Leaders & Innovators: Exclusive Interview with Jim Murphy, President and Co-Founder of Phone Power

By:Michael Ventimiglia | March 20, 2013 at 1:32pm

Continuing with our Leaders & Innovators series, we are glad to feature Phone Power's man behind the curtain, President and Co-Founder, Jim Murphy. Throughout his career Murphy has not only run companies, but co-founded a number of them as well. In 1999 until 2005 Murphy reigned as co-founder and President of DSL Extreme - a nationwide broadband ISP; however, in 2006 Murphy would move to co-found Phone Power. Since then, Murphy has steered the provider to high praise and success, including a Fortune 500 ranking for the fastest growing companies in North America and two 2013 TopTenReviews excellence awards. Along with Phone Power, Murphy is also an active managing partner for VoIP.com.

Phone Power offers both residential and small business VoIP equipped with tremendous features and cost efficiency. In staying ahead of the curve, the provider is always looking to expand their offerings by pursuing new technologies and innovations. At the forefront of this is Jim Murphy. Aside from personal accomplishments, Murphy has managed to keep Phone Power on a continued path to success. In doing so, Murphy immerses himself in all aspects of his company including everything from infrastructure and management to customer support and product development. That being said, we had the opportunity to interview Mr. Murphy.

Mike Ventimiglia: Phone Power has a handful of accreditations, the most recent being its ranking on Deloitte Technology's Fast 500. As this type of acknowledgement helps to differentiate Phone Power from competitors, does it affect the way Phone Power operates? Are there any added pressures?

Jim Murphy: Awards bring recognition of hard work, but they don't bring added pressure. 25% of our new business comes from word-of-mouth. So we're under enough pressure already to continue providing the level of service that got us to this point, while accommodating for a high growth curve.

MV: Last month you wrote a guest blog in which you spoke of fraud as being a major concern with VoIP. You also addressed how and why the threat is present, as well as the unlikelihood of the issue receding. Why do you see fraud as an unyielding threat? Additionally, as the number of VoIP users increases do you see any other threats (re)emerging? In other words, is there a correlation between users' familiarity with VoIP and security issues?

JM: Telecom fraud has been an issue for carriers and corporate phone systems long before VoIP was around. What we're seeing now is an explosion of business phone systems that are connected to the internet. Many businesses are eager to embrace the cost savings and flexibility of VoIP, but don't use basic best practices for securing their IP PBX. No company would think of deploying a file server or email system without locking it down and putting it behind a firewall. But for some reason, this logic isn't always applied to the office phone system.

MV: Phone Power recently released a new Android app, which allows users to make much cheaper International calls, to save mobile minutes, and to utilize features already available to iPhone users. As the iPhone app has been available for some time, why was there a delay in developing the mobile app for Android devices? What were some of the challenges faced in development? Also, aside from wanting to expand new platforms, what was the reasoning in fitting an app for Android devices?

JM: We learned a lot from developing the iPhone app. Android was a natural choice for our next app, and our users were clamoring for it. The delay in launching the Android came down to a few things. The SIP engine we used in the iPhone app couldn't be ported to the Android platform, so we had to start from scratch. The second reason was that, unlike the iPhone app, we built the Android app from the beginning to scale to the various sized devices, from smartphones to tablets, and everything in between.

We also instituted a private/public beta program with the Android app. We saw the number of small bugs that popped up with our initial iPhone release. So for the next app, we ran an internal Alpha with our employees, and then held an open Beta with our customers. This resulted in a smoother launch with less bugs.

MV: There's a lot of literature on Phone Power, which claims the source of company's success is its pursuit of "leading-edge" tech, as opposed to building brand new products. In other words, Phone Power develops a service/product that's in its early stages, but has proven worth. As president of Phone Power, would you say you condone this, or if this accurately depicts Phone Power's methodology and approach?

JM: We've always viewed our role as promoting a "leading edge" product, rather than developing a "bleeding edge". In their early years, Vonage spent a lot of investor money in educating the public on what VoIP was and why people needed it. We'd prefer to come into an industry at the tail end of the early adopters phase and provide additional value. Henry Heinz, whose ketchup bottles sit on every table in America, lived by the motto "To do a common thing, uncommonly well, brings success." That is the motto Phone Power lives by as well.

MV: Looking at your experiences, you've co-founded a number of companies, Phone Power being one of those. Do your past experiences effect how you manage Phone Power? In other words, have your previous business ventures shaped or reshaped your management style with Phone Power? If so, have these insights been beneficial?

JM: Every venture, regardless of success or failure, has been a learning experience. The one thing we've tried to instill in each business is a company culture where everyone feels a part of the success, or a part of a winning team. Your opinion of your job naturally comes through when interacting with customers. We want people to be proud to say they work here. We've found that throwing money at someone doesn't necessarily equate to job satisfaction.

MV: Many industry professionals have stated that VoIP services enable users to work from anywhere, inside or outside the office. With this in mind, what kind of impact does VoIP have on businesses infrastructures? Additionally, is this impact positive or negative, and why?

JM: Telecommuting has been a hot topic the last couple months, since Yahoo's CEO questioned its effectiveness. Regardless, there's no denying that companies are seeing value in a distributed workforce. VoIP helps to accomplish this, whether through an IP phone in a home office, or a VoIP app on a salesperson's mobile phone. The corporate PBX no longer has physical boundaries.

MV: Offering too many service choices can be intimidating, especially to new users. Inversely, not offering enough can be harmful. Phone Power offers a range of services for both residential and business users; however, so do many other providers. What makes Phone Power distinct amongst its competitors?

JM: We recognize you can't be everything to everybody so we started breaking out our services between our brands. We market Phone Power to the Residential and SOHO market. Separately, VOIP.com caters to our Cloud PBX and SIP Trunking customers. Also, our Broadvoice brand has a strong presence in international calling packages. In

doing this, we're trying to make it a simple experience for the customer. We do not want to overwhelm them with a wide variety of products under one brand.

MV: Stemming from the previous question, providers' service options can often be intimidating to new users; however, for existing customers/experienced users, variety is important. How does Phone Power attract new and experienced users? Additionally, how does Phone Power present solutions to appeal to a broad audience?

JM: Our customer service team is there to help steer potential customers to the product that's the best fit for the customer, regardless of which brand it falls under. I believe we have a solution to fit almost any and all situations. Our current customer base runs from a single user line to Fortune 100 companies and everything in between. That's a pretty broad audience.

MV: Another keystone of success is fast, quality service that is rarely (if ever) out of commission. VoIP service runs off a high speed Internet connection; therefore, if Internet service stops, so does phone service. That said, things happen, and at some point Internet service is likely to go down. What redundancies does Phone Power have in place in the event of power outages, natural disasters, or other means leading to loss of service? Additionally, what can users expect in the event of service loss?

JM: We offer a free service to customers called a "Failsafe Number". In the event that your power or internet was to go down, your calls would automatically be re-directed to another number you had previously set—like a mobile phone. Most recently, we saw usage of this feature spike during Hurricane Sandy, when many people lost power. On our side, we run multiple geographically diverse data centers, with redundant call platforms.

MV: Throughout various tech sites and customer reviews, Phone Power has received mostly positive feedback and ratings; however, there is one area that is repeatedly talked about, customer service. For one reason or another many user reviews have commented on Phone Power's support, and the general consensus has not been favorable. How important is customer service and support to Phone Power? Additionally, are there any plans to improve or expand methods of customer support?

JM: On an agent level, we rate our support agents on two things: Technical Expertise and Customer Service Skills. Being technically sound won't help if you can't relate the concepts in a way the customer understands. On a Call Center level, grade is based on hold times, first call resolution, and general satisfaction with agent experiences. We feel

we've done a good job of maintaining the high level of service our customers expect. This is borne out in two metrics: 1) As stated, 25% of new sales come from existing customer referrals, and 2) Customer Reviews. BroadbandReports.com shows 137 positive reviews of our service, versus 31 negative reviews. This ratio is similar to various other review sites.

I'd like to personally thank Jim Murphy & Phone Power for taking the time to be a part of our Leaders and Innovators series at GetVoIP.com. We look forward to all you have in store through 2013.