

Differences Between On-Site And Cloud Computing Accounting Software

Software-as-a-service, with regards to accounting applications, simply means that accounting software is not installed in the business premises. It is run through an internet connection but still makes use of desktops, laptops, or any device which can access the internet. There are, however, basic differences between an accounting application installed on-site and accounting software installed in the clouds. If you're a business owner, you have to take time to differentiate between the two before choosing one over the other.

Cloud computing accounting software is highly accessible anywhere, anytime as long as there is strong internet connection. You and your staff can access your business's data at home, at the office, or even when on a holiday. Your bookkeeper and your accountant can also access the data as long as they are authorized. This means that time spent on travel to your office is cut thereby reducing delays, and offering optimum flexibility. In terms of security issues, it is understandable why a lot of business owners like you are having apprehensions about moving your financial data in the clouds. However, most providers today give an assurance that your data is safe and secure because they have invested a lot of time and money with data security. In fact, data security, being offered by cloud computing vendors, is probably better than the security you may have in place on-site.

Price is also something to consider. In general, cloud computing is more expensive than on-site accounting software. This is primarily because cloud computing is offering a service and not a product. You have to pay hosting fees, which can be annually, quarterly, or monthly. Non-payment of subscription fees mean you won't have access to your financial data anymore. The cost of the use of cloud computing accounting application can vary depending on the functionality, the amount of transactions processed, or the number of authorized users. For on-site accounting application, a small business owner can just purchase an off-the-shelf accounting application and use it for at most 10 years. This can be a less expensive investment as compared to the amount of money you'll have to pay the cloud computing vendor for 10 years.

Compared to on-site backup, data backup of software-as-a-service is religiously done, and are more efficient and reliable than your own. You also don't have to worry about service packs and updates because your cloud computing vendor will take care of them automatically. Your IT staff won't need to install upgrades on each computer. Cloud computing software also provides an assurance that you'll have the most up-to-date software.

Response times can vary. An on-site accounting software has to deal with the data file's organization, size of file, and network speed which can have a great impact on response times. For cloud computing accounting systems, you can find a supplier who has its servers in different parts of the world so that your business won't be greatly affected by maintenance schedules. Also, you have to find an internet provider which can provide robust connection. In terms of customer support, there is really not much difference between on-site and software-as-a-service accounting software. Software support is usually located off shore therefore you can expect to wait long to be served. In choosing a software supplier, you have to ensure that there is local phone support so that you'll have easy access to technical software support when you need one.

With the above discussion, you'll surely learn a thing or two which will guide you in choosing the most appropriate accounting software for your needs. It can either be on-site or hosted in the clouds. As always, the choice is yours to take.

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