



The Real Business Benefits of Video Conferencing

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Video conferencing has come of age and is used in every industry. Recent developments in mobile devices and wireless networks have propelled further interest in being able to video information anytime, from anywhere.

Generic applications of video conferencing are too numerous to mention. Any department of any organization where meetings take place—finance, engineering, human resources, manufacturing, marketing, product development, sales, training—is an appropriate place to use video conferencing to:

- Connect dispersed staff without travel
- Bring in remote experts for consultation or training
- Interview job candidates or witnesses
- Make a presentation to a vendor or customer
- View data and presentations on an on-demand or real-time basis
- Receive information at any time or place

The use of video conferencing has the potential to increase productivity and efficiency by reducing unproductive travel time, preventing meeting delays, creating shorter and more structured meetings and allowing for greater reach of a message. Video conferencing also allows for an increased number of participants. It is often difficult to get information to everyone at the same time, but with video conferencing, all individuals who need data can get the information when it is easiest for them.

Many organizations have realized a real competitive advantage using video conferencing. Products are developed and introduced to the market more quickly, problems are resolved faster and everyone needing to be involved in a decision can be without the need to travel or wait for an in-person meeting to take place.

Video conferencing has been commercially available since 1982. Since that time, video technology has become available on a variety of devices, from room-based to handheld. The technology has also reached the point that it is viewed as a necessity and not just a nicety. Most agree that video conferencing is effectively used to supplement travel, increase productivity and improve efficiency. With video conferencing, meetings are more productive, better decisions can be made more quickly and true collaboration at a distance is possible. Following are real-life examples of the business benefits and applications of video conferencing.

Benefits

The initial perceived and quantifiable benefit of video conferencing was reduction in travel costs. Initially, many organizations paid for the deployment of video conferencing with the reduction in travel budgets. While travel savings have been a recognizable benefit of video conferencing, there are many more qualitative benefits. Three other major benefits of video conferencing are increased productivity and efficiency, improved management communications and enhanced business opportunities.

INCREASED PRODUCTIVITY AND EFFICIENCY

- Reduced travel risk
- Reduced unproductive travel time
- Prevented meeting delays
- Shorter meetings
- Structured meetings
- Larger participation
- Optimize attendance
- Immediate information exchange
- Faster response
- Access to experts
- Time-share scarce talent
- Quicker decisions

IMPROVED MANAGEMENT COMMUNICATIONS

- More interface at all levels
- Increased flexibility

ENHANCED BUSINESS OPPORTUNITIES

- Customer service
- Competitive advantage

Since the commercial introduction of video conferencing in 1982, benefits of the technology have evolved and grown. Applications have also expanded as users have found new and unique ways to find value with video.

Generic Applications

The top four applications in which video conferencing is used are:

- Management meetings
- Sales and marketing meetings
- Engineering, manufacturing, or production
- Training

This does not preclude other groups from using the technology (i.e., the HR department, the legal department, finance, etc.), but studies conducted by Telemanagement Resources International Inc. (TRI) have shown that the primary reasons that firms install video conferencing relate to the top four applications noted above.

Video conferencing has also been used for a variety of other applications, including product demonstrations to new customers, “town hall” type meetings and HR training. Given the longevity of video conferencing usage, all industries have developed useful applications for video conferencing. It is no longer a matter of *if* you will use video conferencing; it is only a matter of when.



Application Examples

MANAGEMENT MEETINGS

A variety of management meetings have been held over video. These include board meetings, town hall meetings, investor relations meetings, and meetings streamed company-wide. Meetings can also be recorded and made available securely to any personnel who may have missed the live meeting.

A large New York City–based hospital uses video conferencing daily for management meetings. In the past, travel between closely located sites was impossible due to NYC traffic issues. With video conferencing, management meetings are held all day long with no need for travel.

SALES

Video conferencing has been used to train sales people, interface with customers and close business more quickly. One financial services firm deployed video conferencing to allow their subject matter expert to be in more places more quickly. In the past, he had to travel to each site, make a presentation and then fly home. With video conferencing, he is able to connect more sites together at the same time and impart his information more quickly to more people. As a result, revenue has grown and the salesperson has less wear and tear on his body. He stated, “Before video conferencing, I was exhausted. Now I travel less, see more people and close business more quickly.”

MARKETING

Marketing departments have found value in video conferencing to share creative content and evaluate marketing campaigns. Since 90% of communication is nonverbal, the use of video conferencing has allowed marketing organizations to make decisions more quickly and include more people in the decision-making process. One marketing organization used video conferencing in the development of a global marketing campaign for a new product launch. The global nature of the firm meant people were working around the clock to develop this campaign. The use of video conferencing allowed concept ideas, many of which were video-based, to be evaluated more quickly, which resulted in a quicker launch of the marketing materials.

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ENGINEERING/MANUFACTURING/PRODUCTION

For years products were designed, manufactured and produced at many sites without the value of video. This resulted in long delays due to the need to fly people between sites for repairs. One manufacturer's engineer stated, "I used to fly to a site, spend 15 minutes fixing a problem and then fly home. Now I no longer waste two days traveling. Video conferencing has allowed me to fix the problem and return to work without any travel delay."

TRAINING

Video conferencing has been a significant benefit to training organizations. No longer must students travel to receive training. Trainers are able to train more students at one time. One high-tech firm used video conferencing to train product managers of a firm that was recently acquired. The training vice president said, "Thousands of people were trained in a much shorter period of time using video conferencing. Our staff would not have accomplished our training goal without using video. Travel would have been costly and would have resulted in a longer time to complete the training. We are completely sold on the value of video conferencing."

HUMAN RESOURCES

Prior to the deployment of video conferencing, HR departments spent hours interviewing job candidates over the phone before flying them in for final interviews. Video interviews now speed up the process and make it easier for HR departments to select candidates. As one HR manager stated, "Before video conferencing, I based my selection on phone calls and resumes. On occasion I knew the minute a candidate walked in the door if they would fit our firm. Before video I made a few mistakes because I had never seen the candidate. Using video conferencing allows me to narrow down the candidates and speed up the selection process. The technology has saved us time and money."

LEGAL

Legal organizations have seen the value that video conferencing provides them by squeezing more hours into their day. Billable hours are key to the success of any legal firm. One lawyer stated to a group of his peers, "I am no longer going to travel 80 miles a day to discuss your legal issues. Instead I will travel once a week and use video conferencing the other days. I have now gained more than 10 hours in my work week by using video conferencing."

Conclusion

Video conferencing provides tangible benefits to any organization. Devices that can handle video now range from handheld devices (i.e., phones and tablets) to high-end conference rooms. The technology is easier to use, cost is no longer an issue and connectivity happens almost anywhere. Video conferencing improves the way we work and provides us more time to spend with our family and friends.

ABOUT TRI

Telemanagement Resources International Inc. is a 32-year-old management consulting firm specializing in marketing, communications and training with an emphasis on design, assessment, project management, promotions and training for collaborative conferencing systems. More information about TRI can be obtained at www.TRInc.com.

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