

BOOST INNOVATION WITH VIDEO COMMUNICATIONS

8 WAYS TO BUILD YOUR
BUSINESS ADVANTAGE



IN ASSOCIATION WITH:





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INTRODUCTION

In today's global economy, innovation matters. For teams to innovate rapidly and with great frequency, they must be able to clearly communicate and closely collaborate. Miscommunication, misunderstanding and misinterpretation only leads to costly errors, bottlenecked business processes and market misfires. Most of these issues are avoidable.



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impact on an organization.

A convergence of low-cost but high-quality technology and a highly competitive business environment is making video collaboration a channel of choice for today's information workers and decision makers. The availability of relatively low-cost technology—including high-quality videoconferencing equipment, high-bandwidth networks and easy-to-use applications and tools—is bringing video collaboration within reach of today's workforce. The impact on innovation and productivity—as well as critical business processes, from customer service to problem-solving—is only just starting to be felt.

Video communications and videoconferencing have been a part of corporate life for decades. It already is a staple of executive conference rooms, and many larger organizations maintain in-house or contracted video capabilities for special events and presentations. Now, thanks to easy-to-use technology and affordable options, a wide range of employees—from executives to corporate trainers, customer service representatives, salespeople and remote workers—are discovering the power of video interaction and collaboration.

Since most communication is non-verbal, video collaboration fills a huge gap that has long existed within organizations. Video enables managers, knowledge workers, salespeople and customer-service employees to better convey and understand information that is being shared within projects or engagements. As a result, new ideas can be acted upon and turned around faster, and with a higher degree of quality and customer input.

By providing face-to-face interaction, video serves as a “middle ground” between voice-only phone calls and in-person meetings, which is important to building business relationships, says Dr. Jeffrey Polzer, UPS Foundation Professor of Human Resource Management at Harvard Business School. “Video adds an extra dimension to the amount of information people receive,” he says. “Video, with its face-to-face interaction, helps people read non-verbal signals, and helps build a sense of rapport.”

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Dr. Jeffrey Polzer
UPS Foundation Professor
of Human Resource Management
Harvard Business School



Video is already the medium of choice among many current and up-and-coming employees and executives. A survey of 1,007 executives by Wainhouse Research bears this out, finding that close to four-fifths of executives (78%) say online video is an effective tool for conducting business communications. In addition, a recent study of 1,300 younger executives by Cisco and Redshift Research finds 87% believe video has a significant and positive impact on an organization, with benefits ranging from enhancing the experience of telecommuters to saving money on travel costs and even attracting top talent.¹

Not only does video collaboration play a role in enhancing employee-to-employee communications, it also facilitates critical business processes, including live customer service, online learning and joint problem-solving. The majority of executives in the Cisco survey, 60%, say video interaction is important to their careers and businesses; they cite as benefits already being realized the ability to read visual cues, to “be there” without traveling and to share content in real time.²

¹ *Executive Visions on Video in the Workplace*, Steve Vonder Haar, Wainhouse Research, December 2013. <http://cp.wainhouse.com/content/executive-visions-video-workplace>

² “Cisco Global Survey Reveals That the Majority of Aspiring Executives See a Big Future for Video in the Workplace,” Cisco New Release, August 2013. <http://newsroom.cisco.com/release/1233239/Cisco-Global-Survey-Reveals-That-the-Majority-of-Aspiring-Executives-See-a-Big-Future-for-Video-in-the-Workplace>



INDUSTRY INNOVATIONS: HEALTHY INTERACTIONS AND UNITED TEAMS

Video collaboration opens up opportunities for greater interaction and innovation, regardless of industry. Everyone benefits. For example, in healthcare, video is dramatically changing the way institutions interact with customers and professionals. In recent years, a number of hospitals across the United States have been

subscribing to video and voice call centers that enable them to share language interpretation services, psychiatric care services and other developing capabilities. In the process, video collaboration is affecting business outcomes, changing business processes and helping healthcare facilities achieve scale, cost and efficiency not seen before.



5,500

At GHD, a leading engineering, architecture and environmental consulting company, video communication and collaboration is bringing together 5,500 employees across five continents.

The Health Care Interpreter Network (HCIN), for instance, enables healthcare facilities to make interpreters' services, via video, available on demand to physicians within their facilities as well as at connecting remote hospitals. "It's a virtual distributed video-and-voice call center. We may have two interpreters sitting in one hospital, one sitting in another hospital, and 10 in another hospital," says Melinda Paras, president of Paras and Associates, which implemented videoconferencing capabilities across 45 healthcare facilities. "The geography doesn't matter—all those interpreters, in all those languages, are available to the end-user," she says. The system was first established in California, and is now connecting hospital-based interpreters with clinicians across the country.

Leading global service companies also are seeing impressive results from their video collaboration efforts. At GHD, a leading engineering, architecture and environmental consulting company, video communication and collaboration is bringing together 5,500 employees across five continents. The company does not have a single, formal headquarters.

The company calls this bringing together of brainpower and skill sets "One GHD." Historically, collaboration involved "a lot of telephone conversations and extensive air travel," says Elizabeth Harper, chief information officer at GHD. As the firm grew to well over 100 offices and added new practices to the business, staying connected became even more critical and expensive. GHD provided its employees with tools—from web-based videoconferencing to conference room setups—that would "decrease travel costs as well as improve productivity overall by giving employees more time to do meaningful work," Harper explains. This includes the capability for its highly mobile decision makers to meet face-to-face regardless of their location.

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BUSINESS BENEFITS: 8 TACTICS TO BUILD ADVANTAGES FOR ANY ORGANIZATION

Retailers and financial institutions are employing video to interact with their customers. Manufacturers can tackle production issues more quickly and thoroughly through visual interaction. Video opens up supply chains, just as it does partner and customer channels.



With technology widely available at low cost, and with intuitive and easy-to-use interfaces, employees at all levels of organizations can quickly pick up such access with no fuss or muss. The nature of the interaction—whether it takes place in person, over the phone, by email or by video—depends on the requirements of the moment. However, the presence of a reliable and effective video capability may change this equation. “Once you’ve invested in the creation of a secure video network, everyone gets excited about what else it can be used for,” says Paras.

The following are **8** advantages that are gained through video collaboration:

1. Reduce travel costs.

With business videoconferencing that is reliable and easy to use, users can have face-to-face experiences and connect more frequently with remote colleagues and clients, without the need to incur travel expenses. Travel-cost reduction is only the beginning of the advantages to be seen with video collaboration, and more advantages are detailed below.

2. Enhance productivity.

Video collaboration can wring out excess time in workflows. The ability to engage and interact in real time enables participants to solve problems or launch new programs on the spot, versus engaging in the back and forth of email or missed phone calls. The ability to exchange ideas and better read one another’s reactions also reduces the chances of misinterpretation or miscommunication, and thus improves the quality of decision making. Since video collaboration enhances the ability to work remotely, it also helps boost productivity, as it reduces the stress of business travel and time away for employees. It is also a productivity booster for today’s growing cadres of remote teleworkers. A recent GigaOm Research report observes that 87% of remote users feel more connected to their team and process when using videoconferencing.³

³ “Why videoconferencing is critical to business collaboration,” GigaOm, January 2014, <http://research.gigaom.com/report/why-videoconferencing-is-critical-to-business-collaboration/>

“Leveling the playing field for collaboration has improved employee productivity.”

Elizabeth Harper
Chief Information Officer
GHD



GHD extends collaboration capabilities externally if a project requires it, simplifying participation for customers and partners. Employees can work more flexible hours rather than being tied to a single office location, and participate in meetings across time zones. “Leveling the playing field for collaboration has improved employee productivity,” says Harper, who noted that the firm’s video communication tools “have made a major difference in how IT is perceived by the organization, and ultimately are improving project quality and delivery times to our clients.”

3. Enhance communications across the enterprise.

Video collaboration helps business leaders and managers reach across units and departments to share their vision for their organizations, communicate new values or priorities, or provide reaffirmation and assurance in tough times. In-person communications matter to business leaders—a survey by the Economist Intelligence Unit finds 75% of executives feel that in-person collaboration is critical to business success, affecting business outcomes more than other forms of communication.⁴ In today’s highly distributed enterprises, “you can’t just bring everyone into an auditorium,” Polzer remarks. Video also extends relationships beyond the enterprise, to strengthen high-level relationships with partners, customers and shareholders.

75%

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A survey by the Economist Intelligence Unit finds 75% of executives feel that in-person collaboration is critical to business success, affecting business outcomes more than other forms of communication.

⁴ Power of In-Person: The Business Value of In-Person Collaboration, Economist Intelligence Unit, 2012.
http://www.cisco.com/web/IN/assets/pdfs/45808_Economist_wp1c_HR.pdf

25%

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The ability to shave time off communication, as well as to increase turnaround of workflow documents, can reduce product development time by 25%, or more than one day a week.

4. Increase opportunities for innovation.

Video collaboration also accelerates innovation and speed to market. The ability to shave time off communication, as well as to increase turnaround of workflow documents, can reduce product development time by 25%, or more than one day a week.⁵ Innovation often is the product of brainstorming sessions. Some leading innovation companies are well-known for fostering intensive sessions in which participants go into a room and later emerge with a working solution in hand. Having a video capability that replicates this sense of working in the same “room” opens up innovation to a global talent set, drawing in expertise from anywhere across the world. There will also be many unanticipated innovations that will be developed by employees who see video collaboration as a better way to accomplish their work. Video provides an additional boost to innovation by freeing up the time to create new ideas.

GHD’s video collaboration has enabled the company to increase innovation and better leverage skill sets across different geographies for reduced time to market. “Our people are our competitive advantage,” says Fechner. “We’ve been able to build stronger teams and improve market penetration.”

Video collaboration is also a tool that organizations are using to provide new service delivery models that offer strong customer engagement.

⁵ CIO and Box, “The New World of Collaboration,” 2014: http://resources.idgenterprise.com/original/AST-0120112_BoxWPcons0712_FINAL.pdf

5. Open up new markets and opportunities.

The Cisco survey found that 94% of organizations value video as a way to break down language barriers in an increasingly global marketplace. Video collaboration is also a tool that organizations are using to provide new service delivery models that offer strong customer engagement. Providing real-time face-to-face services using video collaboration anywhere can be a game changer for many industries and provides a business and competitive advantage by making it feasible to offer more personalized services. HCIN, with its translation-on-demand capabilities, is an example of the services that are emerging. Such services play a key role in domestic markets as well, Paras notes. “Hospitals are seeing larger numbers of limited-English-proficient clients, and are increasingly competing for this client base,” she says. “Those with good, quality interpretation are positioning themselves to be the provider of choice for larger and larger portions of the community.”



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1.8mil

Forrester Research
estimates that just one
minute of online video
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1.8 million written words.

6. Enable knowledge management and training.

An advantage of video collaboration is the ability to record and archive meetings, events or best practice sharing for review anytime. The recorded meetings or events can then be employed as training tools. “Companies are using video to capture meetings,” says Polzer. “This is useful when the meeting ends and people who couldn’t attend want to know what happened—did any conflict occur, was there confusion about a decision that was made, who is accountable for next steps, or related issues.” Typically, he observes, to find out what happened at a meeting, “you have to ask somebody who was there, and you get their view. If you ask somebody else, you will get a different view.” Some companies are now storing video recordings of all meetings within online libraries, Polzer adds.

Video-driven learning and development improves employee engagement, morale and alignment, which in turn can lead to increased productivity and higher retention. Video communication also offers a more immediate medium for knowledge sharing, which can be especially helpful in complex or fast-moving markets. Forrester Research estimates that just one minute of online video equates to approximately 1.8 million written words.⁶ Employees also need new competencies to succeed in more-complex work environments. According to research from Aberdeen Group, video-enabled companies averaged an 8% reduction in voluntary turnover of talent and a 4% increase in employee productivity in a 12-month period. Typical organizations averaged 6.5 weeks to bring new employees to productivity and \$2,500 in training costs per employee. However, companies using video perceived advantages in creating a stronger work community.⁷

⁶ “3 Ways to Use Brainshark Video Presentations to Promote Your Brand on Twitter,” Sabrina Cote, Brainshark, June 2014. <http://www.brainshark.com/Ideas-Blog/2013/June/use-video-to-promote-your-brand-twitter.aspx>

⁷ The ROI of Video Collaboration, Aberdeen Group, 2011. http://www.cisco.com/c/dam/en/us/solutions/collateral/executive-perspectives/executive-perspectives/roi_of_video_collaboration.pdf

A typical knowledge management system includes PowerPoint decks with bullet points, pictures and diagrams, or reports, Polzer continues. “Imagine instead there are recorded presentations stored in the system. These videos are much more effective at conveying information and transferring expertise.”

Harvard Business School itself is introducing video into its case studies, which are core to its curriculum, Polzer relates. “The vast majority of cases are text descriptions of companies. But we’re also now creating and using multimedia cases. Instead of just having a text-based quote, a student can watch the protagonist through video. They can see and hear how they speak, and determine for themselves whether the speakers are trustworthy or inspiring.” Across universities and colleges, video-based instruction is using video to create more effective and engaging virtual classroom experiences.



⁸ State of Video in Education 2014 Report, Kaltura Inc., 2014. http://site.kaltura.com/Education_Survey.html

9%

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In its study, Aberdeen
observed a 9% sales cycle
acceleration when subject
matter experts are
introduced early into the
sales process via video.

Within business environments, video serves to provide formal training, share best practices and enforce key organizational communications. Not only are these video resources available at any time, but it's also easy to search on a topic or speaker. Information and learning is more accessible across the organization.

In a recent survey of 550 educational professionals from 300 institutions, conducted by Kaltura, Inc., 90% say they believe that video improves the learning experience, with even basic video tools having a significant impact. Video changes the way anyone learns, boosts engagement and influences learning outcomes.⁸

7. Supercharge customer service.

Video can be a powerful tool for working with customers and more quickly meeting customers' expectations. The ability to communicate with customers face-to-face around the globe offers connections that can't be replicated. A recent Accenture survey, for example, found the main reason customers stay with or switch their service provider is due to customer service.⁹ "As a customer, to have a person there with a face that allows you to read non-verbals, to develop rapport and trust, and see whether they appear to be engaged with the problem, can make all the difference," says Polzer. Several prominent companies, such as American Express, now offer apps that engage customers in video collaboration with customer-service representatives. The American Express video app is intended to "deepen" its relationship with card member customers, according to the company.¹⁰

Video-based interpretation services also are providing enhanced levels of service from healthcare institutions—resulting in more-favorable patient engagements, leading to better business results. "Voice-only communications

⁹ <http://www.accenture.com/SiteCollectionDocuments/PDF/Accenture-Global-Consumer-Pulse-Research-Study-2013-Key-Findings.pdf>

¹⁰ *Delivering More Personalized Customer Service*, Leni Selvaggio, June 2014.
<http://blogs.cisco.com/financialservices/delivering-more-personalized-customer-service/>

has a lot of limitations,” Paras says. For a non-English-speaking patient in the emergency room, there may be confusion as to whether he or she understands the doctor’s instructions. “If the patient is readmitted to the hospital within 30 days, because she didn’t fully understand and follow the doctor’s instructions, then that patient’s health is at risk and the hospital is penalized—for a miscommunication that could have been prevented with optimal communication,” says Paras. “With video, an interpreter is watching the facial expressions, the hand gestures, and coming from that same culture, can fully understand how the patient is responding.”

8. Video-enabled sales processes, remote expert and funnel acceleration rates.

In its study, Aberdeen observed a 9% sales cycle acceleration when subject matter experts are introduced early into the sales process via video. “Video-aided B2B sales people managed to move an average of 20% of their video collaboration contacts to a sales funnel where the average deal size was over half a million dollars,” Aberdeen’s survey of 380 enterprises found.¹¹



¹¹ The ROI of Video Collaboration, Aberdeen Group, 2011.
http://www.cisco.com/c/dam/en/us/solutions/collateral/executive-perspectives/executive-perspectives/roi_of_video_collaboration.pdf



ADVICE FOR MOVING TO VIDEO COLLABORATION

There are two modes of video collaboration: live meetings that enable real-time interaction between participants, and archived, on-demand recordings of these interactions. The following steps should be taken to introduce and leverage video collaboration:



3 steps to follow:

1

Engage the business.

Advocate for employee video communications to build strong virtual teams, share knowledge and engage with customers and partners. Learn from the team—often the most innovative ideas and practices come from users as they engage more frequently with video. By effectively delivering a well-aligned message with both verbal and non-verbal communication, “the content of your message can be really powerful,” Polzer says.

Use cases will vary from department to department. Where are the pain points within operations or processes that video can address? Are key departments, including IT, on board with supporting a video environment? Will mobile fit into this new environment?

Ultimately, the results go right to the bottom line, and may even revolutionize some industries. Paras’s HCIN implementation provides hospitals with services at a lower cost than they would get with telephone interpretation, Paras adds. “So you can get better quality at a lower cost—that’s a rare achievement in healthcare.”

2

Ensure the highest quality of video.

If video is relatively low quality, it may detract from the messages participants are attempting to convey. “The problem is that video quality varies dramatically,” says Polzer. “Video that’s not good quality can really detract from the communication. If there’s a little bit of lag time, or there’s some interference, it can really disrupt the conversation, and it has some lingering effects that might be attributed to the other person, even unconsciously.”

3

Select video collaboration solutions that are easy to use.

In the past, business decision makers were often put off by video, due to the perceived complexity of putting the technology into place and launching sessions. Previously, “calling another company by video required that engineers test it beforehand,” says Paras. “IT staffs would go into a tizzy. ‘How can we make this call? What protocols are you using, what protocols are we using?’”

A new generation of tools, platforms and services enable rapid integration of video communications into key applications, training resources, project management, customer service and web applications. Making video collaboration as easy as one click to connect with a subject matter expert or a team member can accelerate business results and enhance organization culture.

For example, within HCIN, each examination area in participating hospitals’ emergency rooms is equipped with video consoles, and clinicians may call up specific language translators with the touch of a button. “These sites are calling each other routinely, dozens of times a day, without any engineers standing by, without any testing,” says Paras. “Just press the button, ask for an interpreter, and get rerouted somewhere in that network.”

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UPS Foundation Professor
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CONCLUSION

Video energizes communication and collaboration across all industries and all sizes of companies. It not only reduces or eliminates travel costs, but it also opens up new opportunities for business growth, faster time to market, increased productivity and accelerated innovation. Video makes face-to-face interactions a reality again—a powerful way to build business relationships. Bringing people together at critical moments is crucial to extend and scale the value of organizations' core resource: people.

Video encourages new ways of working that connect virtual teams and complex environments. Breakthrough results come when businesses engage their human assets to brainstorm, innovate, establish strong relationships, share ideas and knowledge, negotiate and inspire.



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