

Goodbye KTS, hello VoIP

The third model is called a *key telephone system* (KTS). The KTS reduces a company's total number of phone lines. In fact, for every six to eight employees, on average, the company leases only one POTS line. That means a company with sixty employees needs a mere eight to ten POTS lines. The KTS provides many traditional call features at no extra cost. Reduction in lines means cost reduction across the board.

The KTS is owned and operated by the customer. You use the same physical lines, with the same associated costs, as POTS or Centrex. The difference is where the line terminates at your end. The lines run from the carrier to your KTS. You then use your own inside wiring to connect your telephones to the KTS. A disadvantage of KTS is that the customer is responsible for all maintenance (including the inside wiring), for configuring the KTS, and for programming call features for each telephone.

Figure 11-6 illustrates how the KTS model works. With some KTS systems, you may need to acquire compatible digital telephones; you can't just plug in any old analog phone. As a result, much of the cost of a KTS depends on the number of phones your company needs.

KTS was a good solution for smaller companies requiring more than fifteen lines. Now, however, KTS users can benefit by switching to VoIP because it gets rid of most if not all lines and uses the computer network for on-net voice traffic. If all of your company's locations are on-net, you not only reduce the number of lines required but also eliminate toll charges. And, in most companies, toll charges are the largest monthly telephony expense.

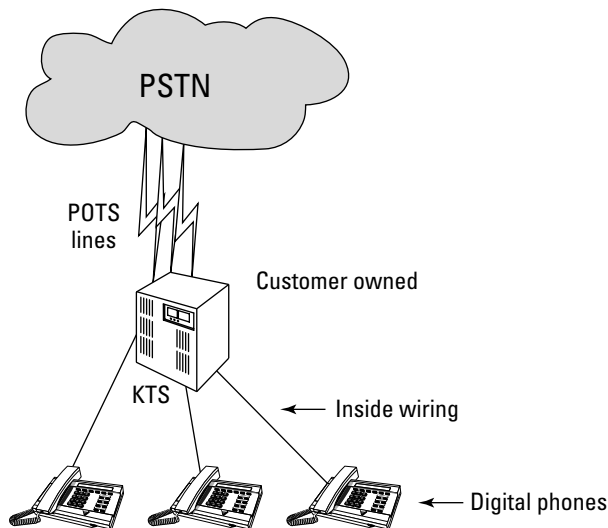


Figure 11-6:
The KTS
model of
telephony
service.