



A SMALL BUSINESS GUIDE

MOVING YOUR SMALL BUSINESS TO THE CLOUD

STF CONSULTING

*Bridging the Gap between Business and Technology*SM

Cloud computing is taking off.

In the past year several analyst firms have increased their cloud revenue projections, which remains a small but fast-growing part of the IT marketplace. Small businesses are embracing cloud for its many benefits, including:

- **Eliminating investment in servers and endless hardware refresh cycles**
- **Attaining a flat, predictable monthly payment for IT**
- **Eliminating regular IT maintenance tasks**
- **Gaining the ability to scale IT with the business, without buying more servers**
- **Enjoying high availability of their IT solutions**
- **Accessing enterprise-class IT equipment they otherwise could never afford**

What are these companies buying, exactly? The market is confusing, with IT providers bombarding businesses with the same term, cloud, for what sounds like a lot of different-sounding options. How can a small business pick what's right for them? Here are the answers to some common questions small businesses have about moving to the cloud.

Q: What are the different types of Cloud Services?

There are three main types of Clouds: Public, Private and Turnkey.

A **PUBLIC CLOUD** is typically provided by a large company, such as Google, Microsoft, Amazon Web Services, or NetSuite, or by a line-of-business application developer, such as medical practice management software, which make resources such as applications and storage available to the public via the Web. Typical examples are Google for email (Gmail) and Salesforce.com for customer relationship management.

The big attraction is their low cost, but that comes at a steep price: It's usually difficult to get support, you have little control of data, privacy and security are unknown, and it's inflexible, offering only the most common business applications.

In a **PRIVATE CLOUD**, your data and applications also sit in a remote data center, but everything in it is 100% dedicated to one particular business, not shared across many businesses. That gives you more control, security, privacy and flexibility. But as you might guess, it costs more than public cloud – and more than keeping equipment on your own premises.

For the vast majority of small businesses we recommend what we will refer to as **TURNKEY CLOUD**. Every small business is unique, and most need a knowledgeable IT advisor to sort through the options to develop the right combination of cloud services for that business. The best solution for you might include getting standard business applications from a big cloud provider, a line-of-business app. through software as a service (SaaS) and using a cloud data center for things like your email and CRM systems.

If the advisor recommends an offsite data center, it's one they have a strong partnership with, where you can feel secure about the whereabouts of your data. And they are there for you 24/7 to monitor the solution and address problems that crop up, so you can focus on your business and your customers. In a Turnkey Cloud solution, you get the best of cloud in a solution that's created and tailored especially for you and your small business needs.

Q: How do I pick the right provider?

Selecting a provider from among this array of options means considering every aspect of doing business with that company on a daily basis, including:

SUPPORT: Is it offered via online self-service? A local or offshore call center? Is there a local, trusted person you can turn to if an issue emerges, for example, you can't access your data?

SERVICE LEVELS: How quickly does the provider promise to respond to issues? What is their uptime, and is it guaranteed in writing? What do current customers say? How important is your company's business to the provider?

SECURITY: Where is your data, and how is it protected from outsiders, or other business' data?

COMPLIANCE: Does the solution accommodate any privacy and security requirements in force in your industry? Is the data center SSAE 16 compliant per a third-party audit?

Q: Why should I pick a local cloud provider instead of one of the big guys?

A local provider takes the time to understand your business, create a customized solution and help you change it as your business evolves and grows. They're a single point of contact for support no matter what application you're having a problem with. Instead of getting in a phone queue to talk to someone you've never met, you have one local company you know that has fully documented your complete environment, taking ownership of the problem so your staff can focus on their jobs.

A big, multinational IT provider isn't going to feel much of an impact if you take your business elsewhere. With a local provider, your business helps them pay the mortgage. Because you're paying a flat monthly rate, the most cost-effective thing they can do for their business is to keep your IT running smoothly.

"As we continue to evolve as a provider, we continue to invest heavily in our Cloud Platform and focus our service delivery to provide the most responsive and personalized support possible. Our business model features a boutique-style strategy where we are able to offer flexibility and customization that the larger providers simply cannot match," says Sean Furman, president of STF Consulting.

Q: What are signs that a provider is not a good choice for my business – things to watch out for?

New small business Cloud solutions come onto the market every day. Often the pitch sounds good, but cloud offerings are not always what they seem.

A common business model in Cloud, for example, is for one provider to resell the services of another. So there could be as many as three layers separating you from the company that owns and operates the equipment where your data resides. It's much better to deal directly with the provider that owns the solution, end to end. Be sure to request a visit to the data center that will host your data.

Another impression you might get from cloud marketing is that it all just works. Unfortunately things go wrong. Netflix's streaming service crashed on Christmas Eve 2012, and it took their cloud vendor, Amazon, almost a full day to restore service. If that's how a behemoth of a customer is treated, how will your support experience be? That's why a local, high quality cloud provider with local support is critical.

Q: Is cloud expensive?

When comparing costs of on-premise versus cloud, it's important to avoid performing a strict hard cost analysis. One of the major benefits of a Cloud solution is better uptime than on-premise IT environments typically deliver: Ask yourself, "How much does downtime cost my business?"

Here's one formula: I have (X) employees that make an average of (X) per hour. If they are down and can't work for (X) hours, what does that translate to?

Downtime costs often go beyond just productivity, though. It often halts production, causing delays and restart costs, and it harms your reputation and customer confidence in your business. How much is that worth? A survey by CA Technologies found on average, businesses suffer 14 hours of IT downtime per year. Half of those surveyed said IT outages damage their reputation and 18% described the impact on their reputation as "very damaging."

Turnkey Cloud from a Trusted, Local IT Services Provider is the Right Solution for Small Businesses

IT has become critically important to viability of small business, but is not their core competency. It makes sense to place IT into capable hands in an ideal environment, but not with just any provider. Small businesses need a boutique provider who prioritizes their needs, creating a turnkey, managed solution that combines the best of Cloud with the benefits of a local, trusted provider.



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