Should You Consider a Hosted (Cloud) or An On-premise Solution?

On-Premise VS **Cloud**

SUMMARY

Major advantages and disadvantage of both types of systems:

– Hosting of Software (Your Purchased Software)

Advantages:

- The provider will back–up all of your important information on their server so you won't lose anything due to a computer crash or theft.
- You can access/use the software just like it was on your desktop from any computer with a broadband internet connection.
- Your programs are easy to install. You can add features or work stations to fit your needs as your business grows or during busy seasons.
- No On-site IT required. You only need a computer with a high speed connection to the Internet to access the hosted software.
- You will be freed from all the time-consuming and expense tasks associated with maintaining your server such as hardware upgrades, configuration, bug fixes and enhancements

Disadvantages:

- Web–based hosting providers charge an on-going monthly fee to host your software.
- One-time fee for Microsoft Remote Desktop Cal Licenses.
- You have to have the internet connected to your computer.
- Some providers require you to use their hardware, which can be expensive.
- If you lose your Internet connection, you won't be able to access the program.
- If your provider has server issues (outages) you will not be able to access the program
- Performance issues plague cloud or web-based applications
- Some providers charge a startup fee.

On-premise - *Software Installed On-Premise*

Advantages:

- There are no monthly hosting fees associated with the software.
- You own the software
- Lower long-term cost. Over the long term, one time license fees and annual maintenance fees for on-premise, perpetual license models are generally lower than cumulative recurring costs of hosted software, with the break-even point typically two to three years after purchase.
- In house knowledge of the system and data reside solely in house. May be preferable for clients with security needs where they do not want data "shuffled" over the Internet or want to restrict Internet access to their systems, databases or applications entirely.
- The software installed on-premise doesn't require an internet connection.
- The software installed on-premise can operate over a wide-area network
- You can use any hardware that is compatible with the software.
- Software installed on-premise are generally easy to set up and use.
- The provider can address technical problems instantly over the web by accessing your account and fixing problems remotely.

Disadvantages

- Some manufactures require you to purchase updates to keep your software current.
- You can't upgrade the software—as your business grows you'll have to purchase new software or more licenses.
- IT involvement. On-premise typically requires more IT involvement and more in-house technical skills for deployment, updates, and changes.