

## UNDERSTANDING CLOUD COMPUTING: WHAT'S BEST FOR YOUR ENTERPRISE?

This white paper by Jay Ethridge and Joe Jezior of Technology & Business Solutions (TBS) will help you understand what cloud computing is and what it can do for your company. It's the first in a series of TBS white papers on cloud computing that will define the cloud and discuss its benefits, why companies of all sizes, including Google, Microsoft and the Federal Government, are embracing it, and how you can leverage this new technology at your firm.

### OVERVIEW OF CLOUD COMPUTING

Cloud computing—defined as any system run at another site through the Internet—represents a major paradigm shift in the information technology market. The “cloud” metaphor comes from the telephone network and symbolized how wired telephone networks were connected together. Today, the same metaphor symbolizes how computer networks are connected through wireless clouds.

The cloud offers significant advantages to organizations:

- Greater ROI with a lower investment in IT. The financial benefits of cloud computing are significant. An enterprise cloud delivers much greater financial benefit than simply reducing capital expenditures. Cloud computing allows firms to divest themselves of a “Capital Expense”—namely, having to purchase servers and employ internal support—and instead move to an ongoing “Operating Expense.” This can bring multiple benefits to a CFO, including:
  - Reducing the capital liabilities on the organization's balance sheet;
  - Eliminating any risk of unexpected expenses for equipment failures and other events;
  - Curbing labor costs, including consultants' fees, and salaries and ever-rising benefits;
  - Providing an ongoing operating expense that can be projected far into the future.
- Higher level of security. Enterprise clouds offer greater security and better compliance than most internal systems. Clouds feature online secured access; encrypted data transmission; secured facilities and compliance with rigorous SAS 70 Type II and MA 201 standards.
- Technology access. Employees of a firm using enterprise cloud computing can access critical information anytime, anywhere, via the Internet. Such clouds provide any size company with affordable, scalable access to technology platforms typically utilized only by Fortune 500 companies. In addition, the cloud affords instant data access and integration with other systems.
- Agility of IT systems to meet current needs NOW. Each company has an internal IT system built to fit the firm's current requirements, but this has major limitations. It's highly customized, so it may be expensive to alter if your business changes. Whereas, with cloud computing you can flexibly adjust your IT system in response to business needs. Cloud computing moves with your business, instead of playing catch-up.

With the maturity of the Internet and the rise of Internet 2, cloud computing is gaining widespread acceptance. Increased bandwidth, reliability of service and security are also driving these changes. Both consumers and businesses have become comfortable with sending confidential data across the Internet.

## ENTERPRISE CLOUD HOSTING

As a hosting provider at TBS, we have followed the cloud hosting market carefully and believe it is rapidly moving to an enterprise cloud model for all cloud delivery. For example, Microsoft, IBM and Google have introduced cloud computing in an enterprise-wide environment where applications are securely delivered as platforms simultaneously to tens of thousands of users. This provides an unprecedented level of infrastructure and security for any size firm.

We believe that an “enterprise cloud” offers true value, far beyond that of outsourced IT or “servers in a closet.”

Minority-owned TBS is the largest provider of cloud hosting for Deltek software, and has provided Deltek software in an Enterprise Cloud Hosting environment for over five years to hundreds of customers with thousands of users across the globe. The TBS Cloud provides secured access round-the-clock from anywhere an Internet connection is available, including government sites. More than 70% of TBS’s clients are government contractors supporting federal agencies, so that all TBS services are furnished within the continental U.S. by U.S. citizens.

## LEVERAGING THE CLOUD FOR YOUR ORGANIZATION

Switching to enterprise-wide cloud computing will bring a new discipline to your IT management. It will create an IT operating environment to support IT controls, compliance with regulatory issues and support of your audits—financial, SOX, etc.

By utilizing an enterprise cloud to support your accounting system, you can then take advantage of other additional services or platforms available through the cloud, without a big up-front investment. These include remote access during crunch time, year-end or inclement weather, and a cloud integration platform for outsourced services, human resources, banking, and business development, to name a few.

Remember: Not all clouds have a silver lining. Bob Anderson, Vice President for Research at Gartner, the world’s leading IT research company, has rightly identified the three great challenges of the cloud: Security, Integration, and Reporting. Simply put, not all clouds—private, public, or enterprise—are created equally. At TBS, our enterprise cloud has proudly laid to rest Carr’s critical concerns. As you consider the cloud for your operation, decide what you want, evaluate the cloud as a better way to manage your systems, then contact TBS. Thanks to our proven cloud hosting solution and unique partnership with Deltek, TBS can successfully help you craft an enterprise cloud model tailored to your needs, so your organization can move into cloud computing and leverage the many benefits we’ve just discussed.

*And, stay tuned to this white paper series. In the coming months we’ll explore these important cloud computing topics:*

*Defining “The Cloud” – Private, Public, and Enterprise Cloud Delivery.*  
*Cost Reduction NOT Transfer: Cost-Savings with Enterprise Cloud Computing.*  
*Security of a Higher Level: Unparalleled Security with Enterprise Cloud Computing.*  
*World-Class IT: Enterprise Clouds Deliver Fortune 500-grade Capabilities to All.*  
*Agility for Your Enterprise: Focus on Your Business, Not Your IT Infrastructure.*  
*Reach for the Sky: Deltek in the Clouds.*