

# 7 Benefits Of Cloud Computing

## Overview

We've all heard about the "cloud"—how wonderful it is and how's it's going to change the face of technology.

## The way we purchase software will never be the same, right?

Well, surprise, surprise, it's true. The cloud is the wave of the future and could be the best and most secure solution for businesses of all sizes. The accessibility, hardware cost savings and higher-level of security are driving more and more customers to learn the facts about cloud and the benefits of having a cloud-based business.

# The cloud is always current and accessible

One of the biggest benefits of cloud-based solutions is that the limitations of dated technology and software are removed. With a cloud-based solution, customers no longer have hardware or software to update, so your business is always using cutting-edge technology. If you have an IT staff, they can be freed up from daily server maintenance and auditing for software compliance to perform more useful, growth-oriented tasks. The solution provider will take care of software upgrades.

## The cloud makes ERP affordable

Utilizing a cloud-based system, many small-to-medium sized businesses (SMBs) can overcome the barrier that has kept them from implementing an Enterprise Resource Planning (ERP) solution—cost. A cloud-based system requires no infrastructure investments such as servers, hardware and software updates. It requires fewer personnel to maintain, and doesn't require the expenses associated with upgrading—since the software is always current. With cloud solutions, the upfront fees can be dramatically lower than a legacy or "on-premise" ERP system. Monthly costs are based on a "subscription" type service and are much more predictable. And, since your data is stored off site, you do not have to pay monthly server back-up fees.

## The cloud makes your business more efficient

Since the cloud requires no software installation or maintenance, you and your staff are free to spend more time growing your business. A bonus, you will have more room in your business space since you do not have to house an onsite server! And, having data in real time improves business planning, quickens the decision-making process and makes it easier to respond to customers' needs.



# The cloud provides layers of security

The concern most business owners have about the cloud is the safety of their data. Your data is at least as secure as your current onsite solution. However, data in a cloud solution is more secure because of strong firewalls, penetration and vulnerability testing, layers of backup, and a practice called "redundancy."

#### **Firewalls**

In short, a cloud provider's firewall is much stronger than one a typical business can afford. A provider's firewall is maintained by IT professionals who ensure it is configured correctly and that the firmware is up to date. This takes a lot of time; most independently owned businesses do not have the time to devote to firewall maintenance.

## Penetration testing and vulnerability assessment

In a penetration test, an outside firm is hired to try and proactively hack the system; these tests cost \$20–30K. For a vulnerability assessment, a scanner runs across the entire network to ensure that all security patches have been deployed to servers and workstations. The number one cause of hackings is malware infected machines that do not have the appropriate patches applied.

## Layered data storage

Cloud storage involves more than your data being saved to multiple offsite servers. Cloud service providers maintain a network that is dedicated to data storage, known as a storage area network, or SAN. These storage areas are sometimes referred to as a "network behind the servers;" they enhance storage capacity. All the information needed to run a cloud-based application is stored on a SAN. In turn, the data of any business using that application is also stored on a SAN. When accessing a cloud application, the device (desktop, laptop, tablet, phone, etc.) connects to a server for access. That server interfaces with a SAN to deliver information to the device and store uploaded data.

### Redundancy

The same data is saved to multiple storage areas to ensure against one of the servers going down. Should that happen, the compromised server "fails over" to one of the other servers in the network; this protects your data should disaster strike your place of business or one of the data storage facilities. Redundancy serves to keep data safe in the event of a local power failure, fire, earthquake, tornado, hurricane, blizzard, volcanic eruption, or ice storm.

# The cloud improves positive cash flow

Having sufficient cash on hand is vital to a thriving operation and moving business to the cloud can help improve cash flow. As stated above, due to lack of infrastructure, the cloud's costs are much lower than traditional onsite ERP. Having lower up-front and ongoing costs frees up cash for other areas of the business.

Since you are paying only for service you need and no monthly back-up fees, monthly costs are much easier to control than with an onsite ERP. And as there is no on-site hardware associated with a cloud-based solution, you do not have the costs of depreciation. In addition, with the lack of a server and surrounding equipment, your energy consumption will drop, as will your use of paper and other related consumables.

# The cloud makes you green, in a good way

A side benefit of cloud-based solutions is that they are more "earth friendly." Cloud-based solutions reduce energy consumption, paper and supply usage, and carbon emissions by individual businesses. And, since a cloud-based business system can be accessed from anywhere, more employees can work from home if necessary, reducing the gas consumption and carbon emissions produced by daily commutes.



# The cloud makes expanding your business much easier

One of the biggest benefits of the cloud is its scalability. When it's time to grow your business, or add another location, the cloud allows you to expand your information and business processes easily. The central environment can add the new licenses and capacity to your business and then deploy them to you in a just a few hours. On the central server's end, the cloud service provider only needs to allocate more resources on the server to your business. That's it. There is no need for you to order a new server and then wait for it to be installed, programmed with your management system, etc.

As with purchasing a traditional onsite system, you need a provider who knows your business industry. No solution is applicable to just any industry, and trying to solve problems with support personnel who know nothing of your business or industry is frustrating at best. It is also best to go with a company that has been in business for several years and so has proven stability.