



Business Case for Videoconferencing

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Session Description

- This session is designed to discuss the steps for you to successfully implement videoconferencing within your organization.
- Through these steps we will present a general implementation strategy for you to ensure that videoconferencing is highly utilized within your organization.



An Implementation Strategy

- The first step in successfully implementing a videoconferencing system in any organization is to gain the commitment of the top level executives.



Implementation Strategy

- The next step in any implementation strategy is to determine the needs of the end user by performing a Needs Assessment.



Steps to Implementation

- Establish the Goals and Purpose
- Identify Significant Variables
- Perform the Pilot Study
- Train, Market, and Select
- Implementation



Goals and Purpose

- State the goals in the language of your company – reflect your cultural values.
- Ensure that the purpose to use videoconferencing is based on real communication needs



Goals and Purpose

- Commit to regularly evaluate the system based on the goals established.
- Decide on how much you want to spend and how soon you want to implement it.



Significant Variables

- Identify type of task and type of participant:
 - Travel Analysis – who has the greatest need to videoconference?
 - Task Analysis – how long does it take to perform the tasks?



Significant Variables

- Equipment Analysis – what type of equipment will be necessary to perform the tasks?
- Participant Analysis – how many will participate at each location?



Significant Variables

- Once the type of task and the type of participant are identified, the most likely videoconferencing locations and the best videoconference equipment can be determined.



The Pilot Study

- Identify existing videoconferencing systems similar to the one you would like to implement.
- Examine equipment rental as well as lease-with-option-to-buy options through vendors who are often willing to demonstrate their products.



The Pilot Study

- Educate the participants by allowing them to interact using the equipment.
- Ask for feedback from the participants via a post-meeting questionnaire developed to measure the perceived likelihood of their using the system if implemented.



Train-Market-Select

- Train
 - Conduct an orientation to the system explaining how it works in non-technical terminology



Train

- Informal hands-on experiences with the system and group discussions about the participant's reactions.
- A simulated run through based on the tasks the participants will likely perform in a videoconference.



Train-Market-Select

- Market
 - An internal marketing plan should be developed to specify what materials and distribution channels should be used.



Market

- Materials should be developed and distributed to the users to describe the proposed system and its purpose.
- Assure the potential users of the time savings, the productivity increases, and the convenience benefits of the new communication tool.



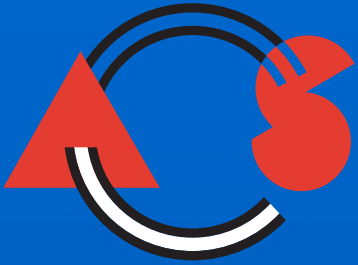
Train-Market-Select

- Select
 - Consider the merits of each system for current and long term uses with possible extensions of the system.
 - Consider compatibility of components and how they will work together.



Select

- Consider cost of the system but not at the expense of service and support.



Implementation

- Plan and budget for changes that will likely be made in the equipment – the transmission – and the participant configuration.
- Consider contracting with a qualified consulting engineer to deal with equipment and transmission problems during the start up phase.



Implementation

- Choose an equipment vendor who has a track record of being able to handle problems with the equipment as they arise.
- Establish clear lines of communication among all of the principals during implementation through frequent progress reports.



Implementation

- Conduct frequent meetings to discuss evaluation of the system's implementation based on human factors as well as technical considerations.
- The most difficult problem to overcome is not the technology but the design of the human/machine interface. The human factor considerations.



Human Factor Considerations

- Number of Participants
- Sensitivity of Task
- Turn-taking in Conversation
- Leadership
- Coaching



Videoconferencing Can Justify Itself

- The best way to justify videoconferencing is to market the benefits offered by the technology and to position videoconferencing as a complement to other business tools including business travel and audio conferencing.



Videoconferencing Justification

- A videoconferencing system should be designed to serve those areas of your organization where it will have the best chance of success and deliver the greatest benefits.



Videoconferencing

- Reduces Travel Costs
- Increases Productivity
- Responds to Immediate Communication Needs
- Can Involve Multiple Sites Simultaneously
- Accelerates Decision Making and Time to Market
- Allows the Transmission of Graphic, Written or Computer-generated Material
- Allows Meetings to be Video Taped and Archived Easily



Hard Costs of Business Travel

- Flight Costs
- Hotel Costs
- Meal and Entertainment Costs
- Other Costs (car service, parking, tips, etc)



Hard Costs

- Research has revealed that a North American based manager will incur hard costs of \$1,334 by attending an average domestic business meeting



Soft Costs of Business Travel

- Logistic Time (reservations, scheduling, etc)
- Time Spent Traveling to & from the airport
- Time Spent Before the Flight
- Time Spent in the Air
- Time Spent Collecting One's Baggage



Soft Costs

- Time spent Checking into the Hotel (catching up on missed calls & e-mails).
- Time spent at the Actual Meeting
- Time Spent Following–Up after the Meeting (filing expense reports, distributing documentation, preparing minutes, etc)



Total Cost of Business Travel

- To convert Soft Costs of Business Travel from Hours Invested to Dollars spent - one Must Calculate the Hourly Cost of the Average Business Traveler



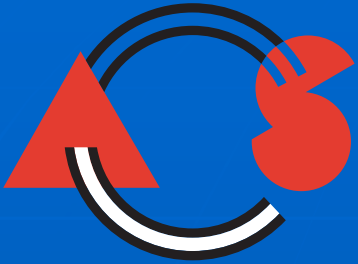
Soft Costs

- Assume Traveler earns \$50 per hour plus an Additional 30% Cost for Benefits and Works 220 days per year at nine hours per day.



Soft Costs

- Assume the Traveler Spends an Average of Twenty One Hours of Time to Attend a Domestic Travel Meeting.
- We calculate an average soft cost per employee per travel meeting of \$1,050



Soft Costs

- A reasonable estimate of sending an employee to a domestic travel meeting.

Hard Costs: \$1,334 per meet

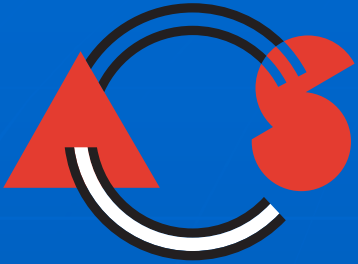
Soft Costs: \$1,050 per meet

Total Costs: \$2,384 per meet



Hard Costs of Video Meeting

- Fixed Data Line Fees
- Fixed Costs for Support Staff
- Long Distance Fees/Usage Fees
- Bridging Fees (if applicable)
- Gateway Fees (if applicable)



Soft Costs of Video Meeting

- Time Spent on Logistics
(reservations, scheduling, etc.)
- Time Spent Attending the Actual Meeting
- Time Spent Following-Up



Total Costs of Video Meeting

- We believe a reasonable estimate for the hard and soft costs for a video meeting might be:

Hard Costs: \$200 per meeting

Soft Costs: \$200 per meeting

Total Costs: \$400 per meeting



Total Costs

- Total costs are highly dependent upon the method of cost allocation employed by your organization, the length of the video meeting, and the per minute cost of the data lines used.



In Conclusion

- The Needs Assessment is designed to seek out the leading edge groups within your organization who have demonstrated they are open to new ways of doing business



- The Needs Assessment will identify the groups having the greatest need for improved productivity especially where productivity is hampered by excessive travel requirements



- The Needs Assessment will analyze the travel and communication patterns of the groups in question by identifying the functional inter-relationships which would best be served by a videoconferencing system.



- The Needs Assessment will look at the individual costs for employees and for meetings. This approach will calculate the hard and soft costs of travel focusing on an individual's time, salary, travel expenses, and the number of meetings attended.



Questions?

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