

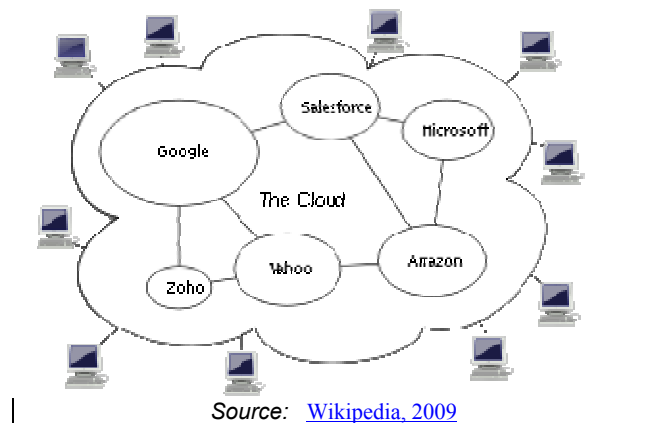


## De-Mystifying “Cloud Computing” and Associated Acronyms

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Business leaders today are inundated with products and services purported to provide cost-saving benefits using new and emerging technologies. However, it is often difficult and time consuming for business leaders to distill the *true benefits* of these solutions when they have to wade through a sea of acronyms in conversations with their IT staff and vendors. And people wonder why the business and IT have problems communicating?

Let’s begin by simplifying [Cloud Computing](#), and [Software as a Service](#) (SaaS), two of the most commonly used (and over-used) terms in technology today. Since the Internet has always been depicted as a cloud in topological representation of an organization’s IT infrastructure, it has become known as “The Cloud”. The diagram to the right shows some of the well-known pioneer organizations using Cloud Computing to deliver their products and services globally.<sup>1</sup>



Is this a new concept? Not at all. The more mature business leaders among us will most likely remember the days of [mainframes](#) and [service bureaus](#). For a fixed recurring fee, the service bureaus offered hardware, software and service management to customers who might not be able to make the capital and operational investments required to purchase and maintain systems internally. Does this sound an awful lot like SaaS? Perhaps because the only real difference between the the SaaS model of today and the service bureau of yesteryear is the technology.

For this reason, the pioneer organizations named above could actually be referred to as the service bureaus of the 21<sup>st</sup> century, using “The Cloud” as the method of access to their solutions and services.

<sup>1</sup> Cloud Computing can also represent one or more of [IaaS](#) (Infrastructure as a Service), [PaaS](#) (Platform as a Service), [SaaS](#) (Software as a Service) and more! (Source: [Wikipedia, 2009](#)).