Managing Regulatory Complexity While Transitioning to UCaaS and CCaaS

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Table of Contents

Introduction

More companies around the world today are embracing cloud-based unified communications and contact center solutions than ever before. The growth rate of worldwide Unified Communications as a Service (UCaaS) subscribership **increased** from 27% in 2019 to 41% in 2020 and continues to grow. The global Contact Center as a Service (CCaaS) market is also on the upswing, expected to **reach** a compound annual growth rate (CAGR) of more than 16% by 2028.

As organizations begin using these solutions, they are quickly seeing positive results: increased scalability, higher productivity and greater user satisfaction, and a strong move toward the omnichannel customer experience. And as benefits accrue, it's natural for businesses to consider expanding their UCaaS and CCaaS solutions to other countries where they do business.

Yet expanding these solutions to other areas isn't as easy as simply setting up shop in target countries. While the solution may work well and satisfy all regulations in its original country of use, this may not be true for other countries. Companies that either ignore regulations or simply don't know about them are subject to the same penalties as those who willfully violate the rules. While penalties vary by country, they can include fees, lawsuits or even demands to shut down operations.

One example of a regulatory challenge relates to the Call Detail Record (CDR), records of calls that pass through a telephone exchange or other telecommunications equipment. Data typically includes phone numbers, start time, call duration, whether or not the call was connected, the route by which the call entered the exchange, the call type and conditions encountered, though it does not include the actual content of the call. Certain countries require that CDR data be stored in the country of their citizens, but the specific requirements may vary. Some may require that the original data be stored in the country but are fine with copies being stored externally, while others prohibit this.

In the case of CCaaS, the situation is even more complicated. Privacy laws like the EU's General Data Protection Regulation (GDPR), local regulations in Brazil and Russia, and China's recent Personal Information Protection Law (PIPL) require various types of data to be stored in country, including call recordings. These countries also regulate how voice traffic data is collected and transported over the network, which has different implications based on whether connectivity is Internet-based or private MPLS.

Sometimes, these differences can be extremely complicated. For example, a UK company looking to extend its cloud contact center into Mexico ran into issues because of local voice service regulations. As a workaround, the UK company wanted to host its WebEx contact center in the United States, which would mean that customers would be calling into the US while the contact center was actually in Mexico. That workaround made sense as long as customers weren't calling Mexico domestically, which would violate Mexico's regulations. And other questions arose. For example, if you record a voicemail and send it to Mexico, is that considered a call?

In another case, a company's original on premise contact center was located and hosted in China using a private network, but in switching to a CCaaS solution, the company chose to host it using Amazon Web Services (AWS) in Singapore. The company may still want to use agents based in China, but doing so would break China's privacy regulations, which stipulate that all agent data must be stored in China.

While it can be difficult to ensure compliance with all regulations in new markets, once things are working well, enterprise leaders might feel a sense of relief. The problem is that nothing is static. In fact, it's fairly common for regulations to change, and failing to keep up with those changes can put you right back where you started—in non-compliance.

For example, India last year amended its rules regarding CDR data, requiring telecom companies to save call data records of users for two years. While that's not a deal-breaker, it can make a difference, especially for companies relying on Microsoft Teams. Teams only holds CDR data for 28 days, requiring companies to either download files every month and store them elsewhere or consider other solutions.

China's PIPL, which took effect late last year, requires data to be stored only in China, and no copies are allowed outside of China. There is currently very little information on how to comply with this law, since it's available only in Chinese, so companies are interpreting it differently.

Don't go it alone

When a company looks to expand its cloud-based unified communications or contact center platform to another country, it's looking to stand up the solution quickly with minimal disruption. Instead of focusing on fine print and regulatory details, it simply wants to streamline processes, improve user satisfaction, and increase revenue.

That's where a managed service provider comes in. Most global companies choose to work with a managed services provider for UCaaS and CCaaS solutions, not just to negotiate different and changing regulations in different companies, but to develop strategies, get help with troubleshooting, ensure consistency and high levels of service and support, and take advantage of data-driven services. Managed services providers in the telecommunications sector also form strong partnerships with UCaaS and CCaaS vendors, creating tight ecosystems that deliver strong value.

One of the main benefits of choosing a managed services provider with a global presence is to help navigate the regulatory complexities of different countries. Of course, this doesn't mean that the regulations of all potential countries should be scrutinized separately; there may be a need for a solution that takes in multiple countries. Take the example of CDR. Brazilian regulations stipulate that companies must keep CDR records locally. If a company is deploying a global CCaaS solution with its main platform instance and data in Germany, it will need a way to copy those CDR records and store them locally in a cloud container in Brazil.

Managed services providers are well-equipped to develop and provide these workarounds. To address this problem for its customers, Orange Business Services developed a data export application that can automatically move a copy of CDR records from the CCaaS platform to one or more storage servers managed by the customer in another country.

Even companies with well-established, long-standing UCaaS or CCaaS systems need ongoing help from a managed services provider. Regulations change fairly frequently, and those changes usually specify deadlines by which compliance is required. A managed services provider will warn companies of those changes and work with them to make any changes necessary.

And then there is the unexpected. A company expanding Microsoft Teams to India might not expect any problems, but regulations may require a trip to India's Department of Telecommunications for a stamp of approval before implementation or at least a local attorney. Depending on your network service provider, you may also be required to use local SBCs (session border controllers) at each site to terminate ISDN or SIP connections for voice. Moreover, you may need a third-party tool to collect the CDR information from the SBCs and store that data in country. That makes the question "Can you use Microsoft Teams and voice in India?" a complicated one. Yes, you can—but you have to do it properly, with the right guidance.

In one recent case, Orange Business Services worked with a global manufacturer and Genesys to replace older, on premise contact centers in countries around the world with a CCaaS solution and Microsoft Teams. The goal was to provide a consistent platform across the world, with a consistent look and feel, consistent reporting and consistent pricing models.

It was a complicated situation, with contact center agents and a presence in many countries including China, India, Brazil and Russia. Initially, the company wanted to integrate Microsoft Teams and the Genesys cloud contact platform using the Teams client, but changed course midway, deciding to use WebRTC. WebRTC is an open standard providing real-time communications capabilities for applications, and it supports video, voice and data. This would allow agents to do all of their work inside of a web browser, via a Genesys URL.

During the 18 month negotiation and planning process, new regulations arose in several different countries. As a result, the manufacturing company has depended on Orange Business Services for advice and help. Orange advised the company, for example, to host the Genesys instance from Germany, which has the strictest regulations. That way, the company is likely to comply with regulations with many, but not all, other countries. China has been an ongoing challenge, with Orange suggesting anonymizing agent information to exclude names. Orange also helps its customers that want a presence in China because it is authorized to collect traffic outside of China and bring it into China to Chinese agents.

But in the case of all countries' regulations, Orange and its key UCaaS and CCaaS partners (Microsoft, Zoom, Cisco, Genesys and NICE) can provide only so much help. The ultimate responsibility still lies with companies themselves. A good managed services provider will keep customers updated on changing regulations, explain what has worked in the past and help when they can, but it's always a good idea for the company's own regulatory department to be engaged. In some cases, it can even make sense to consult with a communications lawyer. The manufacturer working on migrating to Microsoft Teams is doing just that—spending time with its internal regulatory team.

Global expansion doesn't have to be a show-stopper

Migrating to UCaaS and CCaaS globally brings complexity around voice and contact center regulations. For companies expanding internationally, that means taking the time to evaluate the complexity of providing PSTN services as part of the chosen UCaaS and/or CCaaS platform.

While regulations add complexity, they don't have to be a show-stopper for migrating to the cloud or for using UCaaS and CCaaS in any location. Service providers like Orange Business Services are there to help multi-nationals decipher the challenges associated with global regulations while streamlining infrastructure and bringing cost efficiencies.

About Orange Business Services

Orange Business Services is a network-native digital services company and the global enterprise division of the Orange Group. It connects, protects and innovates for enterprises around the world to support sustainable business growth. Leveraging its connectivity, global voice network and system integration expertise throughout the digital value chain, Orange Business Services is well placed to support global businesses in areas such as software-defined networks, multi-cloud services, Data and AI, smart mobility services, and cybersecurity. It securely accompanies enterprises across every stage of the data lifecycle end-to-end, from collection, transport, storage and processing to analysis and sharing.

With companies thriving on innovation, Orange Business Services places its customers at the heart of an open collaborative ecosystem. This includes its 28,500 employees, the assets and expertise of the Orange Group, its technology and business partners, and a pool of finely selected start-ups. More than 3,000 multinational enterprises, as well as two million professionals, companies and local communities in France, put their trust in Orange Business Services.

For more information, visit **www.orange-business.com** or follow us on LinkedIn, Twitter and our blogs.

Orange is one of the world's leading telecommunications operators with revenues of 42.5 billion euros in 2021 and 271 million customers worldwide at 31 December 2021. Orange is listed on the Euronext Paris (ORA) and on the New York Stock Exchange (ORAN). In December 2019, Orange presented its new "Engage 2025" strategic plan, guided by social and

environmental accountability. While accelerating in growth areas, such as B-to-B services and placing data and AI at the heart of innovation, the entire Orange Group will be an attractive and responsible employer.