



Guidance for telecoms suppliers to voluntary and community organisations





Contents

Published by Telephone Helplines Association (THA) and the ICT Hub.

Published March 2008

Written by Mark McLean, Telephone Helplines Association.

Edited by Andrea Butcher, Telephone Helplines Association.

Designed by Smith+Bell (info@smithplusbell.com)

Every effort has been made to ensure the accuracy of the information contained within this publication. However, the THA and the ICT Hub cannot be held responsible for any action an individual organisation takes, or fails to take, as a result of this information.

Introduction	3
Benefits and challenges of working with VCOs	4
What VCOs say about telecoms suppliers	6
Ways of working with VCOs	7

Introduction

This guide is one of several outputs of a project which is dedicated to raising the profile of telephony (voice communication products and services) within the work of the ICT Hub.

It is aimed at suppliers of telecoms products and services who plan to sell or already sell to the voluntary sector.

Its objectives are:

- To outline the benefits and challenges of working with voluntary and community organisations (VCOs)
- To reflect what VCOs say about their telephony suppliers
- To suggest ways of working that benefit both the VCO customer and you as a supplier.

The guidance has been written by the Telephone Helplines Association (THA). Established in 1996, the THA is a membership organisation of over 500 providers of telephone information and advice in the UK and Ireland. Around two thirds of its members are small to medium-sized VCOs and these frequently require support with telephony issues. The THA provides specialist training and consultancy to telephone helplines with the ultimate aim of improving the quality of the services and the confidence that the public has in using them. The THA is represented on the ICT Hub Advisory Group and has been an NCVO-approved consultant since 2006.

Benefits and challenges of working with VCOs

If you are in the telecoms field, you will probably want to build and maintain relationships with high-value customers who are growing their organisations. You would doubtless like to provide them with products and services that benefit them and that give you an ongoing revenue stream. You will be aware that on-site, hardware-based PBX solutions are fast becoming obsolete and that the emergence of home and flexible working provides an opportunity to re-engage customers by introducing them to VoIP, hosted systems and mobile deals, some of which will converge with other ICT systems and all of which are likely to save them money. But you also need to ensure that the products you supply are easy to demonstrate, easy to use and reliable.

So why should you be interested in voluntary and community organisations? You may perceive them to have:

- Little if any current budget, and little guarantee of future budgets
- Lack of basic knowledge of, or interest in, ICT – they are too busy being passionate about the social good that they work towards
- Difficulty in articulating their business requirements (so, as a supplier, you could easily get confused and sell them an unsuitable solution)
- No dedicated ICT or telephony officer (so you as the supplier have to do more liaison with more front-line staff).

This guidance is not going to deny that some of these perceptions are accurate. According to Guidestar, 80% of charities in England and Wales have an annual turnover of less than £100,000. In a survey of 231 voluntary and community organisations in 2006, the THA found that only 24% of respondents

identified a telephony budget, either on its own or as part of a communications or ICT budget. The biggest barriers to moving forward with telecoms were set-up costs (63% of respondents), ongoing costs (58%), lack of in-house knowledge (57%) and lack of time (50%). 77% of respondents had no formal review of telephony needs.

But in the same survey, levels of *interest* in voice communication products and services were very high:

- 55% of respondents who did not use facilities to queue calls were interested in these, and this figure rose to 69% amongst organisations who worked specifically with people for whom face-to-face communication was difficult.
- 48% of respondents expressed interest in unified email/voicemail messaging.
- 47% of agencies who didn't have call traffic statistics said that they would like some.

Maybe because of the lack of in-house knowledge and the patchy availability of independent support,

the single biggest source of advice for VCOs on telephony issues was the supplier (48% of respondents). So suppliers are well-placed in this respect.

There are also some other benefits to working with VCOs:

- The nature of the work they do can provide a refreshing change of scenery for your sales and technical staff.
- Because VCOs tend to be small, they provide an ideal setting in which to introduce a new product or service.
- If you have a corporate social responsibility agenda, then any work you do with VCOs, in particular any discounts you may apply or donations you may make, or even encouraging staff to get involved as a volunteer, can enhance how you are perceived in this area.
- The overall level of VCO dissatisfaction with suppliers (see page 6) suggests that, if a VCO has a good experience, it is likely to be loyal to that supplier and to tell lots of other organisations in its network about them. This loyalty may bring you modest but regular revenue to help your cashflow.

What VCOs say about telecoms suppliers

In 2006, the THA asked 231 VCOs about the extent to which they agreed that:

- Suppliers had a customer orientation (i.e. that they were needs-led rather than product-led)
- Those products and services met their needs
- Suppliers took account of the voluntary sector context of customers
- There were clear contact points between supplier and customer
- Suppliers were responsive to problems.

The overall attitude to suppliers was equivocal, with the 'neither agree nor disagree' response being the most common in the areas of customer orientation (51%), meeting needs (46%) and responsiveness to problems (50%). Suppliers came off best in regard to clear contact points, with 36% agreeing or strongly agreeing that this was the case. They fared worst in regard to taking account of charity status, with 41% disagreeing or strongly disagreeing that this was the case.

Suppliers were especially unpopular with certain types of organisations. None of the 20 respondents who served mostly or all rural areas, and none of the 34 respondents with an annual turnover of less than £25k, strongly agreed with any of the statements. There was a perception that telecoms suppliers only value the relationships that they have with larger organisations.

Not surprisingly, BT, with its size and dominance in the telephony market, came in for some criticism because of:

- A product-led, not needs-led approach
- Poorly-informed sales staff leading to mis-selling
- Lack of product support or manuals
- Lack of dedicated account manager – too many people involved
- Lack of responsiveness to problems.

Ways of working with VCOs

Who to talk to

When discussing telephony requirements with very small VCOs, the person you talk to may be all of the following:

- The person with the best knowledge about the project for which telephony is required (if separate from other projects)
- The person who is able to authorise expenditure
- The person with a good technical knowledge of telephony
- The person with a good technical knowledge of other ICT areas
- The person who has a good overview of the current and future telephony and ICT needs for other projects and for the organisation as a whole.

This should be good news for a supplier as it gives you the 'roundest' perspective of business requirements.

If, however, you are dealing with a VCO which is larger but which does not have staff dedicated to IT or ICT, then this can be more tricky. You may need to meet up to five people in order to establish requirements. Meet only the 'techie' person, whether they are paid to know about ICT or not, and you may miss the strategic dimension. Meet only the decision-maker and you may miss the future business requirement. So we suggest that you ask that those perspectives can be represented in any group of people you meet when you visit a VCO.

Before exploring business requirements, it is vital that you spend some time trying to understand about what the VCO does, what it is trying to

achieve and why. As some VCOs focus on subject areas that can be controversial, and because they often work with marginalised sections of the population, VCOs will be impressed by any questions you ask about their work and by any efforts you make to be sensitive to any issues of prejudice and discrimination that people using their services may face. Most suppliers don't do this and are missing out on an area of competitive advantage.

You should also ask the VCO about the needs of their funders, which may be distinct from the needs of the VCO. As a supplier, you may be able to identify solutions to funder problems as well as VCO problems, and most VCOs will be keen to embrace these solutions. Finally, VCO funders are typically very interested in evaluating the impact of projects, so it is worth promoting the benefit of any reporting systems that are associated with telephony products or services you offer.

Language

Because VCOs are less likely to have a dedicated IT or ICT officer, you cannot assume that your customer has a good working knowledge of telephony. You may be comfortable with the distinction between the number of handsets and the number of ISDN channels for a VCO, but the customer may talk about 'lines' without seeing this distinction.

As their technical knowledge may be lower than that of other customers, do everything you can to keep your written and spoken language non-technical and free from jargon. It is much more meaningful to say 'this particular product or service will benefit your whole organisation in this or that way' rather than 'X256 server technology allows you to leverage leading-edge enterprise solutions'.

If you can simplify the language, you will have marked yourself out as distinct from the majority of suppliers. Because people buy ‘people’ more than products or services, a VCO may be more likely to select a supplier who ‘talks their language’ than one that spouts what the customer perceives as impenetrable jargon.

Pricing

VCOs are no different to SMEs in that:

- They need to know the full cost implication of a product or service, including any costs needed to facilitate an infrastructure which supports the proposed telephony, set-up and ongoing costs, fixed and variable costs, cost of disposing equipment and details of what to do at the end of any term of a lease, and maintenance and insurance issues.
- They need timely bills with itemised content written in a language which reflects the terminology they understand to describe the products or services being supplied.

However, you should also consider the following in your negotiations with VCOs:

- Every penny counts for a VCO, so offer them a discount on your standard rates because they are in the voluntary sector.
- VCOs don’t need any unpleasant surprises about charges or fees that can adversely affect the level of trust that they have with their supplier. So be clear about minimum contract durations and penalty

charges for early termination. If you are providing a telephone service, make it explicit to the VCO if you have a minimum or setup cost per call, and be clear about whether you calculate call charges to the nearest whole minute or by the second. And spell out whether your prices include VAT.

- The nature of funding arrangements may mean that VCOs have to spend a certain sum at a certain date, which means that you may get paid early, or may have to wait for a while.
- Some funding arrangements favour set-up costs rather than ongoing costs, so you may want to re-allocate the payment schedule for elements of service if this is relevant to your customer.
- Some funding decisions can be delayed, so do not assume when a VCO contacts you that they want to acquire your product or service straight away. And don’t assume they have lost interest if they don’t contact you for a while after looking promising initially – they may be waiting for a funding decision.
- Some funding arrangements allow a fixed sum to be paid to the VCO each year. It is worth finding out the likely duration of any contacts for which the VCO seeks your telephony assistance, and whether or not these have any annual increases.

Finally, if you have already done some work successfully with VCOs and would like to promote your work with the sector, then sign up with the ICT Suppliers Directory on the ICT Hub website at <http://directory.ictHub.org.uk/>. You can also use the directory to identify potential competitors.