

CLOUD COVERAGE IREM Member shares software strategies for economizing your tech budget



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Until recently, our company was like most small- to medium-size companies in terms of its computer technology infrastructure. Our e-mail was managed via a Microsoft Exchange server; our corporate data was housed on another server within our network; and we gained remote (out-of-office) access via a Citrix connection. There were some firewalls and routers thrown into the mix to complete the system. This is a very common server architecture, yet it is expensive to build, takes very specialized training to manage, and must be updated periodically as new Internet threats appear, or as holes in its software are exploited. Furthermore, servers—like all computers—age and break down over time. Because servers typically run 24/7 without rest, they might last only 3 to 5 years, depending on dozens of factors.

At my company, we were at the point when our servers were aging enough that we began looking for solutions for replacements. To accomplish this, I first solicited bids to replace the existing servers and migrate e-mails and data from the old system to the new. I walked away with sticker shock. A four-year analysis of anticipated server costs and maintenance came in at \$320,000! This analysis assumed several conditions that were unlikely to happen: (1) no increase in our maintenance costs; (2) no increase in the cost of replacement servers in 4 years; (3) no disasters. In other words, the \$320,000 cost estimate was low, probably by a factor of at least 15 to 25 percent. I therefore began searching for an alternative that would be as reliable but more cost effective.

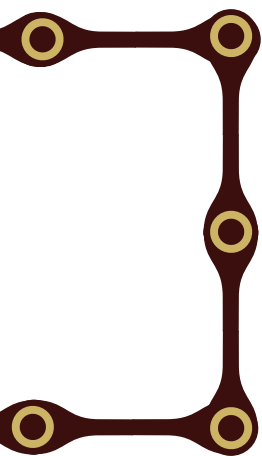
CLOUD COMPUTING

I found the solution in cloud computing, also called Software as a Service (SaaS). You may not know this but you may already be practicing cloud computing. For example, do you use Yardi or Onesite for property management? Is your payroll done with a common outside payroll service? In each case, you are cloud computing, or using other people's servers to run software that they own, update, manage and maintain instead of running it on your computers in your office. All it takes is an Internet connection. The best news about cloud computing? A five-year analysis showed a cost of just \$40,200 for using two cloud computing applications that will replace over 95 percent of our server architecture.

E-mail server

In spring of this year, we completed our transition from our Exchange e-mail servers to a cloud computing e-mail service and document provider. We migrated approximately 150,000 e-mail messages as well as all folders and contacts for 50 users. Not a single message has been identified as lost. The migration will allow us to retain all of our e-mail addresses, all of our old e-mails and all of our contacts. The cloud service has a calendar that is more intuitive and more easily shared than the Exchange calendar we were using.

The few issues we did run into included archived e-mail files stored in odd locations on the network, which had to be manually migrated to users' in-boxes. A shared contact



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folder with an odd file path did not make the automatic migration either but we were able to fix it manually.

We did extensive training with our staff to prepare them for the change to the new product. It helped ease the transition: There were a few users who needed crash-refresher courses on some aspects of the new products, but over 90 percent of the staff made the transition with few or no questions. This reflects both preparation on our part and the ease of using the new product.

The reward? We have avoided a 2009 hard cost of about \$110,000 for a new servers, software and support.

How secure is our new e-mail system? This provider has multiple geographic locations, real-time backup between their locations of our data and excellent virus filtering. A 99.9 percent up-time guarantee and 24/7 support round out their service. This will cost \$2500 annually. In the end, we don't have to do server software updates; we don't have to pay for expensive, highly trained and specialized computer support but we still get excellent performance, security and reliability.

If after your research you decide to make this leap too, you will be in good company. You'll be following in the footsteps of several universities, biomedical firms, a search engine giant and thousands of small to medium companies.

Data and remote access servers

As another step in the transition, our data (Microsoft Word and Excel files, along with correspondence, contracts, closing docs, etc.) will be moved to an online storage and retrieval provider. This provider has our data in three geographic locations, backed up in real time. It is accessible via the Internet and has about a dozen different services or ways you can manipulate the data to share it with others within or outside your company. This system is very easy for training weaker computer users and very intuitive to younger persons on your staff.

If you do research and decide to move toward these products, make sure you have

a robust Internet connection. Cutting back on a strong connection speed simply slows down the work process and diminishes the productivity of your staff. If you have a tech "guru" or support company, be sure to consult with them first, as the cloud computing system may not be consistent with your security or retention policies.

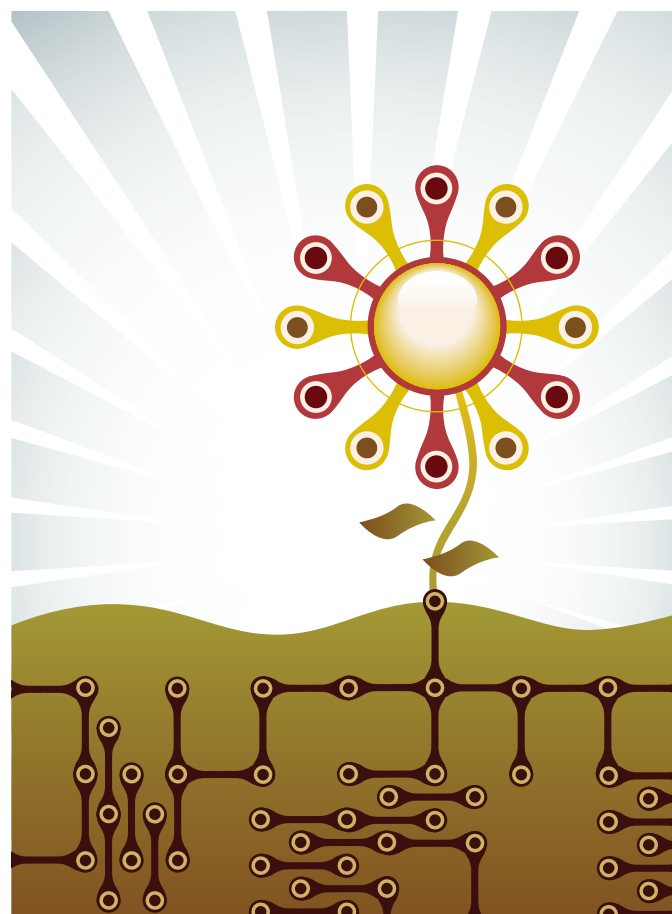
NETBOOK COMPUTERS

If you begin using cloud services and need to be or are a mobile worker, you will find you don't need to buy an expensive laptop with a huge hard drive because your data is stored on someone else's servers. There are more and more netbook computers that run anywhere from \$200 to \$400 each. They have small hard drives, but they are small and portable with fast processors.

Netbook computers often have operating systems that cannot be joined to a domain but can access network resources such as a printer. This means if you use this type of computer, you cannot reach internal company domain drives. This should not be a concern, however, as internal domains aren't needed once you are using cloud computing.

PARTING WORDS

Spend your money where it matters most: allowing people to do their work efficiently. Provide meaningful productivity resources, like robust Internet connections, so you and your people are empowered to maximize the power of cloud computing. ■



FOR MORE INFORMATION ABOUT NETBOOKS AND OTHER NEW TECHNOLOGIES TURN TO OUR "GADGETS" SECTION ON P 59.