements. Both can offer a high level of mobility for the remote employee. The question is which will deliver the kind of performance you seek.