HOSTED VOICE

Hosted voice phones work the same as traditional phones - with a handset, cradle and buttons. But, rather than relying on a standard phone line, these phones have an Ethernet or Internet connection that carries phone calls over an IP data network, and ultimately, the cloud. This configuration allows you to save money on phone services because your calls will travel over a data network or the Internet, rather than requiring separate phone lines.

These phone systems are easily scalable and feature-rich (without driving the cost up), and you have the option to own or rent the hardware from a provider.

HOSTED VOICE SYSTEM

PROS	CONS
Built-in DR and redundancy	Detailed network requirements
Unlimited trunking	Call quality issues
Feature-rich – enterprise for SMB	Integration complications
Flexible deployment options	Out of the box solutions
Buil-in multi-location capability	Transient service providers
Flat rate operating expediture	Higher TCO over time
Always up to date and upgraded	Do not own call platform
Built-in maintenance	Limited tech based on platform
Less staff required	Learning curve
Purchase, lease, rent – lower Cap Ex	Sharing voice and internet connection
Includes local and LD	Trouble with scale and cost
Call Center Applications	Extended features extra cost

Quick deployment	Cancellation fees
Self-manage	Doesn't accommodate simple phone needs
Easy to move	Number portability challenges

ON-PREMISE PHONE SYSTEM

A [PBX, or Private Branch Exchange, is the traditional phone system](#) that has existed in offices since the telephone was introduced. The simplest PBX phone systems available feature a box in your office that connects the internal devices and lines within your office to external lines, and is capable of carrying out multiple functions such as call holding and forwarding.

VoIP (Voice over IP) is another on-premise phone solution that uses your network infrastructure to deliver voice service to end users.

Both on-premise phone systems are easy to use and manage, but less flexible as your company evolves. And, because your investment is made up front, the ROI over time is favorable. And, you own all the hardware.

Take a look at the pros and cons it has to offer below.

ON-PREMISE PBX

PROS	CONS
Ownership	Capital Expenditure
Financial Depreciation	Lots of pre-planning scope
Favorable ROI over time	MAC charges – T&M
Lower Total Cost of Ownership over time	Customer managed tech curve
Admin Control – Internal	Maintenance contracts and cost
Advanced Software Integration	No built-in redundancy
Rental, Lease and Purchase options	Capacity and size limits
Complex Call Centers	Platform specific technology
Long life expectancy	Slow deployment
Flexible deployment options	Limited trunking capacity
Self-manage	Licensing management
Carrier neutral – no change needed	End of life, support or manufacturer