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The Benefits and Risks of Living in the Cloud

BETTER UNDERSTAND THE BUZZ AROUND
CLOUD COMPUTING AND ITS PROS AND CONS. .

You can't pick up a business technology publication without seeing an article about cloud computing. With any technology, there are pros and cons depending on your business needs. This article will help you understand the cloud computing buzz.

Cloud computing involves accessing computer applications via the Internet, where the software, infrastructure and shared resources are provided on demand. The "cloud" refers to the Internet and is an abstraction of the underlying infrastructure. Typically, the user's device (computer, mobile phone, personal digital assistant) needs only a web browser and the cloud provides everything needed to run the software application(s). An example of cloud computing is when you access your email via a web-based email service such as Gmail. Instead of running an email program on your device, the email service is accessed via the cloud, and your data and email service exist on a computer at the cloud computing provider's location. Some popular cloud computing applications are Google Apps and Force.com.

Cloud computing users do not have the costs of creating, configuring and maintaining the physical infrastructure required to run an application or the cost of purchasing the software or licenses. Users pay only for the resources or services they use in the cloud. When you are starting or growing a business, software licenses and associated infrastructure can be expensive to put in place. Imagine paying for the software only if and when you actually use it.

Support costs can be reduced significantly in the cloud computing model because an IT support person is not needed to maintain a large infrastructure and manage the software. The costs of installing, configuring and maintaining the software application

and designing the infrastructure for high availability and scalability are now taken care of by the cloud computing provider.

You may be saying: "So, this all sounds great. Why wouldn't I just run all my applications in the cloud?"

The biggest concerns about cloud computing are security and privacy. Businesses might be hesitant to have their company data and proprietary information stored by another company in another location. Privacy is also a concern when these cloud sites can be accessed from any location at any time. The provider must be able to protect the client's privacy and make sure only allowed users can access the site (usually through a log-in and password) and that they are authorized to access only the data and applications needed to do their jobs (usually through user access controls).

Outages in the cloud can also occur. Your ability to control the cloud computing provider's response to and resolution of the outage is limited, which can disrupt your business.

Cloud computing is growing as more cloud computing startups are being funded. According to Gartner, cloud computing services revenue is expected to increase from \$56.3 billion in 2009 to \$150.1 billion in 2013.

If reducing technology costs is important for your business, we recommend exploring cloud computing for some of your technology needs. Many companies use a hybrid approach in which they start with applications that don't require data to be stored in the cloud and then transition to more full-service cloud applications as they feel more comfortable. ■

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