# Top 10 Reasons Why Multi-Location Businesses Need Hosted PBX

Research indicates that managed telecom services like hosted PBX are expected to top $76 billion globally by 2016. In 2011, actual end users had climbed by 44%, and figures for 2012 are already more than 3% higher than anticipated. The growth in VOIP (voice over internet protocol) hosted PBX services is exponential and expected to remain steady. The trend is expected to continue in the face of an unstable economy largely due to the cost and time effective principles involved.

Hosted PBX vs. On-Premise PBX

Hosted PBX is advantageous for businesses that need to set up their businesses quickly and don’t have time to wait for the technical install and setup of a premise-based PBX system. Companies that have frequent changes to the number of lines, or multiple locations with few employees will also find hosted PBX solutions preferable.

Top 10 Benefits to Hosted PBX Benefits

1. Minimal Capital Investment- unlike premise-based PBX systems, hosted systems don’t require a large capital expenditure for equipment since a paid subscription rate covers it.
2. Reduced Operation Costs- hosted PBX systems are supported and maintained externally by the host company avoiding the need for an IT staff to maintain onsite equipment. The savings can be substantial not only monetarily but timely as well.
3. Scalability- hosted PBX allows you to use web access to alter your account for additions and deletions of users, adding lines and extensions, and configuring auto-attendant services for call spikes. Premise-based hosting requires physical addition of lines and equipment which are time-consuming and costly.
4. Mobility- hosted PBX allows you to access your business phone system with any phone over any internet connection meaning you can remain in constant contact regardless of where you are. Premise-based PBX is limited to the access of voicemails generally, and don’t allow you to make calls from your business phone number regardless of where you are.
5. Multi-Site Operation- if your business has several offices there’s no need for the capital expenditure to purchase equipment for each satellite office. They can be integrated with your current subscription service, and controlled from your chosen site. On-site PBX requires new equipment and lines installed at each location as well as staff to maintain them.
6. No Outside Service Contracts- because your monthly subscription includes updates, licenses and maintenance there’s no need to hire out a service contract like there is with premise-based PBX.
7. Increased Productivity- Since smart phones, PDAs, computers and other mobile technology can be integrated with a hosted PBX system, powerful features can be accessed which will greatly improve your business flexibility.
8. Reduction in Long Distance Fees- satellite offices all work as though they were contained in one building with four-digit extensions being dialed in place of long distance phone numbers for each. This can greatly reduce long distance costs over premise-based PBX systems.
9. Fail-safe’s- in case of emergency or disaster situations, the host companies have greater backup capacity to ensure you don’t lose your service for as long if at all over on-site PBX systems.
10. Budgeting and Cost Control- monthly subscriptions have no hidden or surprise costs with hosted PBX systems. Updates, added lines and service are all included in one monthly fee allowing you to budget easier for the expense.

How do You Know if Your Business is Ready for PBX Hosting?

With all of the benefits involved in hosted PBX systems over on-site PBX, it might still be difficult to determine if your business is ready to make the switch. Look over this list of compiled questions and if you’re answering yes more often than not, you’re definitely ready to make the switch.

1. Are you planning an expansion or a move in the near future?
2. Do you have need to add or remove lines as business changes?
3. Is your current phone system outdated or in need of additions?
4. Do your employees often work offsite?
5. Would the ability to integrate mobile and personal devices improve company performance?
6. Would Cloud-based features increase productivity?
7. Do you have IT staff that could be better utilized elsewhere in your organization?
8. Is your business volume increasing or spiking?
9. Would you like to have complete control over user accounts on your system?
10. Would a monthly budget with no hidden costs streamline your accounting?
11. Do you want someone else to be responsible for the daily maintenance and upgrades required to keep your service in its best possible operating condition?
12. Do you want to do away with costly software upgrades and outside service contracts?

Conclusion

It is easy to see that for businesses wishing to take advantage of the latest technology hosted PBX services are the clear answer. From there it is a matter of studying each of the factors involved to determine if hosted solutions are the answer for your business.

There are arguments against hosted PBX stating that once your premise-based equipment is paid for, it is owned by the business. The reality is that technology changes so quickly businesses have no hope of recapturing those immense capital expenditures before equipment upgrades become a necessity to keep up with a growing and maturing organization. In truth, the capital expenditures do not cease whereas with a hosted PBX system you are always on the cutting edge of the latest available technology suited to your business.

Another factor which may deter some companies from making the switch is the non-physical location of the ‘brains’ of the hosted PBX system. The mindset may have to adapt to accept that it is actually beneficial since hosts are dedicated to keeping the systems running, and have greater access to backup systems in case of outages or disasters. Reliability is a security feature built in to hosted PBX services.

If your business is growing and its needs are expanding, hosted PBX services are the sound choice to provide it with the versatility and competitive-edge required to succeed in today’s technological world.