

Why small business should adopt the cloud

Less than 10 percent of small business has adapted to the cloud in their accounting software. This may be costing them money

Is there a good reason why your business has not invested in cloud accounting software? Many are still scared; they look around and see the numbers- cloud adoption is just around 6-8 percent so that tells us that we are still in the early adoption stage. You could say “Don’t be afraid it’s the future, however my message would be “It’s been around a while it’s no longer the new thing it is THE thing. It’s matured. It’s no longer “coming up”; it’s here and it’s here to stay.

Why is there a fear?

So what is the basis for that fear? Is it to do with security issues? Or is just a fear of change? The answer is “yes” to both of these concerns but probably the biggest thing is the intangibility. If I have my accounting system and it’s there, I can touch it. If something goes wrong I can do something, I can reboot it or whatever. If it’s ‘up there’ in the cloud, it’s natural to say “well where is it and if something goes wrong I don’t know what to do.’

What is the cloud?

For start the cloud is not ‘up in the sky’. The cloud is internet-based technology resources – such as software applications, computing power and data storage – provided remotely as a service.

Adopting cloud technology comes down to some basics: make sure you choose a good vendor, do your due diligence, know that there is ‘someone’ to refer issues to that there are real supports behind the cloud-based offering.

Security benefit

The fact is security is much better in the cloud and it is off-loaded to the vendors who have, literally, armies of people on the job of working on ensuring that the system is secure within the cloud-based system. Within an individual practice they may have file son a desk top, they may get lost or system breaks down resulting in loss of complete files whereas cloud-based system shave complete back-up. A desk top system may back up every five minutes but cloud technology is backing up all the time.

There’s a much greater ability for the cloud providers to secure the data to hire the security expert whereas a smaller practitioner will rarely have access

Benefits include:

- Cloud-based software can be from any device with an internet connection. Online accounting means small business owners stay connected to their data and their accountants.
- You have a clear view of the business’s financial information in real-time
- You pay for the software by monthly subscription
- Everything is run online, so there’s nothing to install and everything is backed up automatically. Updates are free and instantly available.
- Capex is reduced – version upgrades, maintenance, system administration costs are no longer issues. Instead, they are managed by the cloud service provider.