

White Paper

You Can Get There From Here: A Guide to Exploring Today's Unified Communications Options

S. Tressa Brophy

Siemens Enterprise Communications
February 2010

For More Information:
www.Siemens-Enterprise.com/US/Explore

1-800-765-6123

Communication for the open minded

Siemens Enterprise Communications
www.siemens.com/open

SIEMENS

Contents

Introduction	3
You can get there from here. We'd like to offer some tips for navigation.	
Part 1: Where's the Payoff?	4
Find out what today's communication solutions are really worth to your business and let the money be your guide.	
Part 2: What Are Your Assets?	6
Put new value exactly where you need it and keep workable assets in place with new evolution strategies for your communications environment.	
Part 3: How Much Do You Need to Own?	8
If you're not in a position to write a big check, take heart. A new spectrum of acquisition models lets you find your sweet spot on the CapEx-OpEx spectrum.	
Part 4: How Much Do You Need to Manage?	10
How can you manage UC if you're already challenged to maintain what you have? A time-and-money perspective on how to transition to, and support, a world-class communication solution.	
Part 5: What Do You Know? (And What Don't You Know?)	12
Thoughts on decision-making in uncertain times.	
Appendix: Two excerpts from a Siemens Business Case Builder Sample Case.	13

Introduction

You can get there from here. We'd like to offer some tips for navigation.

If you're considering improvements to your communication solutions, you have more options and more buying power than ever.

Today's enterprise communications market offers a wealth of new unified communication (UC) solutions, but that's not all. Today, you can also choose from a broad range of financial, support and migration models that address challenges in budgeting, staffing and vendor uncertainty.

At Siemens Enterprise Communications, it's not unusual for our customers to project an ROI of less than 2 years for a complete UC transformation.

This white paper is designed to help you explore five key areas in enterprise communications. With a command of the options available in these five areas, you'll be well-equipped to define the optimal solution for your business.

1. **Where's the Payoff?** What is UC worth to your business? A credible business case will do more than secure funding. It can be your guide to a gradual evolution to UC that addresses your greatest needs and opportunities first.
2. **What Are Your Assets?** Put new value exactly where you need it and keep workable assets in place with new evolution strategies for your communications environment.
3. **How Much Do You Need to Own?** If your business is conserving capital, take heart. A new spectrum of acquisition models let's you find your sweet spot on the CapEx-OpEx spectrum.
4. **How Much Do You Need to Manage?** A time-and-money perspective on how to support a new UC solution and the transition to it.
5. **What Do You Know? (And What Don't You Know?)** If your vendor roadmap and service channel are not quite as stable as you'd like, you can still enjoy the cost savings and productivity boost of UC today.

Regardless of your starting point, if UC is your destination, there's a really good chance that you can get there from here – and keep your options for the future open. It's an exploration that's well worthwhile.

Part 1: Where's the Payoff?

Find out what today's communication solutions are really worth to your business and let the money be your guide.

A good business case is more than an ROI number. It will help you assess if and how a migration to UC will deliver hard-dollar savings and improvements in productivity and efficiency. It will consider opportunity costs and risks, and assess a range of scenarios, including the cost of doing nothing. It can also factor in less tangible considerations, such as the impact on your customer service.

What's more, a business case can be an important tool for securing capital in your budget, if that's the direction you choose to go (although, in Part 3, we'll show you how to move forward with less).

If you are still using a TDM-based system, chances are good that you'll benefit from a migration to UC. While we realize that every customer is different, here are some of the potential savings that SEN customers have realized. Perhaps there are two or three that apply to you:

- Reduce voice TCO by 20% to 30% by centralizing communications in the data center
- Reduce voice traffic costs up to 30% with IP-LCR or network overlay
- Reduce conferencing costs up to 90% with your own internal bridge for voice and web conferencing
- Reduce cost of integration, hardware and trunking up to 20% with SIP trunking
- Reduce the cost of moves and changes up to 50%
- Reduce power consumption up to 90%
- Improve first-call resolution in the contact center up to 20% with UC and smart routing
- Reduce operating costs up to 30% through out-tasking or outsourcing
- Plus numerous "soft-dollar" gains in employee productivity and increased responsiveness to customers and suppliers that can impact your bottom line.

While there are potential upsides to migrating to UC, there are risks in standing still. For instance, when relying on a discontinued or "roadmap-challenged" communications system, remember that parts and support will soon become scarce, making system and disaster recovery a significant challenge.

If you're unfamiliar with the scope of potential savings from UC, you'll find case studies, focus areas and a summary of what you're missing on our website: www.Siemens-Enterprise.com/US/Explore.

As stated, though, every business is different, so your results may vary. That's exactly why you need your own business case.

A solid business case doesn't have to be expensive or difficult, but it should be comprehensive. A consultative, solutions-oriented vendor will support you on the process free of charge. As long as they offer full transparency and you control the variables, this can add experienced hands to the creation of a business case that reflects your vision.

For example, Siemens Business Case Builder is a unique tool to help assess potential savings. To create business cases with integrity, we turned to independent firm Glomark to create the algorithms. You can use cost data from the industry researchers at IDC and Current Analysis, or data based on your own experience. Siemens Business Case Builder lets you control key variables. You can look at best-case, worst-case and most likely scenarios.

Best of all, you have a clear view of all the data, calculations and assumptions used in your case. In other words, you're in control of what goes into your case and your Siemens rep helps out with a proven, methodical structure and the number crunching. When you're done, you'll have a document that contains figures you understand and know are valid for your business.

The following checklist will help you ensure that the business case you receive, regardless of provider, has a high degree of integrity:

- ☑ Control of the variables. Make sure you can plug in your own cost figures and savings estimates in each area. If you don't have historical data, use industry figures from a credible source.
- ☑ Control the content of your business case. You should be able to decide which savings areas will or won't be included in your case. For funding purposes, ask to see hard-dollar and soft-dollar savings separately and to see which department(s) will realize the savings.
- ☑ Expect a range of outputs. A business case that includes results in ranges from worst case to best case will increase the integrity of your case.
- ☑ Require full transparency. Insist on having access to all the calculations and assumptions used in the business case.
- ☑ Explore multiple solution and migration options. A good business case includes "what-if" scenarios. A good vendor will offer you multiple avenues to your goal.
- ☑ Ask to see case studies (or extracts) from other customers. They can give you a gauge of the type and scale of savings to be found in various scenarios.

With a solid business case, you can begin to explore options for realizing savings with the optimal investment and return cycle. And that, too, can be easier than you might think.

To see our approach to business-case preparation, turn to the Appendix: Two excerpts from a Siemens Business Case Builder. It'll show you the transparency, clarity and flexibility we offer.

Want to learn more about engaging Siemens to help develop your business case? You can reach us today at www.Siemens-Enterprise.com/US/Explore.

How OpenScope Voice Saves You Money:

One system supports up to 100,000 users from your data center

- Fewer separate or networked systems means less hardware, less support staff, less network and application design/support, lower maintenance costs and easier scalability.

More calls and applications use your IP network

- Long-distance and mobile calls; teleworkers' voice services; and voice, web and video conferencing all use fewer dedicated services for greater economies of scale and more IT control.

More efficient for IT to operate

- Less admin staff; one call routing design; one contact center to design, integrate and upgrade; one UC solution; one user training and support plan.
- Complement OpenScope with Enterasys enterprise network solutions to shift even more IT staff to business solutions, with as little as one-tenth the network admin required, compared to competitors' IP networks.

Part 2: What Are Your Assets?

Put new value exactly where you need it and keep workable assets in place with new evolution strategies for your communications environment.

With business case in hand and budgeting guidelines at the ready, you can focus on the best path to UC. Almost by definition, a UC system is a multi-vendor solution. So, you have nothing to lose and plenty to gain by introducing quality point solutions when and where they'll realize the greatest return. The fact is, this approach is the norm.

When choosing any point device, there are two de facto requirements. First, be sure it's rooted in open standards. This improves the likelihood it will work well with existing systems today and interoperate with new devices in the future. Second, choose a software-oriented solution that will give you the capability and scalability to introduce new functionality user-by-user or site-by-site, one application or workgroup at a time. This approach also helps to keep your future options open.

The better solutions on the market make it easy to add users and applications over time using an open-standards, software-oriented approach. Consider the Siemens OpenScape UC Application Suite. It uses a common foundation – the OpenScape UC Server – for all applications. Once the foundation is in, you can grow up to 100,000 users on its two carrier-grade servers by simply adding software and user licenses. It's built from the ground up around SIP and SOA, so it will work nicely with other elements of your communications environment – including your existing PBX – to deliver voice, messaging, UC, contact center and mobility applications.

The flexibility inherent in the OpenScape UC Server opens up a range of deployment options. Here are some common examples:

- **Disaster Recovery.** If your current system is on its last legs, you can install OpenScape for disaster backup. In the event of catastrophic failure, you can quickly re-route traffic, integrate mobile phones, and add local or remote users by simply calling to add user licenses. You invest in a resilient solution with a future, rather than extensive crash kits that are obsolete the moment you buy them.
- **Network Overlay.** For many organizations, this is a big savings opportunity. Consolidate voice traffic onto your IP network, and use IP least-cost routing and integration of mobile communications to reduce trunking, roaming and long-distance charges. Choose a native SIP networking solution to decrease the costs of integration, hardware and trunking (our customers report savings of 20% when moving to SIP trunks).
- **Remote Sites.** If you have a multisite enterprise or a mobile/remote workforce, you'll likely save time and money by centralizing communications for branch offices and mobile workers in your data center – even if you aren't ready to transition your large sites. Centralization reduces the need for branch support staff, reduces the number of voice and messaging systems on maintenance plans and provides enterprise-grade services to users at all sites. Advanced services like integrated mobility (for sales and service staff), contact centers and UC can be deployed to remote sites, often at a lower cost.
- **Applications.** If you have communications power users that need leading-edge functionality, a side-by-side solution gives you an affordable way to serve them. Whether you need UC, contact center or mobile UC, you can implement it and bring users on one by one if you want. That's because a software-based solution needs only the application and user licenses – the hardware goes in just once.

If you choose the right side-by-side solution, you have the agility to deploy what you need, when and where you need it, for relatively little effort and cost. Again, an open solution will work well beside existing systems and keep your options open. To make sure you get that kind of agility:

- ☑ Choose a software-oriented solution. If you need to add servers every time you add users or functionality, the effort, time and cost can be prohibitive. With a software-oriented solution, you don't have to keep re-engineering the hardware.
- ☑ Choose an open, standards-based solution. UC is all about integration. A truly open solution with robust standards drives economy and flexibility over time. Check out credible sources like Interop to get a realistic view of the effort and functionality of a UC integration.
- ☑ Think resilience. Side-by-side solutions make sense because they save money and are critical to business performance. Don't accept less resilience from these solutions than you would accept on your enterprise foundation.
- ☑ Study the impact to (and readiness of) your enterprise IP network. It's worth investing in a study in advance. In many cases, network readiness will be a key reason for a staged deployment – moving only the most critical and cost-saving functions while the IP network is built up and network monitoring is in place.
- ☑ Re-evaluate your service options. Choose a supplier that has a proven record supporting multi-vendor solutions to avoid finger-pointing and ensure quality implementation and support.

Of course, a comprehensive system implementation is always an option. For some companies, it's easier to do all at once, and if capital funds are available, this may create the best multi-year business case.

Take the time to explore your options for staged deployments. In most cases, you can start saving sooner, while keeping future options open. By tying investments to your strongest ROI projections, you can have the solutions you need and extend the lifespan of the systems you have.

Want to discuss how the OpenScape UC Server might meet your needs? Contact a Siemens rep today at www.Siemens-Enterprise.com/US/Explore.

Part 3: How Much Do You Need to Own?

If you're not in a position to write a big check, take heart. A new spectrum of acquisition models lets you find your sweet spot on the CapEx-OpEx spectrum.

You may not need to buy a new phone system to move up to UC. At least, you may not need to buy as much. Today, you can usually get the functionality and integration you need through hosted services or software subscription. These new options mean you can use an all-CapEx, all-OpEx or hybrid funding model. There aren't great differences in functionality. So, choose the approach that fits your financial and staffing priorities.

Standard Purchase. If your business has capital and your communications requirements don't fluctuate much, the conventional CapEx model of purchasing a system may make the most sense for you. It gets you to the point where your ongoing costs are essentially limited to maintenance, administration and trunking. On the other hand, the costs of upgrades, monitoring and administration are all yours.

Hosted Solutions. There is a growing range of service providers that can deliver enterprise-class UC via hosted services. This shifts the budget primarily to OpEx and gives you a pay-as-you-go model that's a great choice for organizations conserving capital or those with fluctuating seasonal usage. This model also moves IT support and system administration to the service provider. So, in-house IT staff can be shifted to more strategic activities. You'll usually see lower costs of upgrades. On the other hand, it's an ongoing expense.

Software Subscription. Siemens is currently in US trials of solutions featuring software subscriptions. In this model, you own the hardware and pay a monthly fee for the use of software. In most cases, you'll need about 60% less capital up front (variations depend on whether you purchase new servers or use your own). The rest shifts to a low and flexible monthly fee for licenses.

Software subscriptions are an innovative service model. You configure and deploy the product to meet your business needs, as you would with a conventional purchased solution, but there are some unique advantages worth exploring.

■ Use what you need, when you need it – nothing more, nothing less.

You can license virtually any application in the OpenScape portfolio, and you can do so in units as small as one user. That means you don't have heavy upfront costs for premium applications like unified communications or contact centers.

In addition, a software subscription (and, in some cases, hosted solutions) will mean you pay only for the services you use, on a month-to-month basis. So if you need 100 call center agents during the holiday seasons and 15 for the rest of the year, you pay for the additional licenses only during the months they are used. If you have a major nine-month project and are adding contract help for it, you can equip them with the best of unified communications during the project, and stop paying when the project is concluded. It's an excellent choice for catalog sales, education, hospitality, project-oriented firms and many other business and government organizations.

■ Stay current.

Another great aspect of software subscription is that you always have the latest version without the cost of upgrades. Consider the ever-pressing need to update contact center software. In the days of the PBX, this often included an upgrade to the enterprise voice system, adding both cost and staff work. With subscription, that changes, since the current applications and user licenses are always available without additional charge.

■ Thwart disaster.

Perhaps the most interesting application for software subscription is for disaster recovery solutions for large, aged systems. Remember that you pay only for the software you use. This means that, once you've got your hardware set up, you'll have no software license fees unless you need to switch on the OpenScape solution for recovery. You could implement today to build a safety net with a far better investment lifecycle than a crash kit. Ramp up to 100,000 users with software, should calamity strike. Otherwise, take your time to prepare your network, make plans, develop your business case and choose an evolutionary communications strategy that makes sense for your business.

So which solution is right for your enterprise? Again, we recommend a pragmatic, step-by-step approach.

1. Choose your financial model:

- If you need to conserve capital, consider hosting or subscription.
- If you have no capital but need to make a move, look into a hosted solution.
- If you have some capital (or can get it with a good business case), or if your business tends to keep assets for extended lifecycles, a conventional purchase might be best for you (particularly with a phased evolution).

2. Evaluate your user needs for advanced applications. If you have a wide range of needs, are constantly asked to provide the latest capabilities or have seasonal spikes in usage, hosting or subscription can improve the economics of upgrades and scaling up or down.

3. Look at your record of software upgrades in the recent past. If you upgrade often, you may save money with subscription software.

Contact a Siemens representative to help you compare any of these models for an identical solution. You can reach him or her at www.Siemens-Enterprise.com/US/Explore.

Part 4: How Much Do You Need to Manage?

How can you manage UC if you're already challenged to maintain what you have? A time-and-money perspective on how to transition to, and support, a world-class communication solution.

The range of service options available today is broad and deep. That's fortunate, because with the changing fabric of unified communications solutions, pressures on IT staffing and the continuous challenge of recruiting skilled staff, having more options is essential. These services can help you achieve a lower cost of ownership at a predictable monthly cost. They can also help take the pressure off managing transitions and accessing the skilled resources required to support advanced communications solutions.

Today's service portfolio includes a diverse spectrum of lifecycle, professional and managed services for every stage of the ownership experience. From assessment and design through integration, global networking, remote monitoring, security and, of course, maintenance, you have the ability to out-task or outsource any or all aspects of support for your communications environment.

Maintenance

Selecting a service plan today is worth a bit of thought. While general maintenance of hardware and software are essential, expect your service company to offer a range of pre-packaged and à la carte options to keep systems running without over-running IT staff capacity.

Two service options, in particular, can save you a few headaches.

- Software assurance provides a suite of proactive updates, from patches to new versions, along with implementation services that range from self-service to professional integration services for advanced applications. Since software assurance is typically offered for one set price, you avoid unpredictable upgrade costs and staff work. (Of course, if you choose a hosted or software subscription offer, upgrades are likely to be included.) Bear in mind that some service contracts require customers to stay within one or two software versions of the current release.
- Remote monitoring of systems and the IP network plays a vital role in the quality of UC services you provide to users. The real-time demands of UC make network monitoring increasingly important. For many businesses, this is an easy out-tasking decision: The cost of building and staffing a world-class network operations center versus the economies of scale of an outsourced arrangement means that many organizations save money in outsourcing the function.

As communications systems have shifted to IP-based, software-driven solutions, the picture of general maintenance has changed. And there's still more change to come. The consolidation of Avaya and Nortel threatens to shake up the focus of distribution and service channels. One major manufacturer has announced they are pushing most service to indirect channels and discontinuing time-and-materials service options.

Out-tasking and outsourcing

Today's communication environments are more complex and more deeply integrated than the PBXs of old. Working across multiple suppliers with different portfolios and processes can strain IT staffing, except for the option to outsource a broad range of activities.

Managed services are not the all-or-nothing arrangements some envision. It's about smart-sourcing – a flexible approach to shared responsibility that helps align IT staff utilization and business strategies. Managed service solutions can help deliver a consistent level of service globally with pay-as-you-go scalability, planned upgrades or migrations and support for multi-vendor environments. With a good services partner, you retain control of your environment, while freeing IT staff for high-return activities.

Interestingly, it's not unusual for Siemens customers to shave up to 20% off their communications operating costs when implementing a managed service arrangement. A global service provider has the infrastructure and skills to reach economies of scale that are hard to match in many companies.

With smart-sourcing, it isn't a matter of merely identifying what needs to be done. Rather, ask yourself a few crucial questions to determine what's optimal for your business:

- What do you want your IT staff focused on? And what is your current ratio of staff focused on system management/admin versus strategic projects?
- What are your operational cost objectives, and do you have the transparency and accountability you need to reach them?
- Do you have the staff bandwidth you need for strategic projects, including managing unified communications? If not, how will you get it and how will you maintain staff skill levels?
- How many admin and tech hours are consumed managing multi-vendor solutions?
- Is there a difference in the result if you keep a function inside or out-task it?
- Is there a difference in cost between staffing your organization for a task and outsourcing it?
- What's the best way to provide a consistent level of service across the geography, sites, time and technology you need?

As with the acquisition of communications systems, sometimes you just need to do the math on service models. A flexible vendor that can offer a variety of service models will make it easy to compare and decide for yourself what's best for your business.

This is a good time to evaluate the service infrastructure, process and credentials of prospective service providers. A great NOC, staff certifications from multiple vendors, geographic reach that matches your own and a methodical approach (like the use of the ITIL standard) will ensure your service provider can serve it up.

Siemens OpenScale Services is a global portfolio of consultancy, integration and managed communication services based on ITIL® standards and best practices. Thanks to our open and scalable approach, we can take over responsibility for the most complex, multi-vendor environments and manage them comprehensively to agreed service levels. So you benefit from a communications service that's cost effective and efficiently controlled.

Part 5: What Do You Know? (And What Don't You Know?)

Some final thoughts on decision-making in uncertain times.

You've got more communications options than ever before. You have more control – technically, financially and operationally – than at any time in the past. And that's an enviable position to be in.

As you reviewed and considered the first four sections of this whitepaper, we hope that you gained a consolidated view of your options and the costs and financial benefits of each. No doubt, you were probably aware of much of this information before. But by providing context and breadth, this whitepaper offers a framework for your decision-making that will help you find the balance between CapEx and OpEx and between risk and benefit.

But there are still market and industry intangibles and uncertainties that need your consideration.

If your current environment includes Nortel or Avaya gear, you may still have some important questions in need of answers. You'll find some of those answers on the recently published roadmap. Some of the finer points may not be quite clear or proven until new offerings are released. That's when you'll find out the feature sets and you'll be able to assess the need for systems support and training for both IT staff and end users and, of course, how much the whole solution, implementation and ongoing support will cost. It might not be clear for an even longer time just what the real lifecycle of a mash-up solution will be.

The question to ask is this: Is there a cost to waiting for certainty before advancing your key communications capabilities?

Furthermore, you may want to investigate if your service partner is shifting gears, as part of the market realignment. Find out what that means for you, and explore your options.

In any case, a business case should still be your first step. Look at different solutions and migrations scenarios, and take a good, long look at your total cost of ownership. Does it make sense to invest in your current solution or would you get a better lifecycle TCO by investing in an open, standards-based, side-by-side solution?

With a business case tailored to your environment, built on your company's past experiences and containing a host of scenarios that you helped envision, a business case is the single best way to overcome uncertainty and set a solid foundation for the future.

The acquisition of Nortel might be the catalyst to review your plans for your communications environment. It might not come at the most convenient time, but it comes at a time when you can put yourself in the driver's seat. You have options. Explore.

Appendix: Two excerpts from a Siemens Business Case Builder Sample.

Note that all calculations are fully transparent and explained.

Maintenance and Service Contract Fees Cost-Reduction from Improved Platform Serviceability

Type of Profit Impact: Cost Avoidance

Solution: OpenScape Voice – Service Fees

Feature Value Creation: When a legacy PBX system is replaced with an OpenScape Voice solution, the centralized approach reduces the time to maintain the system.

For example, the new architecture eliminates:

- Inventory and software distribution and activations for various nodes
- Different database backups for various nodes
- Support efforts for application servers in multiple sites
- Hardware connection costs.

These improvements in serviceability are passed along to the customer in both the initial warranties and lower monthly maintenance and service fees. The result for the customer can be significant savings in annual maintenance and service contract fees.

Measurable Benefit: Reduced Service and Maintenance Fees

Means of Quantification: (Current Average Monthly Maintenance and Service Fees - Forecast Monthly Maintenance and Service Fees) * 12 Months per Year

Formula for Quantification: (F1 - F2) * 12

Assumption Key: F1

Assumption Name: Current Avg Monthly Maintenance and Service Fees: \$20,955

Current monthly contract fees paid for maintenance and service. The same or different values can be entered for each year of the business case. Obtain data from the customer.

Assumption Key: F2

Assumption Name: Forecast Monthly Maintenance and Service Fees: \$10,233

Forecast monthly fees to be paid for maintenance and service. Different values can be entered for each year, but first year usually reflects warranties. Do not double count with related Solution Investment data. This data is from the service provider.

Annual Savings Based on 3,150 Users: \$129,144

Total Enterprise Expected Savings: \$245,988

Move, Additions, and Changes (MAC) Cost-Reduction Due to Centralized Architecture and IP Telephony

Type of Profit Impact: Variable Cost Reduction

Solution: OpenScape Voice – Administration

Feature Value Creation: Most companies require extensive moves, additions, and changes (MAC) for telephone systems. Staff to support MAC services is typically incremental to technical services staff for system management, as well as help desk and facility support staff. MAC involves changing telephone locations, configuring features and classes of service, desktop support, and upgrades to software and dialing plans. Managing existing applications such as ACD, IVR and CTI also may require MAC support.

According to a study conducted by Forrester Consulting on behalf of Siemens, typical costs for MAC with legacy PBX systems are US\$50/hour for internal staff and up to US\$120/hour for external service providers [U.S. values]. According to Forrester Consulting, a typical business has two moves per year per employee, and incurs US\$100 for MAC per year for approximately 72% of its employees.

With SIP on OpenScape Voice, MAC effort is substantially reduced because of the automatic registration process. The typical average time for a MAC order and resolution is 15 minutes, rather than 60 minutes for legacy PBX systems. If certain arrangements for the IT network are provided, such as implementation of a V-LAN for voice, MAC may no longer be necessary at all (i.e., plug-and-play). Thus, simplification of MAC also means that affected employees experience no productivity loss due to faster availability of their workplace.

A study conducted by Forrester Consulting on behalf of Siemens Com found that, with OpenScape Voice, a 70% MAC cost-reduction can be attained.

Measurable Benefit: Reduce Effort to Perform Moves, Additions, and Changes (MACs)

Means of Quantification: Forecast Improvement in Moves-Additions-Changes (MAC) Costs

- Current Number of Communication Users in the Enterprise
- Forecast Annual Percentage of Users on OpenScape Voice
- Current Number of MAC Actions per User per Year
- Current Average Cost of One MAC Action (excl. Admin.)

NOTE: The financial improvements from this benefit do not begin until the fourth month of the first year, and are allocated monthly.

Formula for Quantification: $F1 * F2 * F3 * F4 * F5$

Assumption Key: F1

Assumption Name: F/I in Moves-Additions-Changes (MAC) Costs

Forecast improvement in administrative moves, additions, and changes (MAC) activity costs. A Forrester Consulting study, on behalf of Siemens, found that, with OpenScape Voice, a company can realize a 70% reduction in MAC-related costs.

Assumption Key: F2

Assumption Name: Current Number of Comm Users in the Enterprise: 3,150

The current number of communications users (employees) in the enterprise is used in calculation of general productivity formulas. Yearly values can be entered if the client staff levels are anticipated to increase. Obtain data from the client.

Assumption Key: F3

Assumption Name: Forecast Annual Percentage of Users on OpenScape Voice: 45%

Forecast percentage of users to be covered by the OpenScape Voice. Use annual, cumulative percentages. Example: If 20% of the users are added each year, enter 20% for Year 1, 40% for Year 2, 60% for Year 3, and so on (i.e., not 20% for all years).

About Siemens Enterprise Communications Group (SEN Group)

The SEN Group is a premier provider of enterprise communications solutions. More than 14,000 employees in 80 countries carry on the tradition of voice and data excellence started more than 160 years ago with Werner von Siemens and the invention of the pointer telegraph. Today the company leads the market with its "Open Communications" approach that enables teams working within any IT infrastructure to improve productivity through a unified collaboration experience. SEN Group is a joint venture between the private equity firm, The Gores Group, and Siemens AG and incorporates Siemens Enterprise Communications, Enterasys Networks, SER Solutions, Cycos and iSEC.

For more information about Siemens Enterprise Communications, please visit www.siemens.com/open

Communication for the open minded

Siemens Enterprise Communications
www.siemens.com/open

**©Siemens Enterprise
Communications GmbH & Co. KG**

**Siemens Enterprise
Communications GmbH & Co. KG
is a Trademark Licensee of Siemens AG**

Status 02/2010

The information provided in this brochure contains merely general descriptions or characteristics of performance which in case of actual use do not always apply as described or which may change as a result of further development of the products. An obligation to provide the respective characteristics shall only exist if expressly agreed in the terms of contract. Availability and technical specifications are subject to change without notice. OpenScape, OpenStage and HiPath are registered trademarks of Siemens Enterprise Communications GmbH & Co. KG. All other company, brand, product and service names are trademarks or registered trademarks of their respective holders. Printed in Germany.