Impact of Cloud Computing on various Enterprises

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Abstract

In this paper we have discussed various Impacts by the introduction of cloud computing on various enterprises. As we know that if any new technology is introduced then the impact of that technology can be good or bad and that impact can only be analyzed when we will use that technology or adapt that technology under our running process. By getting result from implementing technology, we can analyze the result of that implemented technology.

Keywords: Cloud Computing, Technology.

1. Introduction

Cloud Computing has become one of the most talked about technologies in recent times and has got lots of attention from media as well as analysts because of the opportunities it is offering. Enterprises have been striving to reduce computing costs and for that reason most of them start consolidating their IT operations and later using virtualization technologies. For the good of the enterprises there is a new technology to help them in this i.e. Cloud Computing.

2. Impact on Enterprises

There are many benefits stated of Cloud Computed by different researchers which make it more preferable to be adopted by enterprises. Cloud Computing infrastructure allows Enterprises to achieve more efficient use of their IT hardware and software investments. This is achieved by breaking down the physical barrier inherent in isolated systems, automating the management of the group of the systems as a single entity.

Many companies have invested in Cloud Computing technology by building their public clouds, which include Amazon, Google and Microsoft. These companies are often releasing new features and updates of their services.

3. Adoption

Cloud Computing means that how IT(Information Technology) is provisioned and used and not only about technological improvements of data centers. Enterprises must consider the benefits, drawbacks and other effects of Cloud Computing on their enterprises that are using it before adopting and using Cloud Computing. In enterprises, the adoption of Cloud Computing is much dependent on the maturity of organizational and cultural processes as the technology. Some of the technological experts predict that adoption of Cloud Computing is not going to happen overnight, rather it can take 10 to 15 years before typical enterprise make this Cloud Computing effect on Enterprises shift .

4. Benefits

Cloud infrastructure is introduced then it presents many opportunities for enterprises to improve the management of income and outgoings for both finance staff and customers.

It also helps for easy of cash-flow management for finance staff as the cloud pricing model has minimal upfront cost and monthly billing and it also lessens the variability of expenditure on electricity. These are the benefits comparing to the in-house data center, as it can be costly to buy hardware and cash-flow can also be slow and difficult from clients. Along with that energy costs will also go down as you are not running your own data center and third party cloud will be responsible for that.

The Cloud infrastructure is also very helpful for the finance department of the company to reduce the administrative burden and the headache of the company is reduced.

Figure 1: Benefits of Cloud Computing

5. Demerits

If any of the enterprise is using the cloud computing technology then that enterprise become more dependent on service suppliers to implement and for taking care of data management. There is always a risk of data or information leakage related to particular enterprise from the side of service suppliers. It creates a long term dependence on cloud host for the maintenance of enterprise information.

6. Result

Hence, we are currently at the start of a transition period during which many decisions need to be made with respect to adoption of Cloud Computing in the enterprise. The decision to adopt Cloud Computing is challenging because of the range of practical and socio political reasons. It is not possible that all enterprises outsource their whole back end computing requirements to cloud providers rather; they will establish a heterogeneous computing environment which is based on dedicated servers, organizational clouds and possibly more than one public cloud provider. How the adoption to Cloud Computing is managed does not only depend on technical issues but also on socio-technical factors (i.e. cost, confidentiality and control), the impact on work practices and constraints derived from existing business models. Hence, the challenges that enterprises must address before Cloud Computing adoption are:

1. To provide accurate information on costs of cloud adoption;
2. To support risk management; and
3. To ensure that decision makers can make informed trade-offs between the benefits and risks.

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