## **CPA**

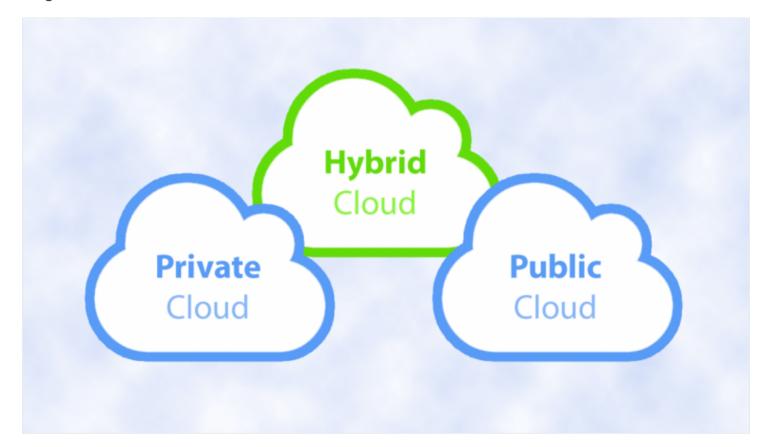
## Practice Advisor

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The cloud computing landscape of 2017 will increasingly be dominated by platform and database services supporting hybrid infrastructures, according to study conducted by IDG Connect on behalf of Oracle. According to the study, organisations are more likely to choose hybrid cloud when considering their next steps in cloud computing. Deploying more hybrid cloud services (36 percent) was selected ahead of private (32 percent) and public cloud (17 percent) services. – The Financial Times (Jan. 22, 2015)

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think that accepting that fundamental fact would be self-evident, but unfortunately it's not. The terminology is misleading and has long since ceased to describe anything specific. Accounting firms have been shifting workload to the Internet virtually forever, no pun intended. Public compute space and private compute space were coexisting when Zuckerberg was watching *Sesame Street*. Compute onpremises, store off-premises – we've all been there and done that.

Way back when the term "ASP" (as in "Application Service Provider") was a fresh addition to the lexicon, "hybrid" did indeed mean something quite specific. The idea was that virtual machines were under a firm's physical control in a data center — that's where applications were hosted. And that same firm might then contract with a service provider — MSP, ASP, CSP, choose your mnemonic — to put some of that workload in the provider's virtual environment. In other words, accounting firms built their own infrastructure and placed some applications in another virtual infrastructure — hence, "hybrid." IT mavens would go to VMware or HP, build a virtual data center, and tie the two things together with an API. Done.

Somewhere along the way, as the cloud expanded beyond the known universe, something (e.g., the true concept of hybrid) got lost in translation. Today, some of your workload is under your control and some outside of your control – that's just painfully obvious. From that perspective, the hybrid cloud is ubiquitous, even pervasive, right now. The majority of accounting firms rely on servers and computers, and some data resides on various desktops; some is stored with Apple or Dropbox or Microsoft, and some organizations have embraced SaaS and virtualization.

Now, here's where the jargon becomes perilously close to gibberish. Strictly speaking, very few organizations are actually building virtual environments on their own – even within the very largest accounting firms. Creating that piece is

exceedingly hard to do. So, no one is doing hybrid by the book – and loosely

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for users. If you're an IT decision-maker, you can't be fooled (and you certainly can't afford to be fooled). And if you're a user, you need to separate the trendy from the strategic.

The right question isn't, "Should I go on or off premises? Should I opt for the hybrid cloud, the public cloud, or a private cloud?" The smart question is, "what's strategically best for my firm?" When you frame the query in that manner, you can determine where to place your compute power, and you begin to gain control over the dynamic. Want to reduce costs? Increase efficiencies? Achieve some other objective?

First, decide what your metrics are and how they serve the business – then select the technology. Go back to basics. Pick the tool that works. Otherwise, the tail wags the dog.

Or worse. The dog ends up chasing its tail.

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