

UCaaS VS On-Premises UC

8 factors to consider while comparing
total cost of ownership.

Research indicates that the total cost of ownership (TCO) for Unified Communications as a Service (UCaaS) compared to traditional on-premises IP PBX Unified Communications (UC) solutions is about the same. However, when it comes to flexibility, scalability and agility, UCaaS is by far the better solution. Organizations can gain a deeper understanding of the total cost of ownership comparison before deciding on a solution, by closely examining these factors:

1. DATA CENTER COSTS

Consider both the hard and soft costs associated with UC data center requirements, such as real estate costs of one or more physical data center locations; server procurement and maintenance; VMware licensing, deployment, configuration, troubleshooting and training; SAN storage; racks; power and cooling; on-site support; redundancy; and physical security.

2. IT STAFF SAVINGS

In order to successfully deploy an on-premises solution, organizations need dedicated personnel capable of procurement, management, deployment, upgrades, configuration, integration, testing and troubleshooting.

3. DEPLOYMENT TIME

Among other things, your organization's time to deploy can impact costs. That's why it's important to consider your involvement during on-premises deployments with extended time frames caused by application and license procurement, integration and application testing.

4. FLEXIBLE COST ALLOCATION BILLING

Organizations like yours can benefit from the efficiency of flexible billing offered by some UCaaS providers. However, with on-premises UC, those with specific billing needs are often required to divide estimated costs of investment, maintenance and other factors across the enterprise.

5. SCALABILITY

On-premises UC solutions require organizations to purchase dedicated capacity for maximum need, which can be very expensive and unnecessary. UCaaS can offer significant scalability in license billing, which is ideal for organizations who need flexibility to accommodate seasonal fluctuations in staffing, marketing promotions, mergers, acquisitions and other factors.

6. NEW APPLICATION ADOPTION

Flexibility in application adoption leads to lower deployment and implementation costs over time. Unlike on-premises UC solutions, some UCaaS solutions provide the ability to "test drive" features and add-on functionality for a limited time to see if they are a good fit for the business.

7. FINANCIAL BENEFITS OF OPEX VS. CAPEX

On-premises UC often requires significant up-front investment followed by ongoing costs related to application adoption, maintenance, staffing, real estate and other factors. In contrast, UCaaS costs are spread out far more equally over the term of use, which allows you to dedicate your immediate budget to profitable investments in other areas of the organization.

8. RESILIENCY

Cloud-based UC solutions are not only more scalable, but also less prone to single event outages, which can result in lost sales, decreased productivity and frustrated customers. Major outages can be detrimental to a company's brand, reputation and customer service. UCaaS offers the reassurance and stability of virtually 100% uptime when deployed over SD-WAN with Diverse Connect.

If you believe your organization could benefit from a best-in-class UCaaS solution, a representative can provide additional insight into Windstream Enterprise services and pricing.

About Windstream Enterprise

Windstream Enterprise collaborates with businesses across the U.S. to drive digital transformation by delivering solutions that solve today's most complex networking and communication challenges.

To learn more about
Windstream Enterprise UCaaS,
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