

Client Question: How Does the Cloud Affect My Business?

"I keep hearing the term 'cloud computing' lately. Is this a new IT buzzword for geeks or will it affect me?"

Answer:

We try to keep technical terminology as far from business users as possible. This lets us minimize confusion and focus on how technology can best serve clients. We call this our "need to know" approach.

Cloud computing from a "need to know" standpoint is pretty straightforward. As bandwidth increases and Internet connections become faster, businesspeople can work from anywhere. They no longer have to work from in-office computers and networks.

For example, most of the times, when you go to a website to book a flight or buy an item, you are not buying it from a PC based in your own location but a PC somewhere else in the world. Therefore, the natural progression is to move towards using a bank of PCs in the "cloud"—geek word for Internet—to run your applications or websites and reduce capital expenditure within the IT division of the organization.

The cloud means you need to buy and maintain fewer (if any) costly and powerful computers. The company providing the cloud service replaces the need for such computers. With the cloud, you normally pay a much smaller per-user charge to access the cloud-based computers.

In addition to removing maintenance and hardware costs, companies such as Microsoft and Amazon have invested in massive cloud storage centres. These have hundreds of thousands of PCs in a single location. This replaces a business' need for in-house data storage. It also provides extra computing power when need be.

In a nutshell, cloud computing lets you:

- Access computer applications over the Internet.
- Avoid capital expenditures and maintenance costs on hardware.
- Have cost-effective data backup and on-demand computing power.