



Busting the three big cloud myths

Organisations that are resisting the shift to cloud computing are often basing their decisions on common misconceptions around security, price and integration.

That's a key finding in a recent report conducted by IBRS, The State of Enterprise Software 2019.

The Security Myth

Many of the organisations surveyed declared security as the primary reason for not moving to cloud services.

Concern over the security of systems — and, critically, of the data they hold — was common in the early days of cloud computing and it seems at least some of that legacy remains. But it's a myth.

Dr Joe Sweeney, author of the report said cloud service providers exceed most organisations' budget and capacity to manage complex cybersecurity risks.

That's certainly the view of the Commonwealth Government, which is moving to cloud-delivered enterprise solutions aggressively.

Tony Robertson, Director, Cloud Capacity & Compliance at TechnologyOne said reputable cloud service providers have strict data security policies and are rarely prone to breaches because of this.

"Typically these security and privacy policies are a much higher standard than most on premise systems," Robertson said.

"TechnologyOne invests millions in maintaining the highest security standards possible, so we can help the 400+ customers on our SaaS platform to mitigate risk and ensure compliance.

"Our multi-tenanted SaaS platform allows every customer to benefit immediately from every enhancement - whether it's security, performance, privacy or functional.

"Most single organisations can't afford to invest that amount of money and resources in ensuring the continual enhancements of their environment, particularly around security," he said.

Adding another reason to bust the myth, the study revealed security was more of a concern for organisations using on-premise enterprise software solutions; however, organisations with a preference for cloud-delivered software were much less concerned about security, and more focused on driving innovation and finding new ways to work and compete.

"Typically these security and privacy policies are a much higher standard than most on premise systems."



The Cost & Utilisation Myth

The study also found a continuing belief in some quarters that running cloud infrastructure is more expensive than managing software solutions internally, on premise.

However, this study busts this myth in a big way, revealing the biggest benefits of moving to the cloud are “freeing up IT resources from managing on-premises infrastructure”, “reduced investments in on-premises infrastructure,” and “lower operating costs”.

Robertson explained that SaaS providers take it one step further from the cloud, eliminating both the need to manage any infrastructure, as well as all aspects of upgrading and patching the software and hardware.

“This removes the need for all the facilities and staff required to perform these functions. This, in turn, will mean the total cost of ownership (TCO) for the SaaS solution is typically less than the on-premise equivalent,” he said.

In the local government sector, [Whangarei District Council](#) in New Zealand and [Noosa Shire Council](#) in Queensland both claim to have reduced their TCO by up to 30 per cent, as a result of moving to an enterprise SaaS solution.

“The total cost of ownership for a SaaS solution is typically less than the on-premise equivalent.”

The Integration Myth

The final myth is that cloud services are inherently more difficult to integrate when compared with on-premise software, which IBRS describes as another misconception that often arises when software design is combined with deployment methods.

Robertson noted integrating with cloud systems, and particularly, SaaS solutions, has become a much simpler proposition.

“Most SaaS vendors will provide a list of integration options that have been tested and verified as scalable, robust and secure.

“The benefit of moving to an ‘as-a-service’ offering, like SaaS, is that integration is no longer a technical headache because the software partner takes on, and manages that complexity.”

However, integration is a growing challenge — not because of technology, but because of how business units are procuring SaaS solutions in a tactical, rather than strategic, manner, according to Dr Sweeney.

“While the upside of SaaS is that business units can easily acquire and run enterprise-grade business solutions that enable them to thrive and innovate, this ease of acquisition and deployment also means that many organisations are creating silos of information and processes.

“Having a strategic approach to managing this ‘integration crisis’ means engaging the ICT team in the procurement process, so businesses can weigh up the benefits - and challenges - of specialist ‘satellite’ services versus integrated enterprise SaaS solutions,” Sweeney said.

Find out more

Find out more about the shift in how enterprise technology is procured and what it means for your business in the [2019 State of Enterprise Software Report](#). [Download the full report](#) or [hear an in-depth analysis in this webinar](#) from IBRS researcher, Dr Joe Sweeney.