



## **NovelASPECT.com Hosting**

### **Total cost of Ownership – Cloud Computing**

Evaluating your return on investment when moving your IT services to a hosted model can be challenging. This paper provides an overview of costs and cost savings associated with a hosted virtual server or a hosted application versus maintaining a server locally. Major items to consider include:

- Access Differences
- Hardware Costs
- Ongoing maintenance, security and support
- IT Staffing Levels

Over the past few years, Cloud Computing has become more and more accessible to small and medium sized businesses. This is a natural result of the increased speed and efficiency of the internet and the development of technologies such as Citrix that manage the connection between a local client and server. You can think of this as the “Back to the Future” model. The server is the new main frame; and the access devices, whether they be a PC; a thin client; a smart phone; etc. are the old terminals. Computing power does not need to be located with the client. In fact, on average, over 90% of the computing power of a client is never used.

At its most basic, Cloud computing provides a new business model for delivering software to a mobile workforce or a virtual company via the internet. We have clients with locations in Australia and the United States that share applications directly, increasing the efficiency of their interactions. For example, accounting may be located in China, while marketing and sales may be located in the United States – yet everything runs smoothly. Cloud computing and virtual servers allow your office and employees to work together from anywhere in the world. To fully evaluate the cost of Cloud Computing versus the traditional server, this paper helps to provide a framework to evaluate costs and benefits so you can make a more fully informed decision.

#### **Increased Efficiency in Accessing Company Applications**

The most obvious difference between Cloud Computing and on-premise software is in how your employees access your software. Employees are no longer tied to their desks, and businesses do not need to make a large investment in Citrix software and associated technical knowledge to provide virtual access to company assets. With NovelASPECT.com, access to your server through Citrix is included in your monthly fee, as is the management, installation and maintenance of that software. This now becomes a scalable cost that can fluctuate as your employees and clients increase or decrease.

## **Hardware Costs are Reduced**

Cloud computing provides several opportunities to reduce hardware and associated costs. The cost of purchasing a powerful server that needs space, additional security, network lines and a skilled IT staff are drastically reduced when using Cloud Computing. All of these costs are included in your monthly Cloud computing charge. Cloud computing also frees up valuable real estate formerly occupied by your server. In addition, the ability of workers to access company applications regardless of their location reduces real-estate demands.

Cloud Computing also helps companies save on the dollars they spend on providing intelligent workstations for their employees. These workstations can cost between \$500 and \$2,000 each, depending on the configuration. Cloud computing allows each user to have a terminal that costs \$250 for a high end device. These terminals allow access to the internet and to applications on your server. No data is stored on these terminals, so if a terminal is ever lost or stolen, only a replacement of that lost terminal is required – without the fear or worry of lost information.

## **Ongoing Maintenance, Security and Support**

Another benefit to Cloud Computing and NovelASpect.com is that all applications are run from the server. This allows application upgrades to be performed once, on a single computer, which is then published to the organization. Frustrating, manual upgrades to individual machines are a thing of the past with Cloud Computing. With Cloud Computing and Citrix, new applications can be installed once on the server, and then can be automatically deployed out to all machines simultaneously with no organizational downtime. This same concept applies to new applications or updates to existing applications.

Backup and security is also enhanced with Cloud Computing from NovelASpect.com. When your files are copied to your virtual server, you immediately have a backup copy of all your software. Each hour, a new backup copy of your data is created, and once a day, a copy is sent to our off site data center where it is retained for a minimum of 90 days.

Access through the internet is done using the same technology as with on-line banking. Citrix creates a secure connection from your access device to our server.

## **IT Staffing Levels**

Converting to a Cloud Computing model with NovelASpect.com will reduce your need to have an IT staff to maintain software and servers. When moving to Cloud Computing, some firms reduce IT staffing costs while others redeploy their IT staff to more strategic projects.

## **Summary**

There is no question that improvements in the speed and reliability of the internet have opened up new opportunities to increase the efficiency of your IT department. Cloud Computing with NovelASpect.com frees companies from software and hardware maintenance and increases the safety and security of company data. When evaluating the return on investment from this

transition, it is important to take into account many of the factors described in here to ensure that you make the best decision for your company from a financial and operational standpoint.