

sage

*Business Management Solution*

***PUBLIC CLOUD,  
PRIVATE CLOUD  
OR ON-PREMISE:***

*Host it how you want it*

## **Business Management Solutions:**

Public cloud, private cloud or on-premise: Host it how you want it

***Sage X3 gives you the freedom and flexibility  
to choose what is best for your business***

# **CONTENTS**

## ***Introduction*** **03**

The dilemma: What do businesses want?

Taking the plunge: Deployment options defined

## ***On-premise*** **04**

Pros and cons of On-premise

## ***Private Cloud*** **05**

Pros and cons of Private Cloud

## ***Public Cloud*** **06**

Pros and cons of Public Cloud

## ***Business Management/Enterprise software on your terms*** **07**

It doesn't have to be a versus thing

## Business Management Solutions:

Public cloud, private cloud or on-premise: Host it how you want it



# Introduction

Whether you're thinking of updating your entry-level software, planning to replace a legacy solution that no longer meets your requirements, or going for your first-ever enterprise solution implementation, chances are your search for 'what is right for your business' has left you feeling you can't see the wood for the trees.

You're now at a point where you have to make a tough decision – upgrade your in-house system, replace your old solution with a new one or take everything to the cloud? Some vendors might insist that a Business Management Solution (BMS) has to be accessed on-demand through the internet to be effective while others might argue that it has to be implemented on-site to generate the best results.

The truth however is the only essential criterion for any BMS implementation is that it has to be right for your business. It should be flexible enough to mould and adapt according to your business needs and requirements, rather than the other way around. After all, if a solution limits your flexibility and growth from the start due to its constraints, how can it adapt to meet your future needs?

## The dilemma: What do businesses want?

Different companies have different needs. There is no one solution or deployment option that fits all. For almost two decades, physical servers or on-premise adoption dominated the industry. However with the advent of the 2000s, the IT world saw a considerable shift and moved towards cloud computing. Now, we see this increasingly growing trend of companies migrating their hitherto internal enterprise solutions and databases into the cloud.

There is no denying that cloud is a cost-effective and low-on-maintenance option for many businesses, however companies need to be wary and not dive in, head first, into the 'all cloud' pool, without perfectly understanding what their options are.

Applications and services need to be run where they're most effective and not just because 'cost' is the most attractive option. This following white paper provides an overview of deployment possibilities to help evaluate the model that may best suit your business needs.

## Taking the plunge: Deployment options defined

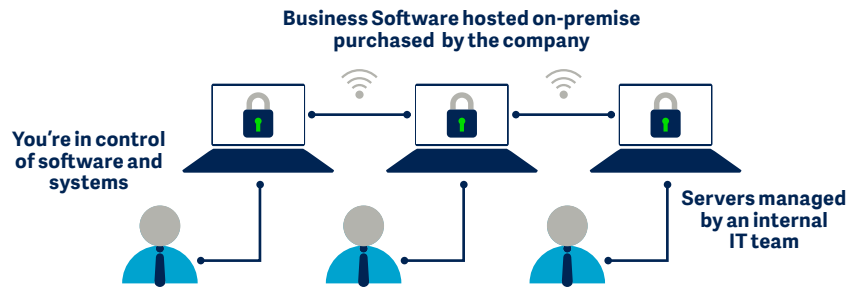
In the best interest of your organisation, there are a couple of points that you should examine, in order to define and understand your organisational needs, before picking your final deployment option.

- Do you have a global footprint or is your business local?
- Would you rather have a one-time investment and have control over all your data or would you prefer paying monthly for the services that you need?
- Do you prefer to have dedicated IT staff, present in office 24X7 to deal with any technical glitches, or would you rather outsource all your IT headache to an external provider?
- Do you prioritise data security over data accessibility or is it vice versa?

**Business Management Solutions:**

Public cloud, private cloud or on-premise: Host it how you want it

# On-premise



When software is hosted on-premise, everything dwells within your company walls. A typical on-premise implementation involves a huge upfront cost as everything – the hardware, the infrastructure and the software – is purchased by the company, typically as a CAPEX project. The software is installed and run on dedicated servers and machines that are stored in-house and are managed by an internal IT team.

Having everything in-house has both pros and cons. A major positive is that you'll be in charge of everything – the data and the applications – and will be able to easily customise or modify the software, whenever you want, to suit your business needs. The drawback, on the other hand, would be the recurring maintenance and support cost to keep your data up and running, in a cyber-safe environment.

However, for certain industries, such as the financial and healthcare industries that deal with customer sensitive information and have strict regulations on where the data is stored and managed, on-premise can be the only option.

## Pros and cons of on-premise

### PROS

- ✓ One time investment and assured ROI
- ✓ Total control over your system and how it is managed
- ✓ Your in-house support can easily customise the system according to your business's needs

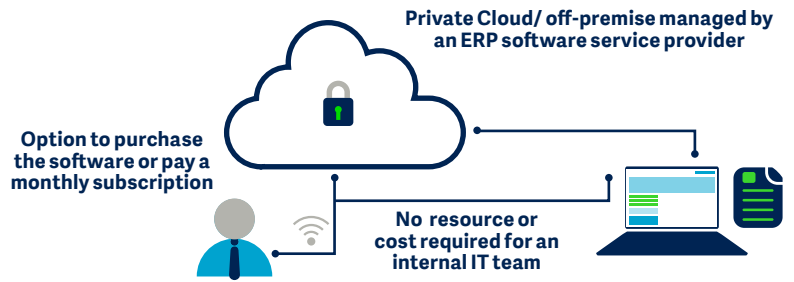
### CONS

- ✓ Huge up-front capital cost
- ✓ Recurring maintenance and support cost
- ✓ Continuous monitoring and back-up of your in-house systems
- ✓ Must maintain IT staff or hire external IT support
- ✓ Can be hard to cope with businesses that see seasonal variations in demand, due to its limited bandwidth
- ✓ Maintaining industrial strength security and staying ahead of the latest attacks can be costly and time consuming
- ✓ Taking advantage of new functional release can be time consuming and expensive

**Business Management Solutions:**

Public cloud, private cloud or on-premise: Host it how you want it

# Private Cloud



Private Cloud or off-premise is the deployment of ERP software via a private cloud infrastructure provider or managed service provider. This option allows you to either purchase the software as a CAPEX project, without the infrastructure and hardware costs, or pay a monthly subscription to a private cloud provider, as a OPEX project.

You can start with low initial investment and still get all the functionality of your software and later expand as you grow by paying for what you use with an **annual or monthly** hosting and licensing fee. Faster in deployment, in comparison to on-premise, hosted solutions will give you the flexibility and control over the customisation and upgrading of your software.

It is ideal for small to medium sized industries that either don't want to spend money on having dedicated IT staff present in office 24X7 or want to free up their limited technology resources for better utilisation and reduce overall expenses. And because the software is installed on a remote server, you can save on your maintenance and support costs as well.

## Pros and cons of Private Cloud

### PROS

- ✓ Get up and running quickly
- ✓ Less load on your internal IT resources, as they don't need to control the hardware or infrastructure
- ✓ No infrastructure or maintenance cost, only annual or monthly license fee
- ✓ Transfer risk to a 3rd party and guarantee uptime with a service level agreement
- ✓ Easier to deliver highly customised applications
- ✓ You decide when you upgrade, in conjunction with your private cloud provider

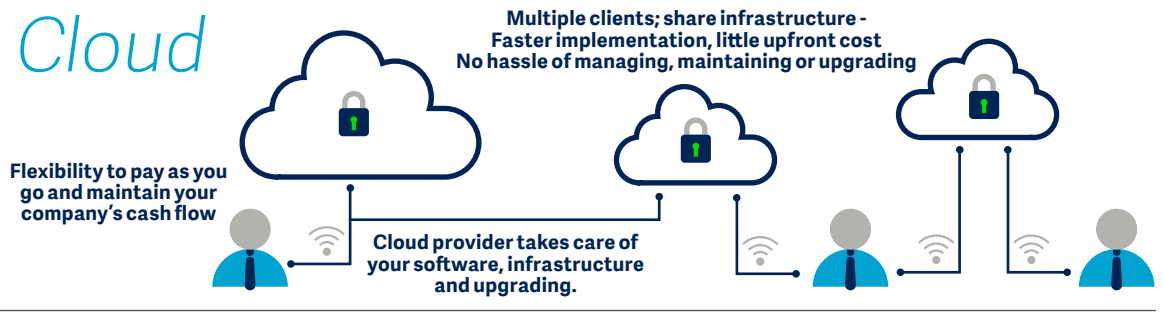
### CONS

- ✓ No control over the hardware or infrastructure that is running your software
- ✓ Need to coordinate with hosting company for software upgrades
- ✓ Recurring cost of service level agreements

**Business Management Solutions:**

Public cloud, private cloud or on-premise: Host it how you want it

# Public Cloud



Faster implementation, little upfront cost and no hassle of managing, maintaining or upgrading your software or server – this is what cloud hosting offers. Just pay a monthly subscription fee and your cloud provider or vendor will take care of your software, infrastructure and upgrading needs, thereby eliminating hardware and bandwidth responsibilities from your IT team.

Your data and applications will be available online via the internet, giving you increased mobility and freedom to access your data and applications from anywhere, anytime. All you need is an internet connection. And because it is designed to be flexible, it gives you the option for current or future usage of additional products, as and when your business demand changes.

**There are three types of cloud hosting services:**



Multiple clients; shared infrastructure; access via internet; low cost



Single client; hosted on dedicated servers that are leased by the provider as a service; access via internet and/or private network; highly secure



Mix of private cloud, public cloud and/or on-premise; greater flexibility; on-premise functionality and security

Whilst the cloud offers you the much-needed flexibility in terms of scaling up or down, with demand, it can also sometimes make you feel restricted due to lack of direct control and ownership. With a public cloud option you will have to stick to a pre-defined process and will be able to configure applications only within a defined framework.

## Pros and cons of Public Cloud

### PROS

- ✓ Multiple customers, reduced cost
- ✓ Faster deployment
- ✓ Flexibility to pay as you go and maintain your company's cash flow
- ✓ No maintenance or support expenditure
- ✓ Automatic upgrades, always up-to-date

### CONS

- ✓ No freedom to highly customise things how you want them
- ✓ Limited control

## Business Management Solutions:

Public cloud, private cloud or on-premise: Host it how you want it

# Business Management/Enterprise software on your terms

## It doesn't have to be a versus thing

Unlike other solutions that focus on a single business area, **BMS** contains a comprehensive set of functions aimed at supporting all business processes across the whole organisation. Therefore, the correct implementation and deployment of BMS is paramount for any company, as it has the capability to change or reshape an organisation's culture, structure and process.

So, which is best: on-premise, private or public cloud? Whilst many vendors would want you to pick one and stick to it for the rest of the life of your software, the truth is, it doesn't have to be an either/or thing. Sage offers you an alternative – a flexible option that you can adjust as and when your business grows and changes. Sage X3 offers you the flexibility and choice to decide what is best for your business.

Sage X3 offers multiple deployment and pricing options, including on-premise, private cloud in an environment hosted by Sage certified partners, as well as via public cloud through Amazon Web Services (AWS) in an environment completely managed by Sage. Whatever your preference, you have the flexibility to choose the option that's right for you.

With on-premise, Sage X3 will be hosted at your own location on your own servers. If, for any reason, you don't want to bear the IT expenditure of maintaining and supporting your software, you can easily migrate your enterprise solution to the cloud or use a combination of deployment methods that best meet your needs. Sage X3 provides one technology, one user experience, one functional set and a single roadmap across all deployment options.

At Sage, we believe that you should focus on what matters to you the most – your business, and leave the rest to us. Sage X3 is available as SaaS/on-demand in cloud – on-premise, as well as in private cloud delivered by Sage certified partners, and all versions offer identical functionality and universal web and mobile access to their business management resources.

Use a well-known and established provider, like Sage. For example, over 830,000 UK businesses use our software and 1 in 3 people in the UK are paid using Sage payroll software, making us a brand you can trust when it comes to the cloud.





With over 6 million customers in 24 countries, Sage is one of the market leaders for business software and services for small, medium-sized and enterprise companies. For over 30 years we have been helping our customers achieve success within their business. Because every business is different, we offer products and services - covering a wide range of needs - which are secure, effective and easy-to-use.

*For more info:*  
**Visit** [www.sagex3.com](http://www.sagex3.com)  
**or call** 0845 111 9988

**Sage UK** Sage House, Wharfedale Road, Winnersh, Berkshire, RG41 5RD

---

© 2016, The Sage Group plc or its licensors. Sage, Sage logos, Sage product and service names mentioned herein are the trademarks of The Sage Group plc or its licensors. All other trademarks are the property of their respective owners.

© Sage (UK) Limited 2016 01/16 HD