

Maximizing the Return on a Telepresence Investment



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In today's global economy, an organization will have a distinct advantage if it can harness the skills and knowledge of its geographically distributed teams quickly and cost effectively. With its real-time capability and high definition screens, telepresence elevates video communication to the personal level of face-to-face interaction, providing an efficient solution for meetings, company-wide training and effortless collaboration across geographical boundaries. Organizations of all sizes have realized the benefits of telepresence and continue to deploy it in place of expensive, time-consuming business travel.

Telepresence provides a whole host of cost-saving, productivity-boosting, green benefits to its users. An organization turning to telepresence wants to ensure it realizes as many of these benefits as possible. There are several ways an organization can achieve maximum return on investment (ROI) from its telepresence installation:

- Create a workplace culture that embraces video collaboration as a more productive means of conducting business.
- Strategically employ telepresence to emphasize commitment to sustainability and to enhance energy savings.
- Select a telepresence system designed for scalability, with open-standards and flexibility to adapt to the organization's needs and to industry developments.

Designing a Work Environment Primed for Telepresence

Adopting telepresence as a primary means of professional communication can demand a significant cultural shift within an organization. ROI will increase with every employee who becomes familiar with telepresence and uses it to collaborate with clients, partners, and colleagues. Implementing key budgetary and human resources practices, adequately training the workforce, along with demonstrating at the executive level that telepresence is the preferred mode of communication will help make telepresence both attractive to employees and necessary for business success.

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Creating a Telepresence-Dependent Culture

With travel and telework policies in place, an organization will shift more easily to telepresence communication:

- **Slash Travel Budgets:** According to American Express Business Travel (Amex), the average domestic airfare for the third quarter of 2010 increased 6 percent from the previous year. International fares jumped 8 percent in the same time period. Amex predicts that, in 2011, domestic economy class ticket prices will climb 2 to 6 percent and long haul international business class fares will increase 3 to 7 percent. With continuously rising prices, business travel expenses strain organizations' budgets.

Telepresence eases the travel expense burden by giving an organization the flexibility to dramatically cut its travel budget. The real time, face-to-face, high definition connection provided by business-quality telepresence replaces the need to fly around the world for meetings. Telepresence maintains the personal connections critical to business success and stands to increase productivity by eliminating the complications so common to travel, including work time lost in transit, delays, and jet lag. According to calculations from Nortel, an organization spending \$23 million annually on travel can use telepresence to recover as many as 385,000 hours of lost productivity and save \$7 million each year.

Slashing the travel budget will require employees to turn to telepresence as their travel alternative.

- **Mandate Some Telework:** From its study on telework programs and their benefits, published in 2010, the Telework Research Network (TRN) found that one employee teleworking half time saves the company about \$10,000 per year and the employee up to \$6,800 per year. With 100 employees working from home half of their time, a company can save more than \$1 million. The study showed businesses would realize savings from increased employee productivity and longer work hours—time once spent commuting converts to time now spent working. Savings also materialize in part from lower facility expenses, including reduced electricity bills, real estate payments, and office supply costs.

With telepresence in place, an organization can implement a liberal telework policy without harboring concerns about employees losing face time with clients, an inability to collaborate among colleagues, or the loss of consistent supervision. Using telepresence, employees can still attend meetings, collaborate face-to-face, and check-in regularly with managers, retaining the nuances of in-person communication. Workers' job satisfaction stands to rise as well: According to TRN's findings, 80 percent of employees studied want to telecommute and 30 percent would take a pay cut to make working from home possible.

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Making Telepresence Pervasive

The more employees who understand how to use telepresence, and the more comfortable they are with the technology, the more valuable the telepresence investment becomes. Training, support, and executive buy-in affect the extent to which an organization maximizes its ROI on telepresence.

- **Train and Support Telepresence Users:** Technological intimidation remains a significant barrier to adoption of new methods of communication. An organization can easily eliminate this obstacle, however, by taking time to train its workforce in telepresence and publicizing the availability of support services. Though well-trained, self-sufficient telepresence users will likely not require a great deal of tech support, knowing where to find support takes the fear factor out of using the technology.
- **Lead the Telepresence Charge from the Top:** To facilitate the shift to telepresence, upper management needs to embrace the technology. Change occurs from the top down: the organization's policy makers can set the course for telepresence's use if they take the time to learn the equipment, use it to conduct business, and share with employees their positive experiences.

Investing in a Green Future

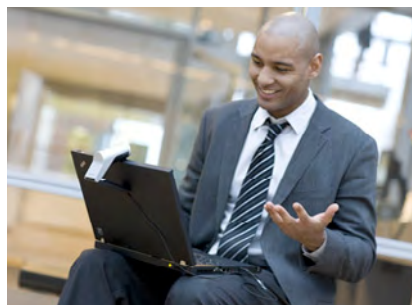
Organizations around the world have become more environmentally conscious. In many countries today, companies must articulate a corporate statement on industrial environmental protection and take specific action to put this credo into practice. Image campaigns, product advertising, and annual reports all emphasize environmental protection while business partners and a critical general public all take an increasingly hard look at organizations' processes and the consistency of their commitments to the environment.

Using Telepresence to Go Green

Telepresence is inherently green in its ability to help reduce business travel and support telework initiatives. ROI increases when organizations maximize telepresence's role in promoting these environmentally conscious efforts. According to "The Telepresence Revolution," a study from research firm Verdantix on behalf of the Carbon Disclosure Project, if companies in the United States and United Kingdom with more than \$1 billion in revenues implement strong telepresence programs, they can generate nearly \$19 billion in economy-wide financial benefits by 2020 while avoiding nearly 5.5 million metric tons of emissions.

Promoting Green Practices to Raise Value Awareness

Maximizing telepresence's ROI depends heavily on buy-in across the value chain, from employees to customers, suppliers, and shareholders. All potential telepresence users can grasp the technology's positive environmental impact if an organization emphasizes and publicize telepresence's contribution to energy-saving initiatives. If people understand the green value of telepresence technology, they will be more inclined to adopt it as a regular business tool and embrace it as a preferred means of communication.



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Cisco's TelePresence Solution for Optimal ROI

In order to realize the full potential of telepresence, an organization must have confidence in its telepresence solution. The technology must offer high-quality audio and video with minimal latency in connections, and it must come with exceptional technical support and service to minimize any gaps in customer access to the system. It must also provide a user experience that encourages system adoption for even the most technophobic of employees. It is equally important that the telepresence system has the ability to scale with an organization's expanding video collaboration needs: As more employees realize the benefits of telepresence, demand for the technology will escalate. Only a business-quality solution offers the functionality to address an organization's demand over a long time period.

Cisco TelePresence offers an organization an array of key benefits to help achieve maximum ROI:

- A full range of video endpoints for boardrooms, executive offices, and home offices
- The most natural and intuitive user experience that accelerates adoption
- Network equipment for enterprise transport
- A software-based management system for monitoring and ROI reporting
- Firewall traversal technology to tie in external organizations, such as suppliers and customers
- A content server to record, archive, and stream video meetings
- The highest level of encryption and authentication
- Open standards-based seamless integration with endpoints from vendors all over the world
- Integration of Web, voice, and video to provide one collaboration system accessible to users via telepresence, web conference, or audio call
- Flexible deployment models, including hosted solutions that fit all budgets and scales and remove the burden of system management for organizations without in-house IT expertise
- Automated and intelligent video resource management for efficient use of corporate IT resources and simplified management of the video infrastructure
- Worldwide, 24/7 customer service capable of rapidly addressing the problem at the system, application, or network level

Cisco TelePresence provides an organization with the most intuitive, broadest, most widely supported telepresence solution available. With all of the components necessary for pervasive deployment within the organization, Cisco TelePresence can have an immediate, profound positive impact on productivity and on the balance sheet. As telepresence usage increases, Cisco's solution easily scales to ensure continued effectiveness, promote green business strategies, and achieve maximum ROI for years to come.



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