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The Entrepreneurs' Organization Magazine

"Entrepreneurs make great sales people because they understand better than anyone what their customers need."

JENNY VANCE EO INDIANA
"TAKING THE LEAD"
PG. 18

WORKING IN THE CLOUDS

SAINT CLAIR NEWBERN IV EO DALLAS

No longer just a buzzword, 2010 marked the year that "the cloud" officially became a game-changing reality for business. Entrepreneurs everywhere are leveraging this new technology, shifting their focus to core competencies and liberating their team from the burdens of archaic infrastructure and software models. Add open-source software to the mix and you have a revolution that's turning industries upside down.

So what, exactly, is "the cloud"? Today's cloud is a highly evolved collection of Web services that include secure storage, application hosting, databases, computing services, monitoring and a whole lot more. These services are billed as they are used, and they can be ramped up or down in real-time as your needs change. In-house IT infrastructure and software can be virtually eliminated, creating cost savings and the flexibility to rethink how and where your workforce utilizes IT.

Meanwhile, open-source software is software that can be used, modified and distributed for free. The most popular open-source software is usually the product of a robust developer community that constantly works to improve the source code. This means that, as a user, you have an army of programmers constantly improving your product, fixing bugs and providing a pool of custom developers to engage as needed. In tandem with the clouds, open-source software can improve a business's IT infrastructure.

When I started my energy brokerage firm 10 years ago, we were built on manual processes—Microsoft Excel and e-mail. As our business grew, however, so did our technology needs. Over time, we added a CRM, a VoIP phone system, a better Web site, Web analytics, an SEO strategy, a blog, video streaming and more. The list of disparate software services and providers kept growing, and every few years we needed to upgrade to stay ahead of the competition. It was an arduous process, and one that needed to be streamlined.

After years of shifting from one product to the next, and from provider to provider, we realized this was an effort in futility. Furthermore, the providers wanted to sell us their product while charging exorbitant integration fees and demanding long-term contracts. I felt like I was always dealing with professional salespeople who had never stood in my shoes and experienced firsthand the real-world challenge of building best-of-breed technology solutions to grow a business. It wasn't until I discovered "the clouds" that things started to make sense.

In 2009, after realizing that our video-streaming service was unreliable, we chose to move away from a US$100-per-month service and try streaming from the cloud. The new service was faster and more reliable, but the real shocker was my first bill— it was less than US$5! The wheels were set in motion, and over the next year we moved our Web site, CRM and VoIP service over with similar results. In each case, we dumped overpriced commercial software and replaced it with leaner, open-source versions. With our savings, we retained expert developers who configured everything into one tightly integrated platform, which we then deployed to the cloud.

When I showed our platform to other business owners, it became clear that the frustrations we had were quite common. This led to the founding of SunziCloud, a firm specializing in cloud-based and open-source solutions. The following two questions are what we pose to prospective clients, and what all business owner should ask themselves:

1. How much could you save by eliminating software-licensing fees and only paying for resources consumed?

2. How much value/efficiency can be gained by putting the dollars saved on licensing and unused resources into customizations or other budgets?

The answers to these questions should tell you if it makes sense to dig deeper. You just might discover that the time has come to lose the chains and take your model to the clouds.

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