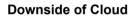Search this site

On-Premises vs Cloud: What You Need to Know

For all the talk about the inevitability of the cloud as the future of communication and collaboration, nothing changes that one critical question: Is migration to the cloud the best way forward for my business? Here are some points to consider - many of which have two sides.

Downside of Cloud

Trust

The "deal-breaking" element of the cloud solution really boils down to trust. Various changing factors can affect the trust-level with a provider and service-level agreements need to be carefully considered.

Individuality

You understand every element of your business, which problems to prioritize, and when and how you need to target issues. A provider doesn't. And may not respond in a timely manner anyway.

Latency

This can be a problem for organizations using the internet to access their cloud data. The more your company depends on predictable, low frequency times, the more of a problem this could become.

Accessibility

Some countries restrict access to various types of internet content. A global company operating out of different countries can also experience bandwidth issues, causing other accessibility issues.

Regulations

Companies taking the cloud option may have to take government regulations into account when deciding how sensitive data is to be stored and used. Which government? And where? Good questions.

Upside of Cloud

Costs

From an up-front-costs perspective, huge savings can be made by not having to run and maintain in-house servers, or pay consultants. As a subscriber, there is potential to categorize these as operational expenses for tax purposes.

Anywhere, Anytime Collaboration

This is what it's all about: Work offsite and stay in the loop, with no need to set up a VPN. In effect, anywhere you have a device, you have your office, with communication and collaboration functionality.

Hybrid

This is where your company gets to pick and choose from a combination of traditional and cloud options. The promise here is a seamless extension of on-premises data to the cloud.

Deployment

A deployment that could take months from an on-premises perspective, can be achieved with incredible speed and efficiency using the cloud option.

Updates

Automatic updates, as opposed to upgrades, can make a big difference, with updates taking place behind the scenes and not interrupting your work day at all.

Downside of On-Premises

Costs

Firstly, there is the cost of hardware and storage, including hardware and software maintenance; then licensing for necessary features, talented support personnel and, of course, the electricity bill.

Expertise

Hiring and retaining talent can be a big issue, especially where niche skills are required. The cloud option comes with top talent in place - although not necessarily on-hand to deal with your specific issues.

Deployment

Customization can slow the eventual move to upgrades of other software and systems. There is a slower cycle to release updates and many changes involve heavy IT intervention.

Scalability

Cost and cost-effectiveness is a real issue here. The cloud option offers scale of services in a way that is powerful, affordable and easy to accommodate.

Downtime

Outages happen across the board, but with the on-prem solution, it is up to you to deal with the issue or issues at hand and get things back on track, regardless of costs, time, maintenance, or anything else.

Upside of On-Premises

Costs

Potentially, the long term costs of on-prem: annual maintenance fees, one-time license fees, perpetual license models, are generally lower than the cumulative recurring costs of SaaS software. The oft cited break-even point is between two and three years. Consider options and variables carefully.

Security

You take responsibility for security, but you don't have to worry about potential legal hassles from governments or providers. What's yours is yours; you just have to be willing to take responsibility for it and rigorously protect it.

User Access

What's this doing in this section? Well, not being reliant on the cloud can be a big plus; particularly in areas where access is not reliable, or in places where it may not be desirable for your business.

Customization

You deploy according to your needs; build or buy solutions to tailor a complete system designed specifically for your business. Buying rather than building can also negate some powerful downsides in this area.

Trust

Let's end where we started. In business, as in life, trust is key to so much. With on-prem you are compelled only to trust yourself and your own people. If you can do that, you're in a very good

place.

Summary

It has been pointed out that current debates about cloud providers can be compared to "back-in-the-day" debates about hosting providers. Or, if you are able (and willing), to go back so far that you find yourself wearing a Miami-Vice jacket, complete with padded shoulders and rolled up sleeves (male or female), you may recall heated debates about mainframe vs desktop.

The move to cloud may seem inevitable, and is being pushed as such, but what history really teaches us is that each potential way forward needs to be studied rigorously and debated thoroughly, with current needs and future goals carefully structured as part of a well-planned strategy. If you find yourself needing help to form a well-planned strategy or find yourself mired in the details of a new or existing on-prem environment, check us out here.

Posted Aug 24 2016, 07:30 AM by Pat Brien | Edit this post
Filed under: Bamboo Solutions, Office 365, SharePoint 2016 [Edit Tags]

Add a Comment

Please sign into Bamboo Nation to leave a comment.

About Pat Brien

I'm a British copywriter who spent over 10 years living and working in Paris, France, before moving to America, getting married, and joining the Bamboo team.