



The Computerworld Honors Program

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Final Copy of Case Study

LOCATION:
Camarillo, CA, US

ORGANIZATION:
Cisco

YEAR:
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ORGANIZATION URL:
<http://www.cisco.com/go/ciscoat>

STATUS:
Laureate

PROJECT NAME:
Business Transformation through Pervasive Video

CATEGORY:
*Business
Responsiveness*

PROJECT OVERVIEW

Communication and collaboration have always been central to Cisco's business strategy, and today, pervasive video has become a central part of the company's corporate culture. Although Cisco was an early adopter of videoconferencing, initial adoption was slowed by poor video quality, difficulty setting up the connection, high support requirements, and a limited number of endpoints. Additionally, before employees could fully embrace pervasive video, the company culture had to change to get people to understand the value of video in doing business. Beginning in 2006, Cisco began implementing its newly introduced TelePresence systems, intending to reduce travel and its carbon footprint. Indeed, travel dropped by 11 percent in 2007 and 15 percent in 2008, with an associated reduction in greenhouse gas emissions. But the company quickly recognized that video had bigger implications for business competitiveness. In particular, the use of business video enabled more frequent collaboration, which accelerates decision making, increases customer intimacy, and encourages innovation. Since its initial rollout in 2006, employees have enthusiastically adopted TelePresence due to its ease of use and excellent video quality. (Appendix 1) Data supporting travel cost savings promoted the deployment of more units globally. It also became the catalyst for much more widespread adoption of other business video tools. After enjoying "in-person" TelePresence experiences, employees became accustomed to seeing each other, and began using collaboration tools like Cisco WebEx and desktop video systems on a regular basis. Previously, people had to schedule time in TelePresence rooms. But with the increased use of online collaboration tools and desktop video systems, video communications are becoming as common as phone calls. As of March 2010 business video has become pervasive at Cisco: - Over 700 Cisco TelePresence systems are deployed worldwide. - Employees download more than 85,000 videos on demand monthly, many of them for training. - More than 2400 video surveillance cameras help secure employees and buildings. - More than 30,000 employees use web cameras to add video to their voice conversations. Factors that contributed to this burgeoning adoption of video technologies include: - Global workforce:



Globally distributed work team members need to collaborate in real time, without delays, lost productivity, and costs of travel. Video overcomes distance barriers. - Faster pace of innovation: Video collaboration allows everyone to be creative and to take advantage of all the expertise within and outside the company, from employees, business partners, vendors, and customers. - Commitment to environmental sustainability: Travel reduction is a major part of Cisco's effort to reduce its carbon footprint, and video is a significant contributor to this reduction. - Employee and customer expectations for video: Many employees and customers have grown up with video and are comfortable producing and consuming it. Cisco IT faced a two-part challenge to getting the most from its pervasive video deployment. The business challenge was learning how the different types of video technologies could help communicate, collaborate, educate, and protect people and assets. The IT challenge was building a network that could support growing video volume and maintain quality.

SOCIETAL BENEFITS

The use of pervasive video contributes significantly to the company's reduction in greenhouse gas emissions. It also allows people to be more productive by adopting the ways of interacting that are becoming the norm throughout society, such as video. This new way of work also benefits the business.

PROJECT BENEFIT EXAMPLE

Pervasive video at Cisco has become essential for internal collaboration, customer intimacy, faster sales cycles, and physical safety and security. It is also a major contributor to the company's goal of reducing its carbon footprint. Enhanced Collaboration through More Face-to-Face Meetings Business video makes it practical for Cisco employees to meet more frequently with customers to increase intimacy, with partners to respond more quickly to market opportunities, and with team members to accelerate decision-making. Video on Demand for Sharing Information Cisco uses video on demand (VoD) to cost effectively share ideas and information with large groups of people, at any time; for example, training employees on new products and services, collecting customer feedback, and sharing case studies. Employees appreciate the flexibility that VoD gives them to fit classes into their own schedule. Senior managers like being able to disseminate a message consistently across a global organization. To illustrate, an executive vice president used a VoD to introduce a new compensation program in 2009. "Nearly everyone had watched the video within eight hours, and there was no confusion, as there might have been with an email," says Suresha Bhat, senior IT manager at Cisco. In November 2009, the company upgraded its internal video-sharing portal to use Cisco Show and Share technology. Employees can jointly develop, edit, publish, and search for short videos on new products and other topics. "Adoption has been viral," says JoAnn Wilson, Cisco marketing program manager. "Our Show and Share portal started as a proof of concept and quickly grew to 6,000 users, who are uploading hundreds of video monthly." Reduced Cycle Times From 2007 through 2009, the average sales cycle for all Cisco products decreased by 9.7 percent when account teams used Cisco TelePresence because salespeople could gather multiple subject-matter experts at the same time to answer outstanding issues delaying the sale. Smaller Carbon Footprint In May 2009 Cisco announced that it had permanently cut its travel budget from US\$750 million to \$350 million annually. In Cisco's fiscal year 2010 (which ended in August 2010), Scope 3 greenhouse gas (GHG) emissions from air travel were 45 percent lower than the FY06 baseline [Cisco FY2010 CSR Report]. Both of these significant reductions are due largely to the company's increased use of video collaboration technologies. Physical Security Cisco uses Cisco Video



Surveillance Manager to protect people and assets throughout the global enterprise. (Appendix 2) Approximately 4,000 video surveillance cameras are deployed in 580 sites in 72 countries. In addition, employees appreciate being able to check in on their children playing happily in company daycare centers via a secure web interface. Cisco is using the same investment to enhance the visitor experience. Video surveillance cameras paired with Cisco TelePresence promptly greet guests in lobbies not staffed with a lobby ambassador. The moment a guest walks into a lobby, a motion detector on the surveillance camera sends an alert to an agent in the concierge room, who greets the visitor “in person” from a Cisco TelePresence display mounted beneath the camera.

IS THIS PROJECT AN INNOVATION, BEST PRACTICE? Yes

ADDITIONAL PROJECT INFORMATION

This project is a powerful example of the shift in the the way people work. Ten years ago, people called each other. Four years ago, instant messaging allowed quick contact. Today, people are “calling” each other on video to conduct business, discuss thorny topics, and resolve issues.