

ACCOUNTING IN THE CLOUD

Cloud-Based Solutions for Financial Professionals

MANAGED CLOUD SOLUTIONS FOR YOUR BUSINESS

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EXECUTIVE SUMMARY

Cloud computing offers businesses of all kinds new opportunities to expand their reach and redefine their brands. At the end of 2017, IT experts predicted that by 2020, cloud computing will be the default for business data management, and overall, the growth of cloud services and cloud technology continues to far outstrip the growth of other kinds of information technology worldwide.

For accounting and other financial services professionals, cloud computing presents both new challenges and unprecedented opportunities to redefine the scope of services and forge new and expanded relationships with clients. Working with a qualified cloud services provider, finance professionals will find the solutions they need to securely and efficiently manage data from multiple clients.

THE WIDE WORLD OF CLOUD COMPUTING

Cloud computing, or taking a company's IT resources "to the cloud" has revolutionized the management of data and information for businesses large and small in virtually all industries. Cloud services make data storage and a long list of other essential functions not only more accessible, but also more economical and scalable.

But while the cloud revolution offers new ways for companies to expand their reach and build their brands, it may also be helping to drive changes in the way businesses define themselves and the services they offer. And for those in accountancy and related financial services, those changes may create new opportunities for growth and customer engagement. In order to understand how cloud computing services are changing the ways in which companies do business, it's important to take a look at what "the cloud" really is - and what it can offer businesses in terms of security, economy and accessibility.

THE CLOUD IS MANY CLOUDS

The "cloud" is simply a term for remote storage of data on third party servers, so that a company doesn't have to maintain an in-house IT infrastructure to manage all aspects of data storage and other essential functions. For that reason, many clouds exist, maintained by a growing number of cloud service providers worldwide - and the cloud a company chooses to use is dictated by its individual needs and the services offered by a particular cloud provider.

Cloud computing offers three key advantages over local data storage and management. In the cloud, data can be accessed all the time, from anywhere an Internet connection is available, making it possible to reach customers and colleagues around the clock for real time interaction and response to new events.

Cloud storage can also help keep data secure and protected from circumstances such as crashes on local servers or hacking of in-house

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databases. And because data storage, management and other services are handled by a cloud services provider paid on a monthly or yearly basis—rather than by an in-house IT team—cloud storage can keep costs low, while still allowing users the accessibility and support to manage aspects of their data on their own whenever necessary.

Cloud services come in several forms, with varying degrees of functionality and security to meet the widely differing needs of a very diverse user base.

THE PUBLIC CLOUD

Nearly everyone who uses the Internet has used a public cloud at some time. Leading Internet entities such as Google, Microsoft Office, and Adobe's Creative Cloud make it possible for users to store and access data with a wide variety of apps and management tools for very low monthly or yearly rates. This kind of cloud is public, with a large number of users storing data on a common remote server. Public clouds are typically economical and easy to access by way of standardized user contracts. Public cloud services are offered by a large and growing number of service providers, and while they're economical and easy to access, businesses with more complex needs and sensitive data might find that this kind of cloud service is not suitable for their needs.

PRIVATE CLOUDS

Private cloud services host just one user's data, meaning there is lower risk of security breaches and a far wider range of custom services to meet the unique needs of a particular business or industry. Large corporations and entities dealing in very sensitive data, such as healthcare providers and insurers, might find that the expense of a private cloud host is balanced by the added security and support it provides.

HYBRID AND MULTIPLE CLOUD SOLUTIONS

Hybrid cloud services combine aspects of both public and private clouds. Some functions, such as data storage, might be handled in a public cloud setting, while others could be managed in a private cloud. Hybrid cloud storage is a form of multi-cloud computing, or using multiple private and public cloud services in combination to achieve the comprehensive data management that an individual company needs.

DO BENEFITS OUTWEIGH RISKS?

In all their forms, cloud computing services offer clear benefits in terms of constant accessibility, security and support. But these kinds of services also present their own risks, some of which seem to directly contradict their benefits. A persistent worry for new cloud adopters is security – and while one reason for migrating data to the cloud is to avoid losses from events at the local level such as computer failures, natural disasters and fires, the cloud can expose data to other kinds of risks from hacking, malware and server crashes at the remote site.

Another concern has to do with accessibility to a company's data. Because cloud services are Internet based, data can only be accessed when the Internet is available. In case of an interruption in internet services, or a situation where a user needs access to data but doesn't have an Internet connection, a company's files become unavailable, which can stall work and disrupt project timelines. Cloud providers point out that Internet interruptions can occur in local networks, too – and reliable cloud providers offer assurances of reliable uptime and comprehensive data backup and recovery services.

CHALLENGES FOR ACCOUNTING AND FINANCIAL SERVICES

Financial and accounting services typically involve managing data from multiple clients over long periods of time, and cloud computing can provide an array of tools for delivering services more efficiently, economically and securely than with traditional data management tools. But the very features of the cloud that make it appealing for today's financial professionals may also be helping to change the way those professionals define themselves, the services they provide, and the relationships they forge with the clients they serve.

Accountants and related financial professionals perform a wide range of tasks, ranging from maintaining a company's ongoing financial records to preparing periodic reports and statements used

to support business decisions and shape a company's financial path for the future. Cloud services make those things easier by providing tools for keeping data from all clients accessible to all parties at any time and protecting that data from compromise. But because cloud services also make many of those tools available directly to anyone, it's possible for clients to perform a number of tasks on their own, without the need of an accountant's assistance.

NEW ROLES IN A DIGITAL WORLD

The public cloud makes general accounting tools such as invoicing, ledger management and tax preparation available to any user for both personal and professional use. Even tools designed for local use on a user's desktop can include cloud support and storage for relevant information, to be accessed at will by any authorized user. These tools can be incorporated into a larger framework of accounting, too, so that an accountant working with a particular client can access those tools in the service of preparing financial reports or statements, or reconciling records over time.

For that reason, an accounting firm's own data management tools can include multiple variations on commonly used financial apps and tools in order to work with the data of clients who use them. And in firms with multiple employees serving a large client base, constant real time access to all these tools is essential for providing comprehensive services to meet a client's unique needs.

COLLABORATIVE RELATIONSHIPS AND EXPANDED SERVICES

New user tools and easy access to financial management services in the cloud are making it easier than ever before for clients to take an active role in managing many day to day financial operations - or to take charge of them outright. And because many of those operations might in times past have been performed either by a staff accountant or a firm on retainer, the role, and the value, of the accountant may be shifting in the era of the cloud.

With access to real time data on demand, accountants and clients may be able to redefine their relationship, moving to a more collaborative connection in which a key role for the accountant is that of an interpreter or analyst, one who offers perspective and insight on financial information and helps users apply it to current and future business models.

FROM CHALLENGE TO OPPORTUNITY

Using the considerable data management tools of a comprehensive cloud services provider, accounting and other financial professionals can expand their scope of services, using authority and expertise to help clients find meaning in data and use it in meaningful ways to shape business decisions. Cloud tools can also help accounting services stay accessible at all times, able to respond in real time from any location, and to share data instantly with anyone as needed.

Cloud tools can also help accounting professionals manage the different systems and software used by a diverse body of clients. From a single dashboard, users can access the accounts of individual clients as well as the local tools they use in order to create reports and statements remotely, update them as needed in real time and share them instantly.

CONCLUSION

Cloud computing continues to redefine how business is done. For accountants and other financial professions, cloud computing is bringing both challenges to traditional service models and new opportunities for reshaping the landscape of business accounting with a broader scope and collaborative, ongoing relationships with clients who are also working in the cloud. The key to success in the new world of cloud computing is to work with a trusted, experienced provider able to design custom cloud services to meet the unique needs of every financial professional.

Providing secure, custom cloud hosting solutions for over two decades, iNSYNQ is the gold standard for cloud hosting. We offer the digital experiences users expect along with the mobility and control you want. To see what iNSYNQ can do for you and your business, contact us at 866-206-1781.

Although the cloud environment has become increasingly hospitable to cybercriminals of all kinds, small and medium-sized businesses shouldn't avoid taking advantage of the many, and very real, advantages offered by cloud comped cloud services provider with expertise in identifying and blocking any threats to users' accounts.

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