# Why the Cloud?

Cloud Computing remains a hot topic, not just in the Technology sector, but across businesses of all sizes. The latest research shows growing levels of adoption of cloud services of some sort, even if complete cloud migration is still relatively rare amongst SME's. Levels of satisfaction with the cloud are also high and most businesses who use the cloud for some aspect of their systems, expect their use of the Cloud to grow. There are of course many businesses who are not utilising the Cloud, but many of these are actively considering where and how the Cloud fits with their IT plans for the future. So is it inevitable that everything will transition to the Cloud at the expense of on-premise IT? In short, no, but of course how the Cloud fits with each organisation will vary greatly based on their individual circumstances, some will suit a full Cloud migration, but for many a Hybrid approach will be more suitable, certainly in the short term.

For most business owners, creating a definitive view of the role of Cloud for their business is less than straightforward, so what are the key factors that will influence the decision.

**1. Current IT Systems –** Infrastructure and Software The maturity and nature of the current IT systems will be a major factor in how a business views the ease of using the Cloud. If the business has long standing IT systems, it will often be more complex to move to the cloud whereas a business with fewer and less developed systems will find it easier to untangle them and move the Cloud. Inevitably, a business still depreciating a major investment in on-premise hardware will wish to consider if this is the right time to move to the Cloud, making some or all of this investment redundant.

The availability of important business applications will also be a major influence over Cloud adoption, some systems may not be available in the Cloud while conversely others may increasingly only be available in the Cloud. Each of these factors will influence Cloud adoption, but in many respects are more about timing than absolute roadblocks to the Cloud.

**2. The Financial Case -** There are a number of financial implications to consider. As outlined above, relatively new on-premise hardware will make major migration to the Cloud a 'tough call' for many businesses. There are however a number of potential costs savings to be made and these need to be factored into the decision making, an approach that is unusual in most SME organisations. What is the cost of the cloud services, what savings will be made from reducing on-premise systems in terms of power, maintenance and support, replacement and depreciation? How does the monthly operating expense model associated with most Cloud services suit the organisation? How do cloud based services impact on team member performance and efficiency and how might they impact on other operational factors which drive improved performance and profitability? The historic decision making processes for investment in IT will need to be extended to incorporate a more complete financial picture if the true value of the Cloud is to be understood.

**3. Operational Factors -** There are of course some further operational issues that will be important when defining the role of the Cloud. Some organisations operate in sectors where there are strict regulatory constraints regarding data, and while these regulations are often not a 'real' constraint to using the Cloud, a lack of clear information can leave senior managers very concerned about the risks and implications. The impact of team member's response to, and adoption of the change is also not to be underestimated. In organisations where change is rare and generally feared, there are potential operational disadvantages from the change; these can of course be overcome, but it is important to understand the process and timescales for change before the Cloud benefits can be enjoyed. Of course, given what the Cloud is, reasonable internet connectivity and performance is a pre-requisite and while the network is generally improving across the UK, there are still many areas where Cloud adoption would be a challenge.

With so many factors at play, and so many of them changing over time, deciding if and how to utilise the Cloud, and when, is a highly individual decision making process for each business. Despite all the 'noise' regarding the Cloud, for some organisations it is just not the right time to make any change. For other organisations a full Cloud migration makes operational and financial sense right now, while for others, a gradual move to some Cloud services is the right way forward. Working through the decision making process can be complex and securing the input of Technology and Cloud specialists is one way to help inform your decision. Why not take advantage of the advice available, and ensure your decision regarding the Cloud is the right one for you.