

Bank Reduces Costs and Enhances Productivity with Unified Communications

WesBanco invests in a Cisco Converged IP Communications Network to reduce operational costs by US\$5.0 million over five years.

EXECUTIVE SUMMARY

WESBANCO BANK, INC.

- Financial
- West Virginia
- 1,200 employees

BUSINESS CHALLENGE

- Reduce telecom charges of separate voice and data circuits
- Improve resiliency of aging, disparate voice and data branch networks
- Reduce high branch management costs caused by diverse and unmanageable data and voice systems
- Increase employee collaboration

NETWORK SOLUTION

- Replace disparate PBXs with Cisco Unified Communications system
- Deploy Cisco Unified Communications Manager and Cisco Unity® at headquarters
- Install integrated services routers with Cisco Unified Survivable Remote Site Telephony (SRST) in branches
- Deploy 1,500 Cisco Unified IP phones in 85 sites

BUSINESS RESULTS

- Reduced long-distance costs by 30 percent
- Increased network resiliency, helping to increase application availability to branch employees
- Lowered management costs by being able to manage branches centrally, maintain one set of spare parts, and utilize IT staff to manage telephony systems
- Improved employee collaboration with four-digit dialing, in-house audio conferencing, and group distribution of voicemails

Business Challenge

For 130 years, West Virginia-based WesBanco Bank, Inc. has provided financial services to the residents and businesses of West Virginia, Ohio, and western Pennsylvania. In recent years, WesBanco has expanded through a number of bank acquisitions, giving it greater reach but also creating a fragmented voice and data network. With disparate and aging private branch exchanges (PBXs) and unmanageable branch systems, the network was proving to be costly not only in terms of dollars, but also in terms of the bank's vision to be able to rapidly roll out innovative new services and applications in the near future.

"With so many different devices and types of software throughout the network, we were spending a lot of time and money addressing the individual needs of each branch," says Mark Krupinski, VP of technology at WesBanco. "Because we had no standard platform, we needed many different IT skills to manage each network segment. We also had to rely on third-party phone vendors to maintain the acquired key systems and handle basic system changes such as moves, adds, and deletes."

"We also realized that, as we continued to deliver more network-based features and functionality in

order to streamline our business processes, network dependability and flexibility were becoming more essential," Krupinski says. "The old adage 'time is money' was particularly relevant, as outages at one of our branches could be costly."

WesBanco also found that the older network was hindering internal collaboration among employees. To call another worker at a different branch required 10-digit dialing, which created a sense of distance among employees. Online employee directories were inconsistent among branches, limiting their usefulness, particularly among staff who traveled frequently between branches. Also, as audio conferencing grew in popularity in the industry, WesBanco employees were still relying on an outside service to set up audio conferences, which limited their use.

“We are seeing dramatic savings and productivity enhancements today with the new converged network, and we are excited about our vision for the future. Once we enable video across the network, we anticipate being able to offer a new level of service to customers. This will occur through virtual sales experts in branches who will be able to immediately serve customers, and through faster approvals as officers will be able to “meet” more often using video to fast track applications.”

—Mark D. Krupinski, VP of Technology, WesBanco Bank, Inc.

In 2004, WesBanco began considering the implementation of a converged Cisco® voice and data network. Goals for the new network included reducing telecom costs, deploying the newest network advancements for greater resiliency and security, drastically reducing services fees and contracts with third parties, and making it simpler for employees to collaborate with other employees and with customers.

“A key goal is that we wanted to invest in a foundation that would make us more agile in the coming years,” says Krupinski. “This new foundation would allow us to easily deploy new applications such as video or unified messaging, and this would really drive up our productivity gains.”

Network Solution

At headquarters, WesBanco replaced its PBX with a Cisco Unified Communications Manager. This solution provides call control for users at headquarters, as well as call-routing intelligence across the wide-area network to handle all of the voice calls at each of the branch locations. To address the telecommunications needs at its 85 branches, the company replaced PBXs and key systems with Cisco integrated services routers running Cisco Unified Survivable Remote Site Telephony (SRST). This software assumes functionality of the centralized Cisco Unified Communications Manager in the case of a WAN failure and helps ensure that staff and callers experience no interruption in phone service. The Cisco Unified Communications Manager automatically resumes voice processing when the connection is restored.

WesBanco also installed the Cisco Unity® messaging system that currently provides voice-messaging services to WesBanco workers. In the near future, WesBanco will fully implement other features of this powerful software to enable users to listen to their e-mail over the telephone, check voice messages from the Internet, and send, receive, or forward faxes to wherever they are.

The combination of Cisco Unified Communications Manager and Cisco Unity also enables integrated employee directories and four-digit dialing on the Cisco Unified IP phones—both highly popular with employees.

“The phone-based integrated directory is always up to date and provides a consistent way to access this information across every WesBanco branch,” says Krupinski. “It is turning out to be a big time saver, especially when employees travel between branches and no longer have to contend with the different procedures at each office.”

The decision to centralize all voice and data communications at headquarters with Cisco Unified Communications Manager has helped to greatly reduce management costs. "We can now make changes to the branch routers remotely, download new software features, and troubleshoot from our headquarters quickly," says Krupinski.

With IP telephony, WesBanco no longer has to rely on outside third-party vendors for phone moves, adds, and changes (MACs). "Changes that once required planning and coordination with an outside entity and took multiple days or weeks can now be completed by our internal staff in a matter of hours," says Carl Burkland, AVP of network administration at WesBanco. Employees can simply unplug a Cisco Unified IP phone from one jack, move to another office and plug it in; the phone automatically resets itself.

"Most impressive is that we can take advantage of the intelligence of the Cisco network," says Krupinski. "It understands traffic patterns and makes decisions automatically to re-route around congestion or pick up outside connections as needed to maintain top voice quality."

A valuable ally in the success of the WesBanco deployment was Citynet, a communication network provider and Cisco IP Telephony (IPT) partner, which handled the entire installation of the network, including 1,500 IP phones across all 85 sites. Citynet provided a service called iTone that allows WesBanco to divide a single circuit at the branch into voice and data lines. This feature and other new WAN features have allowed WesBanco to eliminate costly "tie lines" that were dedicated to carrying voice traffic between many of the WesBanco offices.

WesBanco is also realizing great value from the Cisco Unified Communications Extension Mobility feature. Extension Mobility enables a staff member to visit any other WesBanco branch and, by simply logging into an available IP phone, instantly download all of the attributes of the staff member's home branch phone—including speed dial settings and voicemail greetings. What is more, all calls to the home branch phone automatically roll over to the current phone.

"Our sales and marketing staff travel frequently between branches, and this feature greatly simplifies working in different branches," says Krupinski. "When we implement video, the feature will also allow our sales professionals to bring customers into a local branch and quickly schedule a video conference by having the professional's speed dial settings readily available."

Business Results

Significant telecom savings. By integrating all existing communications networks into a single integrated network with voice over IP (VoIP) and eliminating redundant charges, WesBanco is saving approximately US\$1.0 million per year and anticipates more to be captured. The savings are realized in four major areas: cost reduction of new data/voice circuits, elimination of intercompany long distance, reduction of local dial tone service at branches, and the strategic implementation of enterprise-wide call-routing patterns.

Improved corporate and branch voice and data resiliency. The integrated network supports alternate backup services from multiple communication companies such as Verizon, SBC, Cincinnati Bell, Sprint, and AT&T. In the event that a disaster or communication outage should occur, the backup modules automatically attempt to reconnect over an alternate circuit. The network restoration process is completed in a matter of seconds. Also enhancing voice resiliency is the innate survivability of the IP-based packet network design and the ability to do backups on the entire corporate phone system.

The new network is further enhancing WesBanco's resiliency by allowing it to meet expected regulatory requirements around operational continuity. WesBanco is now testing the viability of the Extension Mobility feature at employees' homes, which would enable employees to have all of the features of their office phones—integrated directories, four-digit dialing, personalized settings—on their mobile device or laptop at home.

According to Krupinski, "This also puts us in a position to maintain operational continuity in the event of a regional disaster or a disease outbreak such as influenza, which is an area of growing concern that the federal regulators have begun to focus on."

Lower management costs. WesBanco now uses IT staff to manage both the data and voice network, reducing costs of relying on outside firms or maintaining dedicated staff for the voice network. The company now makes changes remotely and can troubleshoot problems from headquarters, minimizing physical visits to branch locations. Centralizing the management of the network also provides the opportunity to analyze current communication behaviors and potentially reduce expenses by eliminating unused services.

According to Burkland, "A centralized Communications Manager deployment has greatly reduced the time necessary to make moves, adds, and changes."

Improved employee collaboration. By making it simpler and quicker to reach fellow employees, four-digit dialing increases collaboration while also saving "a lot of time," according to Krupinski. "It makes it easier to reach a co-worker and helps break down distance between the branches." Also improving collaboration is the ease with which audio conferences can be set up, increasing use of this valuable tool. Group distribution of voicemails throughout all branches encourages group collaboration.

PRODUCT LIST

Routing and Switching

- Cisco 2800 Series and 3800 Series Integrated Services Routers
- Cisco Catalyst® 3500 Series Switches

Voice and Unified Communications

- Cisco Unified Communications Manager
- Cisco Unified Communications Manager Express
- Cisco Unified IP Phones
- Cisco Unity Express

Next Steps: Video to Take Center Stage

Cisco designed its Unified Communications applications such as video to be fully integrated with the underlying network foundation. The result is that video is "built in" and is as easy to use as a phone call. Once WesBanco deploys Cisco Unified MeetingPlace, Cisco's multimedia conferencing solution, sales teams will be able to easily schedule video conference calls to quickly confer with other team members, rather than wait for weekly or biweekly meetings to discuss loan applications. This

will greatly speed the decision-making process for customers.

WesBanco is also exploring the use of virtual sales experts, so that when customers walk into branches, a sales expert will be available immediately to answer questions or begin applications. Industry estimates indicate that almost 25 percent of customers who leave a branch not having had their needs met do not return. The virtual sales expert capability will also be enhanced with the deployment of the Cisco Unified Contact Center that will allow sales experts to "meet" with customers from almost anywhere—a call center, another branch, or from headquarters hundreds of miles away. Finally, by conducting more training online using video broadcasting and making rich media assets available across the network, WesBanco can introduce new products to the field more quickly and also reduce travel and time expenses.

"We intend to use video extensively," says Krupinski. "This, along with unified messaging, mobility enhancements, intelligent call routing, and other new features, promises to deliver major productivity gains far beyond the US\$5 million in savings from reduced telecom costs.

"The possibilities with the new network are endless. We are limited only by our own creativity. If we can imagine it, we can get the network to do it."



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