## **CPA**

## Practice **Advisor**

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**Jim Boomer •** Oct. 29, 2012



As more and more firms assess whether the cloud is the right strategy for them, one of the first areas that is often looked at is backup. The barriers to entry into online backup are very low and many services price their offerings at a point that makes it almost too tempting to resist.

I personally, think it is a great strategy. At the same time, I think it is one that warrants some thought and analysis before making the leap. After all, we're talking

about one of your most valuable assets – your data.

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Det 3 start With the positives.

- Just by the nature of how online backup works, your data is stored in an off-site location which is a critical part of many firms' disaster recovery plans. This alleviates the risk of losing your data due to fire, flood or other disasters.
- Management of the backup process and hardware is, for the most part, handled by someone outside of your organization so your people are freed up to focus on more important tasks. If the hardware fails, the service provider is on the hook to replace it not your people. This can be a big bonus when it goes down on the weekend, during holidays or in the middle of the night.
- The price is right. Many are very low cost or completely free. However, the free services are often based on a freemium model that gives you a limited amount of space and then upsells you to the premium service that actually meets your organization's requirements. These premium services are usually priced pretty reasonably though.
- Your data is available anytime and anywhere there is an Internet connection without having to carry around an external storage device.
- Allows you to spread the cost of your data backup over several months.

## Now let's look at the negatives:

- You give up control. While letting someone else fix the problem when things go awry can be a positive, it can also be viewed as a risk when the service provider doesn't solve the problem in a timely manner or in a way that meets your expectations.
- Obviously you are dependent on Internet connectivity and bandwidth for data restoration. Many providers will ship you a physical disk with your data in the event that you cannot access it via the Internet.
- There are a lot of concerns about bandwidth in the event that a large amount of data would need to be restored. Many of the bandwidth concerns related to the

actual backup are unfounded though as most services only backup changes and

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• **Just how solvent and secure** is your cloud backup company? If they closed their doors tomorrow, would you be able to access all your data?

Is cloud backup right for your firm? Ultimately, you're the only one that can answer that question. I'd suggest that you carefully analyze the list of pros and cons before making your decision. You may also want to discuss the concerns listed with some cloud backup providers to see if they can mitigate some of these risks.

If you decide cloud backup is right for you, your next challenge is finding the right service provider.

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