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Clouds Now Strong Enough To Support Your Business

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October 6, 2009 ([Network World](#)) Technology makes life easier for small businesses, even if you can't see that while cursing your personal computer for some problem or another today. Not only have hardware costs dropped by an order of magnitude over the past two decades, you can now run your business quite well without any hardware beyond one laptop or netbook for every employee. The fuzzily-named "cloud" can support your business without any local hardware. And when you do want local hardware appliances, they should be tied into the cloud as well for disaster recovery support.

Let's define "cloud" as a hosted service leveraging hardware not in your location. You can have a private cloud, as many large companies do, by providing remote user services from a centralized but company owned data center. Mainframes could be called the original cloud with our definition, because few people were in the same location as their computer.

Smaller companies, even those with multiple locations, find a private cloud expensive, making them overkill when balancing cost versus benefits. Third party clouds, however, can now do everything a business needs. The smaller the company, the more they should look to hosted "cloud" providers for services ranging from marketing to customer acquisition to accounting to project management to payroll. You don't have to use hosted services for all these things, but if you do, you'll save considerable money upfront and get constant software upgrades as part of your deal.

What technology does a small business need, whether real estate office or dry cleaners or restaurant or muffler shop? What comes to mind first, thanks to Microsoft's constant marketing, is a server. Since Novell shot itself in the foot so often it lost the majority share of the server market years ago, a server automatically means Microsoft to most people.

And what will our, say, new law firm with two attorneys expect their on-premise Microsoft server to provide? In terms of general purpose functions, a way to get e-mail, share files, and have a site on the Web. So let's look at each of these options.

First e-mail, a critical need today. Yes, you can host your own e-mail server, but please don't until you're large enough to have a full time administrator with security training on staff. Many malware writers and spam mongers love inexperienced companies leaving their unpatched and unmonitored Windows servers available for corruption. My spam filter will thank you for not becoming a spam bot spewing more garbage across the Internet.

Hundreds of hosted e-mail options are available for far, far less money than it costs to run your own e-mail server hardware and software. A handful of dollars per month per user gets you better, and more secure, e-mail service than you can provide with your own inhouse server. Microsoft's Exchange Online provides services directly or through resellers, but dozens of other services offer different but equivalent e-mail services, and [Google Apps](#) includes e-mail and more for \$50 per user per year. The "more" from hosted services usually includes shared calendars, contact lists, task lists and other goodies. I've mentioned [HyperOffice](#) and [StreetSmart](#) several times, and they offer all of the above with file support and more. Google also offers applications like a word processor and spreadsheet online for the same \$50 per user per year.

Second, you need a place to put your files. Leaving them on each user's computer guarantees problems, so a shared file location will save your hair from falling out. HyperOffice, StreetSmart and Google Apps offer places to store files along with other services. [Egnyte](#) and [Box.net](#) offer hosted file services that act like a local server without the high price of hardware acquisition. [NomaDesk](#) puts a different twist on things by

using a synchronization model across shared storage and individual computers.

You still need some type of backup with all these, and online service options abound. [SpiderOak](#) adds file sharing (ShareRooms) to online backup for few dollars per user per month. Other backup options were [discussed last month](#).

Web hosting services have been around for years, and should be the choice of all smaller businesses. Even e-commerce hosting should be outsourced to a company that specializes in keeping Web hosts secure and online. The extra server under the table in the break room is not a good choice for a Web host, especially with so many hackers targeting Web hosts today. You need security expertise to protect your Web site, so let your Web designer and hosting company carry that load.

Every business needs accounting and payroll help. From [QuickBooks Online](#) to [WorkingPoint](#) which had to change its name from Netbooks once the little computers got so popular, there are hundreds of online accounting options for companies of all sizes. Online services update constantly, including your state payroll details, as part of your regular monthly price. That certainly beats upgrading the payroll module each year. Assuming, of course, you don't use a separate payroll service, like ADP and others that started years ago before the Web became part of the equation.

Sales software? Online. Personnel management software? Online. Project management software? Online (more details next week). Database software? You guessed it.

Many companies, such as a two attorney law firm, need specialized software. Lawyers need case management software, and there are well over 100 hosted applications available. Every specialized industry has dozens to hundreds of online Software as a Service options providing software built for that industry.

When you need a new software or service, look up to the cloud first. Every SaaS vendor offers free trials. Once signed up, you pay per month, and you can stop paying per month whenever you want. Not working well for you? Stop paying. Your lease payments for a hardware server and on premise software? Try canceling that after a few months and see what happens.