How to Buy a Phone System

There are many factors to consider when purchasing a phone system. We've highlighted a few of the key considerations to think about when evaluating phone systems.

Investment Horizon

Make sure you buy a phone system that will grow with your business. Too often, businesses buy what they need now, not what they need over the next 3 years. If you plan for less than 3 years, you're likely overpaying because vendors expect you to use a system for a 3 year period and pricing often reflects that. If you plan for longer than that, you'll be using a phone system that may become obsolete and will be missing features at the end of its life that could help your business grow.

Sizing Your Phone System

Ensure that you understand how the phone system will change as you add (or subtract) lines and extensions. Phone system vendors design their phone systems to fit different size businesses. Traditional phone systems, or key systems, stuck to fairly standard sizing configurations based on the number of outside lines and internal extensions a business requires. Standard configurations include 3 lines by 8 telephones, 8 lines by 16 telephones, 12 lines by 24 telephones, and 24 lines by 48 telephones. More recently, advanced phone systems, or PBXs, have been sized by number of ports. A phone system with a capacity for 32 ports can have any combination of lines and telephones that add up to 32; the increments of this ratio being determined by how many lines or stations the manufacturer puts on the different circuit boards.

Tip: Always make sure you ask how much adding additional ports, lines, or phones will cost and in what increments they can be added.

Basic Phone System Features

The features of your phone system start with the basics of what your business will use to communicate externally and internally. Most phone systems ship with

a core set of features that any business requires. Some are obvious like voicemail, while some are not so obvious, like the ability to put a call on hold. Here's a list of features to at least be aware of when considering a purchase:

Voicemail – Voicemail is a non-negotiable feature in this day and age and allows callers to leave messages in specific mail boxes usually assigned to employees or departments. Make sure the phone system has enough ports to support the maximum number of callers who could simultaneously leave messages or the maximum number of employees who could simultaneously check messages.

Call Hold – The ability to place a call on hold is a basic, but often forgotten feature. It's useful for employees to place calls on hold when they need to seek help before answering a call or perform a function on the call like forwarding or conferencing.

Call Forward – Businesses use call forwarding to transfer calls to other extensions. Calls can be forwarded to employees, voicemail boxes, the auto-attendant, or hunt groups (logical groups of employees like the sales department – where the call is transferred to the first person to answer).

Conferencing – Creating a conference call is a critical business feature, particularly for organizations that interact with customers, consultants, and other external parties. Look for systems that allow you to conference up to 5 parties at a time. Also look for conferencing that allows the originator of the conference to exit the conference without disconnecting the other participants.

Speed Dial – Speed dial allows callers to assign commonly dialed numbers to a button on the handset. Pressing that button will then dial the number associated with that button.

Redial – Similar to speed dial, pressing the redial button on a handset will redial the last number called.

Auto-Attendant – The automated attendant often takes the place of a real receptionist. We've all interacted with auto-attendants before – they are the recorded messages you hear when you call a business that provide you with call routing options such as "press 3 to speak with someone in customer service."

Paging – Not necessarily a required feature, but a useful one when used appropriately, paging allows an employee to broadcast a message to the speaker of another handset.

Advanced Phone System Capabilities

More and more businesses are focusing on a few advanced features that are providing significant benefits to them, including:

Location features – Many businesses want to make use of modern location features that allow a distributed workgroup in several cities or locations to

operate as if they were all extensions to a single phone system. These location features make these issues transparent and can even handle employees working from home or temporary locations without callers having any idea that employees are in different locations.

CTI – Computer Telephony Integration, or CTI, allows the phone system and computers to interact. Allowing callers to click on a number displayed on their computer screen to dial that number is an example of CTI use. A more advanced example is integrating your new phone system into a CRM application.

Find Me/Follow Me – Find me/follow me service allows the phone system to track down employees regardless of their location. For example, a salesperson may tell the phone system to route inbound calls from his office line to his mobile phone when he is on the road. More complex rulesets are easy to set up.

Pricing Phone Systems

In isolation, a new PBX phone system should cost a business between $700 and $1000 per user. But pricing options range very widely. You can choose monthly plans that are fixed and predictable in cost or you can buy a lot of expensive equipment outright. Both are good choices under different circumstances.

Per user prices can drop significantly for larger companies who have more employees and must purchase larger systems. Also, make sure you look for add-ons. Very few businesses actually purchase a phone system in isolation. Most end up purchasing new phones and/or service packages that increase the total purchase price. Regardless of your decision, pay attention to total cost of ownership, again, over a 3 year cycle. Maintenance costs can hit you when you least expect them.