# On-premises/hosted vs Multi-tenant cloud

## Expect more from your enterprise vendors

Scalability and resilience · Continuous innovation · Lower total cost of ownership · Faster time to value

## Scalability and resilience

### On-premises/hosted

- Scalability has to be manually configured for various workloads, usually resulting in oversizing
- Requires static sizing of hardware, which results in under utilization of hardware during low volumes and performance issues during peak volumes
- Static sizing results in higher cost as IT is always trying to adopt to business needs
- Manual failover and resilient infrastructure

### Multi-tenant cloud

- Auto-scaling functionality within applications supports automatic scaling for various workloads
- Modern product architecture supports highly elastic applications to scale up/down automatically based on workload
- Elastic architecture provides a highly efficient and lower cost solution compared to other deployment methods
- Takes advantage of on-demand cloud platforms with high-availability zones to provide resilience

## Continuous innovation

### On-premises/hosted

- Requires manual software updates and thus lags behind in versions
- New features can only be available when deployment is upgraded to latest release
- Expensive as frequent software upgrades, testing and validation are time and resource intensive

### Multi-tenant cloud

- Automated product updates at regular cadence are done either with zero or near zero downtime
- New features can be previewed with feature toggle on/off switches giving control to customers
- Zero cost upgrade for customers with subscription services that deliver upgrades on a regular cadence

## Lower cost of ownership

### On-premises/hosted

- Hardware costs are high as hosted applications are not elastic and have to be sized for peak performance
- Security costs are higher as customer is responsible for managing their own security infrastructure and resources
- Minor cost reductions in operational costs from on-premises deployment as majority of activities requires manual processes

### Multi-tenant cloud

- Modern product architecture supports highly elastic applications reducing hardware costs significantly
- Security costs are lower compared to on-premises; MT cloud service providers will have put best practices in place for addressing multiple levels of security
- Significant reduction in operational costs such as performance optimization, monitoring, patching, upgrades integrations, testing

## Faster time to value

### On-premises/hosted

- Application installation is lengthy due to hardware and software version dependencies
- Hardware and software failures need to be managed as hosting does not provide automated data replications across availability zones and regions
- Manual failover and resilient infrastructure

### Multi-tenant cloud

- Automated provisioning gets applications up and running very quickly without hardware and software concerns
- Failures are automatically taken care of by on-demand cloud platform availability zones and replication
- Significant reduction in unplanned application downtime due to resilient infrastructure; increased uptime directly translates into higher productivity

## Security and compliance

## Best-in-class MT cloud characteristics

| | |
|---|---|
| **Physical security** | World-class physical facilities |
| **Network security** | Security through separation of duties and layered defense architecture |
| **Operations security** | Data encryption at rest and in-transit, centralized secured certificate management, least privilege authorization model |
| **Application security** | OWASP threat analysis and remediation, vulnerability and penetration testing, security best practices as part of development cycle |
| **Policies and processes** | ISO 27001, NIST 800-53 standards, SSAE18 assessments, SOC report published annually for review |
| **Monitoring and management** | Dynamic password management, immutable SIEM collection and analysis, ITIL based incident, problem and change management processes |

MULTI-TENANT CLOUD

## Modern architecture

- Integrations to other applications regardless of their deployment supported via iPaaS platform
- Highly scalable and elastic data management platform with a data lake repository
- Prepackaged content for business processes integrations, BI, and analytics available as implementation accelerators
- Extensions to standard software can be created via industry standard PaaS platform
- Cloud-based analytics, artificial intelligence, and data-driven applications available

## Learn more about business continuity in the cloud

Discover six ways cloud technology can help your organization ensure financial management continuity.

**Download the guide**

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