

WHITE PAPER

Cost Saving Benefit of Migrating to the Cloud





Moving to the Cloud and Why it Makes Sense

Sage is now bringing the power of your business management solution on the Microsoft Azure cloud infrastructure, which offers flexibility, scalability, and reliability. While many customers would like to move to the cloud, they don't want to lose the power and capabilities that their solution provides to run their business. Therefore, this program not only delivers the value of the cloud but is designed to make migration easier and does not require employees to retrain on a new BMS solution. The migration can occur, in most cases, in less than one hour without much disruption to everyday business practices. There are also fewer unpredictable IT expenses, and there is better remote access for employees regardless of their locations.

The Cost Effectiveness of Cloud Hosting

Cloud hosting is cost-effective by reducing the funds spent on hardware and infrastructure. Deploying your solution to the cloud also means relying less on service personnel. Additionally, there is less risk of interruption given Microsoft Azure's investments in availability and reliability.

Furthermore, the Accenture Strategy Behind Cloud Report of 2020 states that 30-40% total cost of ownership (TCO) savings can generally be seen from the use of cloud computing, and enterprise-owned-to-cloud migrations can lead to an up-to 65% reduction in energy consumption.

Not only is cloud migration linked to cost savings, a cloud-based infrastructure can lead to higher returns. In 2018, a study conducted by Capgemini—which surveyed 415 IT executives—found that those who moved to the cloud early and invested in the technology were placed in the “Fast Mover” category and performed in the top 20%. They also noted the following:

- 75% learned that automation has led to increased revenue
- 86% learned that automation has helped to improve the customer experience
- 84% learned their company's agility has improved

Scalable Solutions

As your business grows, your IT infrastructure will require more capabilities, and using Azure offers that adaptability for current and future needs. Cloud computing eliminates the need for additional hardware to expand the network since the system can expand as needed at any time.

Maintaining Security

A security breach can be costly in more ways than one. Beyond the cost of determining the cause of the breach and investing in new tools and procedures to prevent future problems, there is a potential of theft of both your and your customers' information. There is a common misconception that storing information on-premises is more secure than using the cloud. However, Microsoft spends more than \$1 billion annually to provide upgrades and security to the Microsoft Azure infrastructure. Plus, they are equipped with the manpower and technological abilities to monitor their systems to catch issues before they arise. Few private companies can perform the same level of security for their on-premise infrastructures.

Moreover, when estimating the costs of on-premise versus cloud hosting, companies often focus only on the initial capital cost of servers versus the on-going hosting fees. What businesses need to factor in also are the costs of upgrades, in-house security and maintenance. According to a 2020 Accenture report on cloud migrations, based on Accenture's experience supporting cloud migrations for hundreds of clients, they've seen up to 30-40% total cost of ownership (TCO) savings.

Planning Ahead

One of the keys to good business practices is proactively preparing for needs. It's best to anticipate growth and make the changes that would best benefit the business. Cloud computing can create new capabilities and add more users to offer greater resilience for future endeavors.

With the addition of Microsoft Azure, users can create VMs, host ISVs, deploy third party applications, store data, and run high performance computing (HPC) workloads from anywhere—fast. The capabilities of your business could expand quickly to meet the high demands of your workload. The transition would be a valuable asset to your business for the present and onward.

Interested? We would be happy to get you started with your migration today. Working with our Sage partners we're able to provide the expertise needed to successfully move you to Azure cloud. Get in touch with us to plan your migration today.

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