

BUYER'S GUIDE TO CLOUD SOLUTIONS

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Three key areas that will ensure a successful relationship with your chosen cloud solutions vendor.

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This article is a buyer's guide to help you in the selection and procurement process for a cloud solution, as well as active vendor management. The point is not to develop a big RFP and have a drawn-out evaluation process. (You can read my views about that elsewhere—the gist of which is, don't do it!) Rather, I will focus on three key areas to help you understand what you need to nail down to ensure a successful relationship between you and your chosen vendor: SOW, SLAs and Pricing.

The Statement of Work (SOW)



- Buyers with specific requirements should expect a Statement of Work (SOW) to know what the vendor* will do in implementation and how much it will cost. (*Or their partner or Value-Added Reseller, VAR; I'll generically refer to the delivering party as vendor.) What vendors provide can range from a

basic boilerplate SOW with minimal remote guidance and a standardized process to very involved project management, design, configuration/development, testing and cutover support. The biggest bit of advice on this topic is **never assume!** If it isn't written down, don't expect the vendor will do it.

Here are the key things to consider as you work through SOW review and plan for your role in the implementation success:

- **PM resources and processes** define who is involved at each stage and where they will perform the work. If you want onsite time (less likely during the coronavirus but it can be very common in normal circumstances—e.g., for design, training and/or cutover support), make it clear. The SOW is your means to check that what is pitched in the sales process is what will happen in practice. You also need to be clear on the resources assigned (employees vs. contractors, domestic vs. overseas, etc.).
- **Design** focuses on a workbook in many cases. The vendor wants detailed information on what you want, which all too often ends up being just what you have. The risk is the

vendor provides no consultative guidance on how to use your new functionality. You need to prepare for this activity by gaining knowledge of what the new solution can do, reviewing your current state, and defining a future state that leverages the technology to meet business needs. And if you want the vendor to help guide you, make sure that's part of the SOW.

- **Configuration** might be done by the vendor, by your staff, or some combination—just make sure it's clear. In some solutions, the vendor can upload that workbook, making it relatively easy to configure. In other cases, the vendor often does some of the configuration and the client does the rest—e.g., agent setup, routing, reports. If you want the vendor to do it all, put it in the SOW. If you want to have knowledge transfer/shadow sessions, make that clear.
- **Integrations** such as Salesforce CRM deserve a big caution flag: Just because there is a connector, it doesn't mean there is no work to do. Get clarity on what the buyer needs to do and what the vendor is going to do. Consider your internal resources, whether you need to involve other partners, how much you have or need customizations, and any other third-party integrations you have.
- **Training** includes both end users and administrators. Understand what the vendor offers and define any specific requirements. Is training live or just recorded and online resources? Are there web sessions or will they come onsite? Define if any customization is needed (e.g., if integrating—see SFC) or other specific requirements.
- **Testing** primarily falls on the buyer for User Acceptance Testing (UAT). If you expect the vendor to do specific testing, negotiate it and ensure they capture it in the SOW. And consider what you need to do to be ready to execute successfully—test plans, testers, resolution and regression testing. Keep in mind some vendors will require you to confirm you have completed UAT before going live, and regardless, testing is a critical success factor. Don't skip!
- **Phasing** must be defined in the SOW. The vendor will prefer the simplest path such as a single cut, or may want to delay certain functionality (e.g., WFM or QM). If you want phases (group, channel, site, etc.), address the vendor role in the rollout, and define how you will manage two systems and the network and routing at the same time.

One more important caution: My experience is that **getting to the right people with the expertise your project needs is the hardest part**. Documenting expectations in the SOW sets the stage to minimize the risk with the vendor, giving them the fair warning they need about engagement of product or partner experts. You also need to make sure you tee up internal team members in CRM, network, web admin and social media.

Service Level Agreements (SLAs)

Service Level Agreements (SLAs) increasingly leave little to be negotiated if you are purchasing a public cloud solution. The vendors each have a standard SLA, many of which are online with wording that basically says they can change at any time. But it is still important for you to understand what you're getting, optimize where you can, and be ready to manage to it. And if you're pursuing a private cloud solution or engaging a vendor open to customizing SLAs, dive deep to pursue the best SLA for your needs.



Given those realities, here are some important things to keep in mind:

- **Uptime:** Uptime is typically the main (or only!) SLA. Most vendors promise 99.99% uptime (not the historic 99.999% of premise-based solutions). Some vendors post it publicly, so explore it there or through their documented commitments. Try not to settle for lower and negotiate for higher if you can!
- **MOS:** Some vendors offer a Mean Opinion Score (MOS), which is an indicator of voice quality. Even without an SLA, they may report on it, and it is something that is helpful for you and them. Ideally, you get LAN and WAN reporting of total MOS, plus other performance indicators such as packet loss, delay and jitter.
- **Support and Escalation:** It is important to understand the process and that includes the items outlined below. Few vendors will put an SLA with a penalty, but getting it in writing at least defines accountability.
 - **Channels for submission**—Most offer a variety of channels (e.g., voice, web portal, email, chat). Sometimes vendors suggest or require a different channel based on severity. They may also require a defined list of qualified staff to submit tickets.
 - **Tiers**—Understand who is Tier 1, what role your internal team plays (e.g., initial troubleshooting), and any training required.
 - **Severity levels**—Make sure it's clear how the vendor defines severity levels and their response time commit-

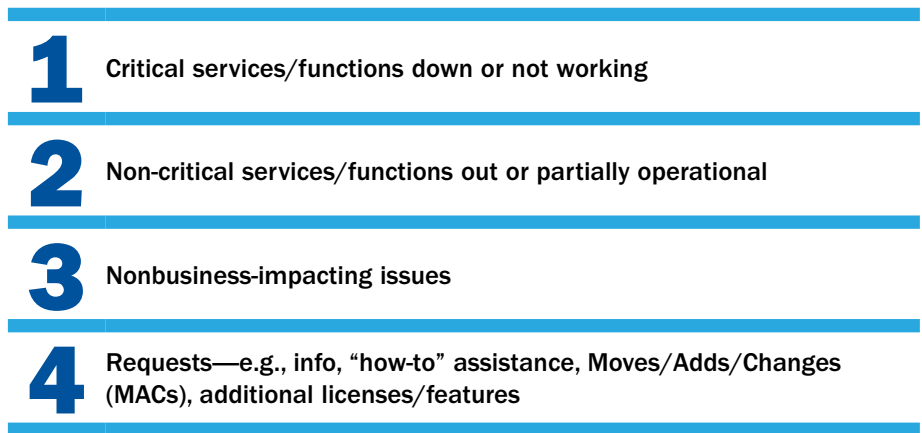
Cloud Vendor Examples

Here is a list of some of the vendors you might engage with for cloud solutions as discussed in this buyer's guide:

- 8x8
- Amazon
- Aspect
- Avaya
- Cisco
- Enghouse Interactive
- Evolve IP
- Five9
- Genesys
- Mitel
- NICE inContact
- Ring Central
- Serenova
- Sharpen
- Talkdesk
- Twilio
- Vonage (NewVoiceMedia)



FIGURE 1: Incident Level Definitions Example



ments for each, and how you or they classify an event. Ideally, you have the ultimate say in the criticality. **FIGURE 1** shows examples.

- **Escalation**—Escalation goes together with tiers and severity and should tie to response times and resolution times. You want to know how quickly they will escalate various issues and who is supposed to get involved. And if you have extended hours (e.g., a 24/7 mission-critical center), make sure you know if commitments differ for business hours.
- **Premier service options**—Sometimes vendors or their partners offer a premier level of service that is not included in the base cost (see pricing section). These are managed services for support beyond problems/trouble tickets and may be important if you're trying to reduce the burden on IT.

Numbers, Numbers, Who Owns the Numbers?

One of the key things to decide when pursuing a cloud solution is who provides the carrier services and “owns” the phone numbers. Typically, you are the owner and manage a relationship (or multiple relationships) with carriers for your toll-free and local numbers before moving to the cloud. Some cloud vendors want to be the carrier, some provide the option (often referred to as BYOC for “Bring Your Own Carrier”), and some require you to provide it.

A concept referred to as “RespOrg” (short for Responsible Organization) must be executed when numbers are moved over to the cloud provider. This “porting” step can be very critical to timelines, and each detail must be right so make sure you are ready to fill out the proper forms. When you're not moving them, you still need to repoint them to the cloud provider (rather than your premise-based solution).



SLA Tracking and Remediation:

Holding vendors to an SLA (or even performance reporting) is *your* responsibility. Not all vendors offer remediation, but it can be a negotiation point (and a lever for you to hold them accountable). If they don't have it, you may have to pay a premium for it (arrived at through negotiation). At a minimum, tracking performance is your risk mitigation if you need to raise concerns with leadership (and worst case, pursue termination for cause).

Pricing

Finally, it's important to understand pricing and



know that there is more to it than the per-agent per-month licensing you might see on a website or a basic quote. You'll see in the variations outlined here, it is difficult to compare but important that you dive in both to select a cost-effective solution and to avoid surprises when the bills start coming.

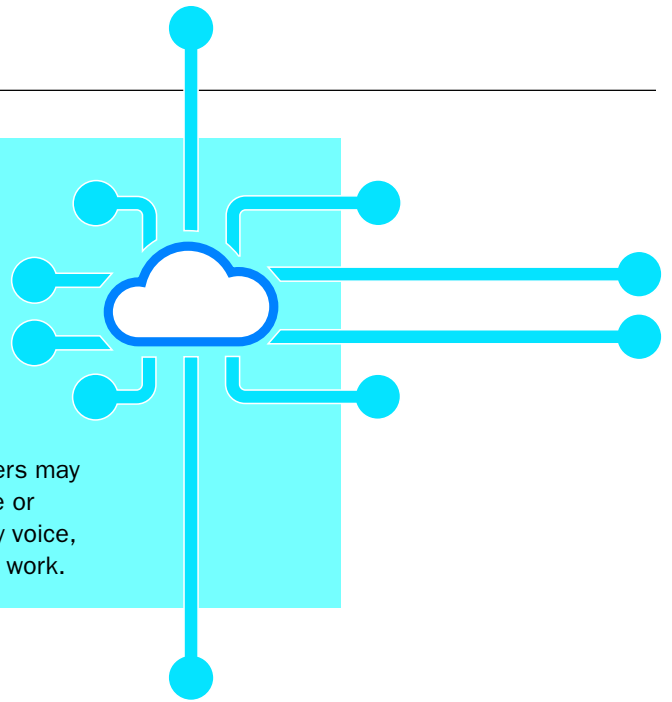
LICENSING MODELS

Pricing is primarily about licensing—except when it's not! Market disruptions have created an interesting mix of possibilities, and you must spend the time to find the best fit for your usage profiles. Here are some concepts to familiarize yourself with before getting too far with any vendor.

- **Named vs. concurrent agents**—Get these well-defined and figure out best fit based on shifts/hours of operation, how much you peak, your seasonality, etc.
- **Consumption model**—This relatively new alternative, driven by Amazon and Twilio, can lead to options of per-minute or per-hour usage-based pricing. It is often a good fit for more basic, less “heads-down” centers and for those who have highly volatile volumes. Make sure you are clear on what functionality is included.
- **Licensing levels**—License levels could be all-inclusive or vary by media or functionality. A higher level could define specific channels, or just number of channels. Some vendors require all users on the system have the same level, while some may allow buyers to segment by group.
- **Agility**—Everyone thinks cloud provides built-in agility, but not all agreements allow it. Explore minimum monthly charges and any bursting impacts (e.g., more than 20% above commitment).

Connectivity to the Cloud

Don't forget to consider connectivity for your agents—whether they are centralized in brick-and-mortar contact centers or scattered in a variety of locations like home offices, outsourcer sites, retail or branch outlets—to the cloud solution. That connectivity supports a voice path for communication as well as a data path for communications and control. Many use internet access, ideally with dual connectivity options that are controlled to maintain performance and resiliency (often using a Software Defined Network (SDN) approach). Larger centers may establish dedicated connections through MPLS. And those home or remote offices need reliable, adequate bandwidth for high-quality voice, too. Include connectivity planning as part of your internal project work.



- Other license add-ons—Many buyers need robust contact center functionality, and some need Unified Communications (UC). Clarity on what is included in a license and where add-on costs come into play is critical to happiness once you go live (and get a bill!). Typical add-ons can include outbound dialing, workforce optimization (e.g., QM, WFM), and third-party connectors like Salesforce.

NETWORK

Network costs vary based on your configuration and who will provide the carrier services (SEE “NUMBERS, NUMBERS, WHO OWNS THE NUMBERS” SIDEBAR). Make sure you are clear on the costs based on your chosen configuration, addressing these questions:

- Does the vendor bundle the carrier costs into licensing? If so, are there any limits? More typically there are limits with outbound, so find out the maximum minutes and the cost for excessive minutes.
- If carrier costs are not bundled, what is the per-minute cost for inbound and outbound and any variations based on geography?
- What is the per-minute cost for toll-free services?
- If you do BYOC, do they still charge a fee?
- Do you have to pay for porting numbers? (SEE “NUMBERS, NUMBERS” SIDEBAR.) Porting may have a small cost per number but it's a good catalyst to clean up your numbers!

PHONES, OTHER HARDWARE, MISCELLANEOUS CHARGES

Many cloud solution buyers don't want or need phones. For those that do, know that you can buy (approved) phones separately, or purchase or lease them from the vendor. Leasing is a good fit when you are looking for a full managed services approach. Purchase or lease options exist with any routers or switches or storage (e.g., for recordings) as well.

PROFESSIONAL SERVICES (IMPLEMENTATION SUPPORT)

Depending on the vendor and your situation, you may see no cost, low cost or high cost to get started! For complex, multi-channel implementations with integration, expect \$100k and up. If your needs are more basic or you will do most of the work in-house, the costs can range from around \$10k to over \$100k. You must define what you need and know there is a difference in services that aligns with the cost.

ONGOING SUPPORT

As noted in the SLAs section, ongoing support may be included, in which case it is focused on the trouble ticket/resolution process. You could choose a “Premium” level option for more hand-holding and prioritization. We have seen fixed (e.g., \$5,000/month) or variable (e.g., 15% of licensing costs) pricing for these services. Regardless, they are likely to have limits based on some defined unit (e.g., time or task types).

Optimize Value, Minimize Risk, Avoid Surprises

In pursuing a cloud solution, many are looking to manage costs, deliver greater functionality, and have the agility they need to support their business. Cloud contact center technology can meet these goals. To optimize value, minimize risks and avoid surprises, take time to dive into the SOW, SLAs and pricing so that you and the chosen vendor are on the same page about implementation, support and costs. ☺



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