

THE IMPORTANCE OF TCO

The Total Cost of Ownership (TCO) is simply a measure of what the technology and systems of a company cost to own, manage and operate. But TCO is especially important when comparing UC solutions, and allows companies to evaluate competing services on an equal level. A company with low TCO can gain significant cost advantages in implementation, training, maintenance, and system management.



..... **81%**

of consumers expect a vendor to quantify the business value of their solution



..... **90%**

of surveyed corporations require quantifiable proof that a product can benefit the company's bottom line

Of surveyed businesses:



42%

decided to deploy a UC solution to improve efficiency



54%

decided to deploy a UC solution to improve employee collaboration

THE TCO COMPARISON

Businesses expect telephone systems to last at least 6 years. Combining that expectation with the fact that system complexity has increased, creating a need for greater support and management, TCO is a bigger factor to consider than ever before.

The following cost comparisons come from analysing the TCO of IP and legacy TDM systems in 236 different worldwide corporate environments.

Operational Implementation Costs

	PER PHONE	HOURS PER PHONE
ShoreTel	£25.15	0.88
Avaya Aura	£77.20	2.38
Cisco UCM	£77.20	1.82
TDM Legacy PBX	£57.84	1.41

ShoreTel, on average, was deployed twice as quickly, a £8682 savings over the median deployment

Upfront Training Costs (per administrator)

ShoreTel	£1447
Avaya Aura	£3445
Cisco UCM	£4197

ShoreTel's training costs were 35% lower than a standard deployment

Maintenance and Assurance Costs (per phone / annual)

ShoreTel	£43.40
Cisco UCM	£102.60
TDM Legacy PBX	£53.40

System Management Costs (salary cost per 1,000 phones)

ShoreTel	£65,120
Avaya Aura CM	£112,283
Cisco UCM	£281,638
TDM Legacy PBX	£232,643



SOURCES

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