



IT WORKS

Technology Solutions

Cloud Computing for Small Business

What is cloud computing?

You can't read anything about information technology these days without reference to cloud computing or "the cloud" Everyone's heard of the cloud but how many people see beyond the hype and understand exactly what cloud computing is?

Despite the buzz and mystique surrounding cloud computing it really is quite simple. Basically cloud computing is any kind of IT service provided over the internet.

Astonishingly 80% of people use the cloud without necessarily realising - accessing such tools as hosted email, Dropbox (storage), Skype (VOIP) and Google Docs (Storage and "desktop" applications").

Our mission is to explain cloud computing to small and medium sized businesses - explaining what's available, what are the benefits and any disadvantages.

What cloud services are appropriate for small businesses?

There are a broad range of cloud services available - from something simple like email to the provision of your entire IT infrastructure. Of these we think the services listed below are most appropriate to small business:

- **Hosted email** - In the past in order to have a professional business class email system serving your company it was necessary to install and maintain systems such as Microsoft Exchange Server on your own network. Nowadays with products such as Hosted Exchange which are delivered as a fully managed service business class email capability can be had at a fraction of the cost and without the hassle of managing your own systems.
- **Storage** - File and data storage has traditionally presented a problem for businesses. Investing in hardware and maintenance could be costly and time consuming. Online storage or storage as a service provides companies with an easy to use easily scalable, secure resource with no capital expenditure. Pricing is normally based on storage volume so money is not wasted and overall lifetime cost should be lower.
- **Back up and disaster recovery** - Storing data online also means that the chore of daily back-ups can be avoided. Automated back-up facilities and super-secure environments mean that data-loss issues should become a thing of the past and disaster recovery simplified. Business continuity planning sorted!
- **VOIP** - Voice Over Internet Protocol is quite simply making telephone calls over the internet. As an alternative to a traditional telephone system a hosted VOIP system can provide all of the features of your landline at a lower cost. The downsides? You do need a decent broadband connection to get the best out of it and if this goes down you may be without an office phone.

- **Software applications** - Hosted software applications or SaaS (software as a service) have been around for a number of years. Successful examples include CRM application Salesforce.com, online accounting packages from Sage and Quickbooks and complete business management applications like Netsuite.
- **Hosted desktop** - Since the PC revolution traditional IT set ups have meant installing a fully functioning computer at each desktop. Each loaded with appropriate business software applications, network connections, server storage and back up etc. Each costing a significant sum of money including purchase, set up and maintenance. Hosted or virtual desktops replace all of this with a simple desktop machine connected to all of your cloud services - software (including spreadsheets, word processing etc.) email, storage, back-ups - via an Internet connection.
- **Hosted servers** - Quite simply replacing your in house server with a hosted machine. No capital costs, back-up or security worries. Everything your in-house server does can be done by a hosted one.

What are the benefits for small businesses?

There are many potential benefits from cloud computing. Some of the most important ones are:

- **Cost** - Capital costs can be drastically reduced removing the need to tie up money in expensive equipment. Maintenance costs should be lower too and maintenance issues (downtime, inconvenience) should be minimised.
- **Flexibility** - More staff? Fewer staff? Change of business direction? Whatever the situation you find yourself in cloud services can be modified much more easily than traditional IT.
- **Access from anywhere** - because they are internet based, cloud services can be delivered anywhere with an internet connection and onto any type of compatible device.
- **Secure** - choose a good cloud service provider and their security levels will almost certainly outstrip anything you have on your in-house system. Physical and cyber-security well catered for and no need to worry about keeping up to date.
- **Storage** - as much space as you want and can afford.
- **Regular upgrades** - no more need to worry about keeping your hardware and software up to date - it's all done for you.

Are there any disadvantages?

Self-evidently with an Internet based system, Internet access is required to use your systems. However for most businesses in most locations this shouldn't present a major problem.

Many potential cloud users have security concerns. In reality most providers systems will be far more secure than the majority of in-house small business networks.

- **Fear of loss of control** - Once again another common concern that in reality is less of an issue at least for most people. The corollary to not having to worry about upgrades and patches etc. is that you have no control over when they are applied. Not generally a problem for most users but sometimes this can create problems.
- **Migration issues** - Whichever cloud services you choose from basic email services to a full hosted desktop environment, there will be some issues of data migration. This often overlooked aspect of moving to the cloud may need careful consideration and planning particular if you are thinking of moving lock, stock and barrel to the cloud.

Which of cloud services should I choose?

Which cloud services are right for your business will depend on a number of factors:

- What stage your business is at - new start/growth/maturity
- Your recent levels of investment in infrastructure
- Levels of IT expertise in-house
- Current IT costs and staff resourcing

What will it cost?

With such a wide range of services available, many of which can be scaled for every kind of business from one-man-bands to multi-nationals, there are obviously a wide range of costs. Properly specified and managed however the cost of ownership should be much less than traditional IT.

Where can I get help?

Getting the right blend of cloud and traditional IT Services for your business requires expert advice. IT Works provides and manages a full range of cloud services.



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