

Difficult Times Require a New Way of Working

By Fredrik Halvorsen, CEO, TANDBERG



Difficult times require a break with past practices. In these challenging times, companies are being forced to reduce travel, limiting partner meetings, customer events and employee gatherings. But efficient teamwork and strengthened customer relationships are needed to weather the storm, making communication

paramount. Reduced budgets and a heightened need for communication are causing a communication gap.

According to Columbia Professor Amar Bhide in a recent BusinessWeek article, “[Recession] is often a stimulus for the adoption of new technologies. The decade of highest productivity growth in the 20th century was the 1930s. In the 1930s a lot of technologies developed in the 1920s were put to use because people were looking for any angle to improve their productivity.” Coming out of this current economic crisis, companies that have closed the communication gap will be this generation’s winners in the corporate world.

Video conferencing and telepresence, in conjunction with desktop tools from Microsoft and Net 2.0, are the technologies that will bridge the communication gap. Telepresence and video conferencing, my own industry, is one of the few bright spots in the economy today because it enables the change that is needed; not just short-term change for a quick fix to current woes, but lasting change that will transform the global business environment. I believe that if everyone knew what video could do, everyone would want it.

Do More with Less

Doing more with less should always be a priority in business. Video technology is a proven way to improve the bottom line and realize a return on investment in a matter of months. To do this though, it can’t be relegated to the board room or executive offices. Businesses need video solutions that can be easily deployed across the enterprise so everyone has access. Only when we create collaborative communities within our organizations,

can we experience the true benefits of telepresence and video conferencing.

For example, TNT, the global mail and packaging service, implemented video technology from the CEO to its front line employees as part of its Planet Me program to become the first carbon neutral mail and express delivery company in the world. As a result, the company has significantly reduced its environmental impact and is on track to save nearly €11.5m over four years by replacing costly travel with face-to-face video communication. They are also on target to deliver a return on investment of 71 percent.

In fact video’s ability to replace the need for in-person meetings was highlighted by Gartner analysts earlier this year who predicted that in the next three years high-definition video meeting solutions, such as the one’s offered by TANDBERG, will replace 2.1 million airline seats annually.

Transform Your Business

There is more to video and telepresence than money saved, however. There is money earned and competitive advantage. By removing the delay of travel and providing expertise anywhere in the world at anytime, organizations have been inspired to implement new, more efficient business processes.

Take Statoil, one of the world’s largest oil and gas companies. It uses video communication to connect platforms in the Norwegian Sea with support centers thousands of miles away on the coast to help shore-based experts quickly diagnose problems. Now, issues that used to take Statoil two months to address are resolved in two weeks. This significant reduction in downtime is invaluable.

Vodafone has also benefited from cost savings and productivity gains by deploying video. The company has seen an estimated 25% reduction in the number of business trips made during a two year period, resulting in double digit millions of cost savings. Vodafone sees video conferencing as a complement to face-to-face meetings for regional and local office collaboration. When new services are defined, there is significant cross-office input throughout the development and product launch

process due to the importance of local content. As the network of video conferencing facilities expands, the ease of use increases the efficiency of the company's decision-making process.

The business applications for video are vast. What all of these applications have in common is that companies using video are able to drive innovation faster and more effectively through face-to-face communication. When location no longer matters, we can speed decision making; bring experts into a meeting at a moment's notice, no matter where they are; and respond to customers, suppliers and other issues as soon as a need arises.

Be Greener

People are actively turning to video because it enables them to work smarter. The benefits of telepresence and video are not new, but they are more important than ever. Video is also a green business tool that can help reduce an organization's carbon footprint while improving corporate social responsibility and employee satisfaction.

If a single company enabled 100 employees to work from home one day per week, 103,080 fewer pounds of carbon dioxide would be emitted into the atmosphere each year. That's the equivalent of saving trees covering an area the size of five-and-a-half football fields. Furthermore, a recent study found that telecommuters reported higher job satisfaction and loyalty to their employers, as well as less stress and improved work-family balance. Video is the key to helping employees stay happy, productive and connected, and gives managers peace of mind because they can reach their employees face-to-face at any time.

In addition to saving money and transforming their businesses, both TNT and Vodafone value video conferencing and telepresence for the carbon emissions reductions that they have enabled. TNT launched video conferencing as part of its Planet Me program. With this program, TNT aims to become the first zero-emission mail and express delivery company in the world. Through the use of TANDBERG's video conferencing management system, Vodafone is able to track and measure the savings in business trips and the subsequent reduction in carbon emissions. In the Financial Year 2007/2008 Vodafone estimated that the use of video conferencing facilities saved over 17,000 tonnes of CO₂ from a reduction in business travel.

Close the Communication Gap

As we have seen during crises in the past, technology is applied in new ways. Video and telepresence allow everyone to connect within a global video community with natural face-to-face communication. It is a way of working that closes the communication gap and enables us to leverage our communities to accelerate decision-making and make the most of the talent on our teams. Video can also unify organizations.

At TANDBERG, we average 75,000 video calls a month. Everyone at TANDBERG, passionately believes that if everyone knew what video could do, they would want it. It is the new way of working.

TANDBERG is the leading global provider of telepresence, high-definition video conferencing and mobile video products and services with dual headquarters in New York and Norway. TANDBERG designs, develops and markets systems and software for video, voice and data. The company provides sales, support and value-added services in more than 90 countries worldwide. Visit www.tandberg.com for more information.