



Digitech Systems White Paper

2013

Cloud ECM: Defining the Technology & Debunking the Myths

In today's technologically-driven and fast-access world, cloud is no longer just a signal in the sky for bad weather; it's a way to store, access, manage and share information. Cloud computing and cloud enterprise content management (ECM) specifically, has been around for quite some time, but the technology has surged in popularity. While cloud itself is not new, its use may be new to you and you may want to learn more about cloud ECM. Don't worry—you're not alone! Let's explore the cloud MEGA trend together. We'll provide you with the nuts-and-bolts definitions, a comparison between cloud and the traditional on-premise ECM, along with a list of myths and misconceptions about cloud technology, and if you should take heed.

What do you need to know about the cloud?

At this point, it's likely that you've heard of cloud, seen it advertised or have even engaged in some light Googling to figure out exactly what it is. Cloud is the hot ticket right now—at least in the technology industry. Cloud ECM is just one delivery method for ECM. ECM is the process of moving your paper documents and electronic files into an organized electronic format and then securely managing that data. In a nutshell, ECM takes you from cluttered to clear.

Cloud ECM: Defined

Cloud ECM specifically, provides an alternative way to run your business. Instead of developing, maintaining and running content management applications yourself, you access everything you need through the web. You simply log in, customize your system and start using it to access your important documents and files. That's the power of cloud ECM.¹

Cloud ECM vendors can choose to offer the technology in a single-tenant or multi-tenant format. Typically, "hosted" or "ASP" solutions are single-tenant. In these scenarios, companies outsource the support and development of their application to an outside vendor. Each customer (a single tenant) is accessing their own instance of the application. This type of software architecture requires more management overhead, because the vendor supports, develops and fixes bugs for each individual instance of the application.

Inside multi-tenant cloud models, a single instance of the software serves many customers, while data remains segregated. With this architecture, users share the system with other customers. The software is designed to allow each tenant to customize their own application instance. Because the software is maintained for all, there's less for the vendor to manage, and updates are installed to all, automatically. Customers enjoy extreme scalability and redundancy with multi-tenant architecture.

The "cloud" part of cloud computing is the actual set of hardware, networks, storage, services and interfaces that combine to deliver computing as a service. Cloud services include the delivery of software, infrastructure and storage over the internet, based on user-demand.

Cloud computing has the following essential characteristics:

- 1) Elasticity and the ability to scale up/down
- 2) Application programming interfaces (APIs)
- 3) Billing and metering pay-as-you-go model²

Cloud ECM is commonly referred to as "hosted data." It also embodies previously used industry terms including:

- 1) Hosted solution (HS)
- 2) Software as a Service (SaaS)
- 3) On-demand
- 4) ASP

Cloud Capability

"Cloud computing enables large enterprises access to resources and applications from the network relying on its processing and storage capacities, rather than silos, shared drives and other storage that could inhibit access to the end user."²

-AIIM

Buyer Beware

Many vendors marketing cloud solutions don't really have them. Make sure you know who uses single- and multi-tenant software architecture, because this is the distinguishing factor.

Got your head in the clouds?



You may be starting to wonder if and how this new technology can affect your business in a positive way. If you're truly considering implementing cloud ECM, here are some facts to help you decide. Cloud ECM is known for its agility, reliability, scalability, lifecycle management, complete solution model, low start-up costs and even lower cost of ownership. As mentioned earlier, you can enjoy cloud ECM in a single-tenant or multi-tenant environment.

Plus—it's popular! The state of cloud ECM is continually trending upwards. Forrester reports that cloud ECM is the fastest-growing market, and will grow six to eight times over the next five years. Many companies either have or are planning to implement cloud ECM, and 40% of federal agencies have moved their website hosting and content management to the cloud already. ²

Real Results

After implementing Digitech Systems' cloud ECM product, ImageSilo®, BancWest Investment Services recovered 540 hours in one month in employee productivity, saving \$60,000 each year! The firm also reclaimed \$30,000 worth of office space and achieved a 33% return on investment (ROI)!

Cloud ECM vs. On-Premise ECM

If clouds are on your radar, it's likely that on-premise ECM has popped up in your research as well. Comparing the cloud versus an on-premise system is like comparing renting versus buying.



What is On-Premise ECM?

On-premise ECM is your "buy" option. In an on-premise system, you store data on your own servers and corporate network. When implementing on-premise ECM, you'll need to install hardware and software. You can customize the system to look the way you want and operate to your liking, however, you will also bear the cost and hassle of managing the system yourself. When comparing any two different items, there are always pros and cons. According to AIIM, on-premise works when:

1. **Outside risks:** when software is hosted on-premise, everything resides within the company's walls. When hosted in the cloud, the cloud provider has access to and control of the hardware and software. If the cloud provider's security controls are not as robust as those of the company, the risk of failure can be greater.
2. **Data control:** the U.S. Patriot Act requires some companies to keep their data within the boundaries of the United States. This limits some of the flexibility that cloud providers allow in terms of deploying applications close to the user. Additionally, having an on-premise solution may make sense when you need to keep sensitive or regulated data local. ³



What is Cloud ECM?

As an alternative, cloud ECM represents the “rent” option. Like on-premise ECM, cloud ECM is a way to store your documents in an electronic format. But, when using cloud ECM, you access data via a secure internet connection, on your cloud provider’s servers, while on-premise stores data on your own server, in your office. You can also customize cloud ECM to look and operate exactly how you want it to, as you can with on-premise. AIIM lists the following reasons for why cloud might be a wiser choice for certain organizations:

1. **Fast start-up:** cloud ECM is usually up and running in days or weeks, not months or even years like some on-premise systems. Cloud ECM requires no hardware or software installations, servers or data centers.
2. **Reliability:** this is improved if multiple redundant sites are used, which makes well-designed cloud ECM suitable for business continuity and disaster recovery.
3. **Scalability:** this happens automatically in the cloud. As workloads grow and storage increases, the cloud adapts and does not falter in performance. The technology is built to accommodate growth. Cloud will scale (and de-scale if needed) to your needs.
4. **Lifecycle management:** this can be easier with cloud computing applications, because they do not need to be installed on each user’s computer. Cloud ECM is sometimes easier to support and to improve, as the changes reach clients instantly.

Cloud Fun Fact

“Cloud ECM gets a tool into the end user’s hands faster than with an on-premise deployment.”²

-Information Week

Buyers Tip

Look for a vendor that uses a third party to test network vulnerabilities and verify security. Digitech Systems and our data centers are SOC 2 Certified. Visit www.digitechsystems.com/digitech-systems-achieves-soc-2-certification to learn more.

On-premise ECM vs. ECM Cloud

To give you a better idea of how cloud ECM and on-premise ECM differ, cost-wise, examine the chart below. AIIM built this comparison, based on a survey of 500 ECM users detailing what came up during their implementation experience.²

ON-PREMISE ECM	CLOUD ECM
<ul style="list-style-type: none"> • Hardware costs • Software costs • Installation costs • Customization costs • Capital costs • Annual maintenance costs • 6-8 month implementation time 	<ul style="list-style-type: none"> • Customization costs • Monthly costs • No capital costs • No annual maintenance costs • Much lower cost of ownership • 2-3 months implementation time

Top 3 Myths about the Cloud

With any new technology comes new skepticism, and cloud is no exception. Even in 2013, the term “cloud” scares some. That doesn’t mean you can believe everything you read. Here are the top three misconceptions about internet-based storage.



1. **Myth:** The cloud is not secure. **Reality:** current cloud providers are held to tight standards and because of this, cloud ECM provides extensive security features, settings and measures that protect information and enable regulatory compliance. Digitech Systems’ ECM basic security features include user passwords, account lockout, session timeout and sensitive data encryption both during data transmission and while data is stored. In addition to these standard security features, ImageSilo offers extended security features that significantly reduce the risk of security breaches. These include IP address limiting, session ID encryption, function-level verification and other customer information protections. Hosted data servers are typically protected at high-security storage facilities and these locations are held to their own strict set of guidelines, that your provider is required to meet. In fact, one could argue that hosted applications can be a safer bet than non-hosted, in-house systems which aren’t held to the same standards. ⁴

Learn more about cloud ECM security by reading the Digitech Systems whitepaper: [Ten Security and Reliability Questions to Address Before Implementing ECM](#)

2. **Myth:** The cloud is less reliable. **Reality:** Cloud ECM or hosted applications run on large-scale, off-site servers, while traditional on-site solutions run from a smaller server in your office. Cloud providers also typically have layers of backup servers to ensure downtime rarely happens. Highly talented and dedicated people, exceptional architecture and a monomaniacal focus on security are the three core principles that make Digitech Systems’ cloud ECM product, ImageSilo, the most trusted cloud ECM in the world. Digitech Systems has staff that builds and manages its own security infrastructure. These highly trained engineers are qualified to be responsible for the implementation, maintenance and monitoring of all systems and equipment. Plus, they have a fanatical dedication to the ImageSilo 99.9% uptime guarantee. Because of this difference, hosted solutions can be even more reliable than traditional on-premise ECM. ⁵
3. **Myth:** Cloud ECM gives someone else control of your data. **Reality:** While your information will be stored off-site, this setup, however, actually allows you even more access to and control over your private information. On-premise ECM usually runs from one server, on one computer, by one person in your office. Cloud ECM, in contrast, runs on many servers and can be securely accessed from any internet-enabled computer or device, by authorized users. Because of this accessibility and easy management, hosting your data may provide more or different control. ⁶

Buyers Tip

Make sure your cloud ECM provider NEVER has access to your information.

These myths are a handful of many. Remember when researching technologies, there are many critics and many skeptics. Only you can decide what works for you and your business. But it’s important that you know the facts. Cloud ECM is reliable, secure and can save you money.

Real Results

ImageSilo helps the National Jewish Medical and Research Center comply with HIPAA regulations. The product's multiple security levels make it easy to provide secure access for more than 50 daily system users, who see only information they are pre-approved to see.

What's your forecast?

Now that you are on your way to understanding the infamous "cloud," you may be considering incorporating this solution at your organization. If so, take the proper steps before investing your time and resources. Take a look at the way you currently store data and analyze your content. Would it be beneficial to access that digitally, online? If you're serious about saving money, then it's time to get serious about cloud. Nucleus Research found



Cloud Fun Fact

Companies continue to invest in cloud applications because of low upfront cost and faster time to deployment, but those are not the only reasons to move to the cloud. Beyond their initial payback, Nucleus found that cloud applications deliver 1.7 times more ROI than on-premise ones, largely because four out of five cloud deployments deliver increasing benefits over time.

-Rebecca Wettemann, Vice President

Nucleus Research

that beyond initial payback, cloud applications deliver ROI, and fast!

Also – make sure that the vendor you select does not have access to your information, and that they've specified whether their system is single- or multi-tenant. We've gone over the basics to help you understand, but deciding where and how to store and access your information is extremely personal. Take the time to research cloud ECM and on-premise ECM. Refer to the additional resources listed on page seven to learn more.



Additional Resources

There are a lot more opportunities to learn about cloud ECM! Take advantage of the resources below to answer your questions and provide additional guidance while navigating your way through the “clouds.”

Digitech Systems

We want to help you understand what cloud ECM is, and our website is one of the best places for you to learn more about the new MEGA trend. Plus—we’ve offered ImageSilo, the world’s most trusted cloud ECM service since 1999!

www.digitechsystems.com

www.digitechsystems.com/products/imagesilo.htm

www.digitechsystems.com/ecmnow/

ImageSilo Buyers Lab (BLI) Solutions Report

http://www.digitechsystems.com/wp-content/uploads/2013/02/Image_Silo_Product_Review.pdf

White Papers:

Ten Security and Reliability Questions to Address Before Implementing ECM

http://www.digitechsystems.com/wp-content/uploads/2012/12/TenQuestionsBeforeBuyingECM_2012Updated.pdf

Top Ten ImageSilo Differentiators

<http://download.digitechsystems.com/WebResourceKit/Marketing/WhitePaper/TopTenImageSiloDifferentiators.pdf>

Still skeptical? The following companies use cloud ECM to improve efficiency, enhance control and save money. Read their stories to learn more!

All Island Gastroenterology

www.digitechsystems.com/aig-gains-4000-hours-of-productivity-with-papervision-enterprise

Frisbie Memorial Hospital

www.digitechsystems.com/frisbie-memorial-hospital-saves-3000-hours-annually-with-imagesilo

National Jewish Medical and Research Center

www.digitechsystems.com/imagesilo-helps-national-jewish-medical-center-streamline-processes-while-maintaining-hipaa-compliance

University of Illinois Medical Center at Chicago

www.digitechsystems.com/imagesilo-streamlines-patient-records-system-for-university-of-illinois-medical-center-at-chicago

Yuma District Hospital

www.digitechsystems.com/yuma-hospital-eliminates-30-years-worth-of-paper-records-storage-with-papervision-enterprise-and-imagesilo

Adams County District 50

www.digitechsystems.com/adams-school-district-50-saves-jobs-and-wins-awards-using-imagesilo

Isidore Newman School

www.digitechsystems.com/imagesilo-eases-enrollment-for-students-displaced-by-hurricane-katrina



Wake Forest University

www.digitechsystems.com/wake-forest-university-secures-student-records-and-accelerates-file-retrieval-with-imagesilo

WorldWide Integrated Supply Chain Solutions

www.digitechsystems.com/worldwide-iscs-expands-services-and-increases-revenue-30-using-papervision-enterprise-workflow

Eppy Financial Group

www.digitechsystems.com/eppy-financial-group-makes-compliance-a-breeze-with-imagesilo

BancWest Investment Services

www.digitechsystems.com/bancwest-eases-paper-growing-pains-and-saves-more-than-60000-each-year-with-imagesilo

Teague Financial Services

www.digitechsystems.com/teague-financial-insurance-services-assists-customers-faster-with-imagesilo

R.C. Bigelow, Inc.

www.digitechsystems.com/bigelow-tea-achieves-813-roi-and-two-month-payback-with-imagesilo

Commercial Metals Company

www.digitechsystems.com/commercial-metals-company-centralizes-ap-processes-and-saves-132000-annually-with-imagesilo

Genzyme

www.digitechsystems.com/imagesilo-streamlines-financial-auditing-processes-for-genzyme-corporation

Vulcan Materials Company

www.digitechsystems.com/vulcan-materials-company-saves-more-than-128000-annually-using-imagesilo

The United Illuminating Company

www.digitechsystems.com/united-illuminating-sees-roi-in-less-than-one-year-with-imagesilo

AIIM

Get more information on cloud ECM news and industry research from the ECM industry perspective.

www.aiim.org/AIIM-Topics/Cloud

Nucleus Research

Nucleus Research, Inc. provides investigative information technology research and advisory services. Advising both vendors of technology and technology users, Nucleus Research provides information and data to help you make the best-informed decisions. Their analysts are experienced technology experts who review many topics and benefits in the ECM space, cloud ECM included.

<http://nucleusresearch.com/>

Nucleus Research notes:

Hosted versus On Demand: Separating The Marketing from Reality

http://www.digitechsystems.com/wp-content/uploads/2013/11/Nucleus_i31HostingVsOnDemand.pdf

Content Management Returns \$7.50 for Every Dollar Spent

<http://www.digitechsystems.com/wp-content/uploads/2014/10/2014ECM>Returns.pdf>

Benchmarking: On-Demand Solutions

http://www.digitechsystems.com/wp-content/uploads/2013/11/NucleusBenchmarkResearch_OnDemand-1.pdf

Works Cited

¹ Judith Hurwitz, Robin Bloor, Marcia Kaufman and Fern Halper, What is Cloud Computing? Cloud Computing for Dummies, <http://www.dummies.com/how-to/content/what-is-hybrid-cloud-computing.html>

² Ed Rawson, Perficient, Inc. Cloud Enterprise Content Management: Let's Un-Complicate ECM, aiim, http://www.aiim.org/documents/chapters/williamspenn/Cloud_ECM_Presentation_V5_AIIM_WP.pdf

³ Louis Columbus and Greg Doud, Cloud vs. On-Premise: Making the Best Decision for Your Complex Selling System, Cincom whitepaper, <http://www.slideshare.net/LouisColumbus/cloud-vs-onpremise-making-the-best-decision-for-your-complex-selling-system>

⁴ Rackspace, Myths about the Cloud and The Truth behind Them, <http://www.rackspace.com/cloud>

⁵ Help Net Security, 5 Cloud Myths that will be Debunked in 2013, <http://www.net-security.org/secworld.php?id=14113>

⁶ Irene Coghlan, Top 4 Myths About 'The Cloud,' Active Network, <http://www.activecommunities.com/blog/top-5-cloud-myths/>



Digitech Systems, Inc.

About Us

Digitech Systems, Inc. enables businesses of any size to more effectively and securely manage, retrieve and store corporate information of any kind using either PaperVision Enterprise content management (ECM) software or the world's most trusted cloud ECM service, ImageSilo. By significantly reducing the cost, Digitech Systems has moved ECM from a luxury convenience to an essential element for every well-managed business.

Digitech Systems continues to raise the standard of excellence in the ECM sector, as evidenced by the numerous awards they have received including the InfoWorld 100, CRN's Emerging Tech Dynamos and multiple Nucleus Research ROI Awards. In addition, Buyer's Lab recognized PaperVision Capture as the Outstanding Enterprise Capture Product for 2012. To learn more about the company's software and services that deliver any document, anywhere, anytime, visit www.digitechsystems.com.

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