



The cloud is coming... but are UK businesses ready?

Although cloud computing has been a hot topic among IT professionals for the last few years – the so-called “next big thing” in technology that could spur a whole new decade of growth – it's only recently that it has entered day-to-day business vocabulary.

The lag between the point when consumer cloud services (such as Hotmail) became widely adopted and the point at which the technology became a mainstream business proposition isn't surprising. It has taken developments from some of the technology giants such as Microsoft's Azure platform and Google Apps dedicated to business tools to add that the credibility needed. Debates among the political parties over the future of Digital Britain and the speeds required to maintain the competitiveness of UK PLC have also brought to light how many businesses are including cloud computing in their IT strategies.

What our own recent research has shown is that SMEs are quickly realising the benefits of switching to the cloud. By the end of 2010, half of SMEs in the UK will be using cloud computing in some form or another. This is a complete reversal from just over a year ago when nearly the same proportion (53%) said they would never adopt the cloud.

The next challenge is for SMEs to ensure they have a formal strategy in place for making the change. It is only a matter of time before the applications supporting core business functions, which currently typically run on desktop software (such as Microsoft Office or accountancy programmes), are migrated to cloud platforms. Last year we moved some of our most critical CRM and support systems into the cloud and it has dramatically helped us improve the way we work, giving us a single view of our customers and improving our customer response times and first time fix rates.

With more core functions moving this way, SMEs need to ensure they cover all the bases - can their existing internet connection cope with the additional bandwidth demands? Is their ISP reliable enough? Do they have a backup line if their main one fails? How secure are the cloud services they're using?

Preparation is key for any business undertaking such a radical change to their operations. You wouldn't, for example, relocate your offices to another country without first checking out

the local tax regimes, regulatory frameworks or workforce skills. The same is true for businesses migrating to the cloud.

Chris Stening, Managing Director, Easynet Connect

Footnote

What is 'Cloud computing': essentially it is the model of delivering IT-related capabilities as a *service* via the internet, as opposed to being *installed* within a company's offices on servers or PC hard drives. The 'cloud' reference derives from the symbol used to depict the internet in computer network diagrams.