Cloud Computing: Revolutionizing the Model for MWBEs

Cloud computing brings powerful and affordable technology to MWBEs. It is a game-changer in that SMEs can have access to computing resources once the domain of only the largest corporations.

Sometimes a person is said to have to have "their head in the clouds", meaning the person is a flighty, unrealistic, or unable to concentrate. So when cloud computing was developed, it was natural to wonder how the newest technology would strengthen businesses given such an ethereal name. However, cloud computing has proven to be the most radical and promising technological advancement capable of leveling the playing field for business enterprises.

In case you are unfamiliar with the term 'cloud computing', it refers to a network of remote servers that are hosted on the internet. Businesses and consumers can then store and process data on the remote servers, rather than a local server. It gives virtually unlimited computing ability because the user is not limited by local technology capacity.

Cloud Innovators and Innovating in the Cloud

In the past two years SHI International Corp, a global provider of information technology software, hardware and services has won a small army of awards, including the SWaM (small woman-owned and minority-owned) MBE Non- Construction award and a spot on the 2012 Information Week 500 list of Top Technology Innovators across America. Led by President and CEO Thai Lee, SHI International Corp is ranked among the top 100 MWBEs in the US and has showed consistent growth in revenue since its 1989 origins.

Notably in 2012, SHI International Corp launched a new $20 million cloud services data center, which became operational in July 2012. The cloud services that SHI provides include managed private cloud, infrastructure as a service, and backup for service and disaster recovery. The launch of the new cloud services data center will speed up company growth with projected revenues moving into double digits of billions of dollars in the next few years.

Cloud computing transforms the way business is conducted, offering a host of possibilities to large and small enterprises. It enables them to access more essential computer services at a reduced cost, and lays an avenue for business growth that would not be possible otherwise. In addition, cloud computing improves the way supply chains come together and helps with data storage problems, which also contributes to business growth. SMEs are constantly faced with the need to expand technology resources to accommodate data needs and to stay computer current, and that can get expensive.

Solving Problems in the Cloud

One of the advantages of cloud computing is that a company can "pay for what is used", which AT&T calls 'resources on demand". A few years ago, a company website attracting heavy traffic would be faced with the need to invest in another server and expanded computing resources. Cloud computing gives a business the ability to scale up and use more power on demand so as to

handle additional traffic or accommodate any computing needs, while only paying for used computer technology without the need to buy physical equipment.

The ability to use programs and software as required, with a significantly lower financial outlay, means that smaller businesses can access services they would not have been able to afford previously. MWBEs can implement changes much faster because in-house hardware or software needs are reduced. According to IBM's Smarter Planet ANZ, cloud computing enables a business to increase productivity by up to 50%, as expensive programs and data storage space are now available to businesses at an affordable rate. It is estimated that up to 30% of software development cycle time can be saved through the incorporation of Cloud computing into a company. Additionally, up to 40% of IT support costs can be saved because IT technicians no longer have to fix hardware or software problems on site. Problems are solved in the cloud, allowing MWBE technicians to concentrate on IT solutions to aid business growth. Cloud computing enables files to exist in multiple forms simultaneously, which allows users to access files anywhere and on multiple devices.

This evolution of the internet delivers services on demand and removes the constraints that earlier businesses faced with traditional computing. For example Harvard medical school has recently built an internal cloud computing environment and plan to connect to external cloud environments to supply cost effective resources for research. Dr. Marcos Athanasoulis, Director of Information Technology at Harvard Medical School, comments that, "High performance computing is at the center of discovery today, and it's personally gratifying for me that we are enabling researchers to one day find the cure for cancer." According to IT analysts, 2013 is the year when businesses should get serious about Cloud technology, and implement business strategies that exploit its capabilities.

Avoiding a Rain Cloud

There are several aspects of Cloud computing that MWBEs need to be aware of as they embrace this cutting edge technology. Jon Thielens, Chief Security Office of Axway believes it is essential that companies check IDs at the doorway to the cloud. Also, companies cannot completely outsource risk, accountability, and compliance obligations to the cloud. Therefore businesses should expect a certain level of transparency from the cloud provider. For example last spring when a single Amazon E2C Availability Zone had significant downtime problems, the enterprises that had spread their data across multiple availability zones recovered fastest. Companies should also implement a cloud computing strategy and policy so that security of services, data, and infrastructure remains strong.

Finally, businesses must not overestimate cloud security in the race to utilize cloud computing and the advantages it offers. It is important that MWBEs examine how cloud providers ensure security across their services, before trusting them with their business.

In a nutshell, Cloud computing offers clear and revolutionary advantages to MWBEs by giving companies the services that they need, as they need them, and wherever they need them, without requiring a large initial investment. This gives businesses the opportunity to expand rapidly and organically. However, as MWBEs embrace Cloud computing it is essential that they research the cloud computing providers with whom they are placing such trust for the future of their company and implement a policy and strategy so that the benefits of Cloud computing can be utilized to the maximum. This way 2013 really can become the year when MWBEs get serious with revolutionary Cloud computing.