



Is Microsoft Teams the right UC solution for your organisation?



Introduction

In today's digital-first world, organisations are rethinking their communications and telephony service to increase efficiency, save costs and reduce complexity.

Unified Communications (UC) is the answer to this need, blurring the boundaries of telephony and merging it with instant messaging, video conferencing and a plethora of different applications, such as CRM systems, contact centres, and reporting.

Since its release in 2017, Microsoft Teams has significantly impacted the UC market thanks to its ease of use, free inclusion in most Microsoft business licenses, and slick desktop integration. In the past six months, mostly due to the impact of the coronavirus (COVID-19) outbreak and the subsequent uptake in remote working practices, Teams' daily users have skyrocketed, increasing from 44 million in March 2020, to 75 million as of April 2020 .

As an integral part of Microsoft 365 E3 and E5 business licences, many organisations have chosen Teams as their preferred collaboration solution. With its free instant messaging, voice and video features, Teams is a no-brainer for businesses looking to simplify their internal communications. However, the solution opens a lot of questions for organisations considering it to support the telephony needs of the whole business, and how easy and cost-effective it is to implement.

Should Microsoft Teams replace your business phone system?

In order to answer that question, this whitepaper will provide readers with an overview of the telephony capabilities of Microsoft Teams, highlighting the differences between its basic functionality, Microsoft Calling Plans and Microsoft Direct Routing, and considering the benefits of a fully integrated UC solution.

How important is voice to your business?

The enterprise communications ecosystem is broad and complex. While instant messaging, content sharing and virtual meetings are becoming increasingly popular amongst employees, voice is still key to wider business operations. According to Zendesk, 68 per cent of customers prefer to communicate with a company via phone, with only 34 per cent choosing chat as their preferred channel². Therefore, having the right UC solution is vital to make sure your customers receive the best service possible, while also increasing efficiency and operability within your organisation.

When considering the best UC solution for your business, it is critical to first understand your business requirements and how these compare to the solution's capabilities. Out of the box, Teams supports voice over IP (VoIP) calls to any other member of the business using the application, but it does not connect to your telephone network. This means that in its most basic form, Teams can only be utilised as an internal collaboration tool, while you will also have to retain a separate telephony solution for external calling.

For organisations struggling to cope with too many ineffective internal communications tools, Teams offers the perfect single point of contact to enable collaboration across the business. However, Teams' basic functionality will not provide the telephony features of a PBX, such as contact centre functions, queuing, and interactive voice response (IVR), that might be necessary to the wider business and that would be available with a fully integrated UC solution.

Microsoft Calling Plans vs Direct Routing

In order to fully unlock Teams' telephony capabilities, organisations will have to either adopt Microsoft Calling Plans, or Microsoft Direct Routing. At the time of writing, both options require a phone system licence for every user who requires voice enablement. While Microsoft Phone System is included in E5 licences, E3 and E1 will require additional licences and professional service support, which can make it more expensive than comparable solutions.

When we take a closer at Microsoft Calling Plans and Direct Routing, it is important to note and evaluate some operational and commercial differences.

Microsoft Calling Plans is a fully cloud-deployed solution provided entirely by Microsoft. Calling Plans comes in different sizes depending upon the number of minutes needed. While this might seem an ideal solution for smaller businesses, Microsoft minutes bundles are inflexible and expensive when compared to Direct Routing or a fully

integrated UC solution. Moreover, minutes bundles cannot be shared nor carried over, and your organisation will require communications credits if you run out of minutes in your calling plans, or if you receive toll-free calls. In this instance, an empty communications credits balance would stop you from making calls altogether. To overcome this issue, Microsoft suggests setting up an auto-recharge amount with a minimum balance that will trigger a purchase for that recharge amount³ - a recommendation that could easily promote bill shock if you're not keeping track of the additional expenditures.

Microsoft Direct Routing is a more flexible, accessible, and cost-effective alternative to Microsoft Calling Plans, enabling users to make and receive calls using your existing telecom provider. This option is particularly beneficial to leverage existing contracts with service providers, and to ensure interoperability with on-premise telephony equipment and desk phones. Moreover, while Direct Routing's costs depend largely on the carrier rates, it is fair to say that it will almost always cost less per user than Calling Plans, with many providers offering unlimited and flexible minutes bundles.



Are you looking for a complete integrated solution?

Any organisation debating whether Microsoft Teams is the answer to its telephony needs will also need to consider how important it is for their operations to have a single, cost-effective supplier.

As we have discussed, Direct Routing generally overcomes the worry of bill shock and inflexible minutes but does come at the cost of working with two different suppliers. On the other hand, Calling Plans has the benefit of being deployed entirely by Microsoft, but the downfalls of additional licence costs, complex number porting, and limited minute bundles make it a less desirable option for some organisations.

If neither option is exactly what your business requires, it is worth considering a fully integrated UC solution from a different service provider.

A fully integrated UC solution, such as Horizon Collaborate, encompasses the power of voice, video, conferencing, instant messaging, and presence from a single supplier with a robust support structure.

Having a single supplier can help overcome the inevitable operational issue quickly and smoothly, without having to jump through hoops and to pass through different departments or organisations. Your business should also consider the importance of having an end-to-end Service Level Agreement (SLA), not just on the core cloud platform but to the user. Choosing a service provider that owns the network means issues are not pushed around but have single ownership, critical for such an important service as your company's unified communications.

Having a single supplier will also reduce additional challenges and costs related to deployment and support - while integrating the basic version of Microsoft Teams might be easy, enabling external calls will require additional professional support. Simple things like buying, configuring and deploying end-user devices can be an additional overhead your business can do without, and that can be avoided with a single service provider.

Reviewing business priorities and how the solution will be managed and supported is vital to match the right UC tool to your business requirements.

¹ Microsoft Teams Skyrockets to 75 Million DAUs, *UCToday*, May 2020.

² The Zendesk Customer Experience Trends Report, 2019.

³ What are Communications Credits? *Microsoft*, 2020.

Conclusion

At the beginning of the COVID-19 pandemic, many organisations adopted Microsoft Teams as the easiest option for their sudden remote working requirements. However, many are now re-evaluating their long-term communications strategy to understand which solution is best for business continuity and permanent remote or flexible working.

While Teams is integrated into most Microsoft business licences as an internal collaboration platform, enabling external calls requires additional costs, including Microsoft Phone System licence and minute bundles. Microsoft Calling Plans and Direct Routing differentiate in terms of cost-effectiveness, number of suppliers, and flexibility of bundles. Alternatively, organisations might also want to consider adopting a fully integrated UC solution from a different single supplier.

Ultimately, the solution you choose primarily depends on your organisation's current and future needs, such as whether you want to retain your current carrier, whether Teams has all the features that your business requires, how important an end-to-end SLA is to your business, and how much additional costs and complexity you're willing to take on.



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