



# **FREE Small Business Advisory Guide: The 7 Most Costly Mistakes Companies Make When Choosing A New Phone System... And How To Avoid Them**

**This exclusive insider's report will reveal:**

- Ten critical questions you should ask any phone vendor before signing a contract.
- How to avoid getting fewer features than you'll need in the future.
- How to avoid getting locked into a complicated system that you can't support in-house, or expand without significant upgrade costs.
- What features and support to demand in the basic package.
- Why "five nines" is so important.
- The single most important feature in a voice mail system; overlook this feature and you'll regret it forever.

## **The 7 Most Expensive Mistakes Companies Make When Choosing A New Phone System... And How To Avoid Them**

No matter which way you look at it, buying a new phone system can be a significant investment for any business.

It can be an *even more* expensive and frustrating process if you end up making many of the costly mistakes that trap buyers into:

- Paying too much for ongoing maintenance.
- Getting locked into a complicated system that you can't support in-house or expand without significant upgrade costs.
- Less reliability than you had in your old phone system.
- Not getting the features you need in the base package.

Worse yet, once you've spent the time and money to install a new system, you're pretty much stuck with it and the last thing you want is an overpriced, complicated system that requires a lot of outside maintenance.

### **Who I Am And How I Can Help You Avoid Making A Bad Decision On Your Next Phone System**

My name is Gary Jacobson and I'm the president of the JCI Group. Over the last 28 years we've installed and maintained more than 500 phone systems and networks for a variety of different companies. My personal certifications and hands-on practical experience configuring telephone systems and networks adds additional customer and project value.

Unfortunately, a lot of companies get suckered into buying an overpriced, complicated phone system simply because they didn't know all of the options available to them, or simply because they didn't know how to ask the right questions when interviewing phone vendors.

With so many choices, it can be very difficult to make an educated decision without spending days or weeks researching all of the vendors and options you have. That's why I created this report; I wanted to arm buyers with a quick reference to help them make the absolute best decision when buying a new phone system.

## **Buyer Mistake #1: Not planning for future needs**

Before you buy a system, make sure you have answers to the following questions to plan ahead for future needs:

- How many new employees do you think you will hire over the next 5 years?
- Will you have remote offices or employees working from home?
- Do you think you will open other branches in the future?
- Do you need the ability to do call reporting / call accounting?

Look for a system that will allow you to add new features and expand your number of users and locations by adding to, rather than replacing the system. A good question to ask your vendor is, “If we decide to add \_\_\_\_\_ later on, what will it cost us in total hardware, software, and services?”

## **Buyer Mistake #2: Not buying next generation features**

Since 2005 over 50% of the new phone systems installed have been IP (Internet Protocol) systems, and the percentage of new IP phones vs. traditional PBXs continues to grow annually. Within a few years virtually all new phone systems for business will be IP systems. You are going to have your new PBX for five to ten years, so it doesn't make sense to buy a system that is obsolete at the time you buy it. While you might not think you want or need new generation features such as Voice Over IP (the ability to run voice calls over your computer network to save on phone bills), web interactions, and Outlook integration, the system you buy should include these features because you'll want them soon even if you don't think so now.

Look for a system that imbeds:

- Voicemail
- Messaging
- Automatic call distribution
- Operator console
- Call forwarding
- Call detail reporting
- Follow-me dialing
- Any phone, anywhere looks like your office phone to all callers
- Call recording
- Conferencing up to 6 callers

These embedded features will eliminate the need to purchase these applications separately down the road. If the system you are considering requires complex infrastructures, implementations, or pricing schemes to add these features on, look for another system.

### **Buyer Mistake #3: Not buying a reliable system**

A truly reliable phone system will be “five nines” reliable. That simply put means it has been tested to stay running 99.999% (five 9s) of the time. The old reliable traditional (TDM) PBX or legacy telephone system never failed did it? You’ve come to expect that in a telephone system, it’s a given. It probably used an operating system called VX-Works, the same one that runs pacemakers and NASA missions.

Unfortunately to save money many new phone systems run on a computer server with an operating system such as Windows. This server may be running voice mail and auto attendant as well as connecting and disconnecting all of the calls. Think about it, if your data computer server crashes you may lose time, but most likely you have manual systems that can substituted while it is being fixed. However, if your phone crashes in the middle of the day you may lose customers!

Look for redundancy in all aspects of the equipment. Even if you don’t buy it now, you may want to in the future as your business grows perhaps. If there is a server, what happens if it crashes? Are there other components that can fail? Some brands use a distributed architecture that tends to minimize single points of failure.

For less risk of failure look for “n+1” redundancy. This means the vendor adds just one additional component over and above what is needed to do the job. This extra may be able to automatically become active should one of its peers fail. This is much less expensive than plain redundancy which is when all components are duplicated rather only one more.

So your task in finding a new phone system needs to include investigation into the system’s reliability. Look for:

- Five nines
- Where does the call connection take place, in the server?
- A distributed architecture
- N+1 redundancy
- What operating system does it use, VX-Works?

### **Buyer Mistake #4: Not getting enough voice mail**

Don’t underestimate the value of voice mail. The last thing you want a customer to hear is, “Sorry, you cannot leave a voice mail message because this user’s box is full.” To avoid this all together, make sure your system has sufficient ports for voice mail. Also, your system should have the ability to set up an unlimited number of voice mailboxes and unlimited minutes/hours of recording.

**Buyer Mistake #5:  
Not buying a system that can be easily maintained in-house**

Anyone who has ever owned a traditional PBX or legacy telephone system knows the incredible costs for maintenance, support, and upgrades. In fact, because all maintenance activities on these types of phone systems requires vendor involvement at usually \$150 or more per visit, **lifetime maintenance costs on a legacy PBX typically run as high as 40% of the system cost.**

In other words, that \$50,000 phone system will really cost you \$70,000 before you're done. If you want to add, delete, or change a user's extension, can you do it in house or do you need to call the vendor, wait 2 days for the guy to come out, and pay \$150? This is a no-brainer; make sure your system can easily be supported in-house by end-users and you'll save a lot of time and money.

Find out how much training the vendor will give to your administrator if you have one and what that training will cost? What will that training allow the administrator to do as far as managing the system on his/her own? The in-house administrator should also be able to add a new location, a new user, and, if you plan on using an auto attendant even as a backup, change the auto attendant features and routing as well as the messages.

**Buyer Mistake #6:  
Not buying future upgrade support**

Every new system looks and runs great when it is new, but new IP phone systems run on your data network. You will be upgrading your data network in the next five years or sooner and your IP phone system will need to be compatible with it. You upgrade your computers as new versions and patches come out, and a new phone system is just the same. It is software. Granted, if you buy the right system it will be very reliable software, but still they can be very easy to upgrade and add the latest new features to you system. Don't get stuck a couple years from now with a version that is no longer supported by the manufacturer or your local vendor.

## **Buyer Mistake #7: Not choosing the right vendor**

A telephone system is the lifeblood of your business. A system failure that lasts only minutes can cost thousands of dollars in lost revenue. You must be sure that your vendor is capable of properly supporting your business. Here are your additional 10 critical questions to ask potential vendors:

- Do you offer a money back guarantee?
- How long have you been selling this system?
- How many systems or handsets of this system have you installed?
- What is your relationship with the manufacturer?
- Do you have references?
- Can I visit the site of an installation you've done?
- Do you have "spares" locally?
- What do you charge for support?
- Do you use this system?
- Bonus: What awards have you won for work with this system?

A good vendor will guarantee your satisfaction and have a long, close history with the manufacturer they represent. They won't be afraid to allow you to talk to their existing clients, or take you on a site visit. It is even better if they use this system in their business because they'll know it better. If the vendor doesn't have good answers to these questions, chances are they could leave you high and dry.

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