

# Training in the Cloud Is it Right for Me?



# Learn about the pros and cons of training in the cloud for highly regulated industries

Traditional learning management systems go as far back as the 1920s but really gained momentum in the 2000s. In fact, by 2018, the LMS market is estimated to grow by 23 percent according to research firm , MarketsandMarkets.

From the beginning, every LMS was hosted on premise and provided an efficient way for companies to administer, document, track, report and deliver training programs. However, during the last couple of years, a new player came onto the LMS scene to shake things up a bit – the cloud.

The cloud is essentially software and services that run on the Internet instead of a computer. Examples include Netflix, Apple iCloud, Dropbox and Microsoft Office 365. Gartner predicts that by the end of 2015, spending on cloud technology is expected to exceed \$180 billion worldwide. However, the lingering question is this: **Is cloud computing a universal digital solution or is it only good for a select few?**

## The industry says yes to the cloud, but IT departments say no

Anytime something new comes on the market, everybody wants to jump onboard, because new = better, right?

While 'new' does bring a host of benefits, it doesn't necessarily mean it's the right option for everybody and/or situation. In one survey after another about the adoption of cloud computing, CIOs and other technology leaders readily admit that their top concern is data security.

The recent Apple iCloud hack of celebrity Jennifer Lawrence's photos is a perfect example of a major data breach in the cloud. It's no wonder. There is an increasing amount of corporate data stored in the cloud. Research conducted by Skyhigh Networks shows that enterprise organizations use an average of 897 cloud services today. However, fewer than 10 percent of those services are "enterprise-ready," which means they aren't adequately equipped to preserve data confidentially.

As a result, many training managers in highly regulated industries are getting resistance from IT departments for learning management systems that are based on the cloud. IT managers have a laundry list of concerns and issues about training in the cloud including integration, SSO, security, database access, content access and storage.

This white paper will explain in detail the pros and cons of training in the cloud, important factors to consider when choosing an LMS and how to leverage your current infrastructure and environment if a cloud-based LMS is not an option.

## Pros and cons of training in the cloud

Before considering the cloud as a training option, consider the following pros and cons.



Pros and Cons of the Cloud	
Pros	Cons
✓ Affordable	✓ Cost savings disappear as demand grows
✓ Hassle free	✓ Critical business data at risk
✓ Improved disaster recovery	✓ Automatic updates enforce change whether you want it or not
✓ Increased collaboration and flexibility	✓ Reliance on third parties to run your IT
✓ Environmentally friendly	✓ Lack of internet leaves data out of reach
✓ Scalability	✓ Cloud vendor outages leave you high and dry
	✓ Forever tied to the cloud

Let's take a look at each of these points in a little more depth.

## PROS

**Affordable.** One of the most cited benefits of the cloud is that it is cheaper than on-premise installations — making enterprise-quality technology affordable for small businesses. Keep in mind, the cloud is NOT more affordable if you're doing both cloud and on-premise. Moving 100 percent away from on premise is rarely possible for most organizations and could be many, many years away. In fact, leading experts are predicting that most users will go to a hybrid approach and keep some functions on-premises.

**Hassle free.** The cloud removes much of the hassle of managing systems. Because they take care of all the IT for your business, you don't have to maintain expensive servers, hardware and in-house IT staff. For instance, when a new update is available it happens seamlessly, managed by the vendor and rolled out to users in a quick, efficient manner.



# Training in the Cloud: Is it right for me?

**Improved disaster recovery.** Moving your business data to the cloud can make disaster recovery (DR)—i.e., retrieving data in the event of a hardware compromise—easier and less expensive. You can even set up your system to back up data automatically to ensure you'll be able to recover the most up-to-date information in case of emergency.

**Increased collaboration and flexibility.** For many businesses, moving to the cloud increases opportunities for collaboration between employees. This is not so for an LMS, like ShareKnowledge, which is based on SharePoint. SharePoint is a collaborative, browser-based software, so you get this feature regardless if you're on the cloud or on-premise.

**Environmentally friendly.** Cloud computing decreases a business' carbon footprint by reducing energy consumption and carbon emissions by more than 30 percent.

**Scalability.** A well-implemented cloud-enabled business model can ensure that you pay for only what you need, and you can adjust anytime you need to do so. However, gaining immediate scalability costs a premium. One of the biggest impediments to public cloud computing adoption is the calculation of additional risk from all the unknowns, known and otherwise. Here are a few things to consider before jumping in the cloud.

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## CONS

**Cost saving benefits disappear as demand grows.** One of the most cited benefits of the cloud is that it is cheaper than on-premise installations. This may be true for small deployments, but for larger firms it can often end up being cheaper to ditch the cloud. **There is generally little or no price advantage for organizations who already have internal IT and hardware capable of running an application.**

**Critical business data at risk.** A big concern that companies have with the cloud is the overall security of their data. Putting information into services that are accessible over the public Internet means that criminals have a potential gold mine of targets.

**Automatic updates enforce change, whether you're ready or not.** The cloud does all the updating for you, but what if you don't want that upgrade? Imagine getting to work and find that an upgrade has taken place overnight and a key feature that you relied on has been removed, or the dashboard has had a major design overhaul that will take users ages to fathom, or a function has been added that will give you security nightmares. While managing your own software and systems upgrades can take more time, it does at least give you the control to decide how and when it is implemented, so allowing you to prepare for the changes.

**Reliance on third parties to run your IT.** There may be cost savings by reducing IT staff, but this will also mean that you won't have easy and quick access to people on the ground if things go wrong.

**Lack of Internet access leaves data out of reach.** If your network goes offline, for example, staff can be left twiddling their thumbs, unable to log in to key services or read important files. Or, if they're on the move and want to access data on the go – often touted by cloud vendors as the easiest thing in the world – a lack of connection can render this benefit redundant.

**Cloud vendor outages leave you high and dry.** One the flip side, even if you do have Internet access, if the vendor has an outage, you're still left high and dry.

**Forever tied into the cloud.** Many firms have embraced this philosophy and have offloaded their own kit and staff. But once a firm has gone down this route, it's very costly to turn your back on the cloud and bring systems back in-house again. So for those who try out the cloud and get put off by the associated drawbacks, perhaps around data privacy or lack of control, you could end up in a situation where the potential cloud cost savings are eaten up by the need to reinvest in IT equipment and recruitment.

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## To cloud or not to cloud

As you can see, there are some real concerns with the cloud, specifically in regards to business data put at risk. What it really boils down to is whom you trust with your business data? When you store data in the cloud, you're trusting a third party to keep it safe. And, because the purported safety of cloud computing isn't standardized, you may have a difficult time determining how well third-parties protect your data.

Here are some things to consider before choosing a training solution in the cloud:

- How sensitive is your data? Companies that must meet stringent compliance regulations may well need their own IT department to keep data secure.
- Does your training solution offer the choice between on-premise and the cloud? Do they offer the capacity to make changes in the future?
- How much control over your data are you comfortable giving up to a third party? Only on-premise solutions can truly offer 100 percent control.
- Do you want cost savings in the short term or long term?
- Do you need customization, security of stored data or third-party extensions integration? These benefits are specific to on premise training solutions.

*A good rule of thumb is to match your LMS strategy to your current IT (technology) strategy in order to gain the most benefits and savings.*

— Keth Crotty, ShareKnowledge

# Training in the Cloud: Is it right for me?

For those organizations that consider the risks of the cloud to outweigh the benefits, there is a solution that will offer a way to be completely secure by augmenting and leveraging your current infrastructure and environment.

The answer lies in leveraging your SharePoint environment and expanding its capabilities for training. A big detractor of an on-premise LMS is the resources needed to implement and maintain it. A SharePoint-based LMS is able to take advantage of your active directory policies and standards, established authentication and security processes and can integrate with most systems including HRIS, CRM, ERP and others.

According to an article in Learning Solutions Magazine, it's estimated that it takes on average between six months to a year to implement an LMS hosted on premises, or three to nine months for SaaS solutions. Depending on your particular situation and needs, SharePoint can often shorten this time-intensive implementation because it is already integrated with your IT infrastructure and other management systems.

Who wouldn't want to make the most of existing infrastructure, processes and know-how? Using a SharePoint-based training solution, like ShareKnowledge, results in lower overall costs in upfront acquisition, annual per-user license fees and expenses related to support, deployment and integration. In fact, some companies experience up to a 60 percent lower total cost of ownership than other systems on the market.

What is also unique about ShareKnowledge is that clients can deploy on premise, in the cloud or a blend of the two. ShareKnowledge understands that situations and needs change, so they offer the ultimate in flexibility and allow clients the ability to make changes in the future should the need arise.

## Conclusion

It seems that on any given day there's a news story about a security breach related to the cloud. As a result, companies are much more cautious with what they put on the cloud, including training. As a result, learning and development managers are finding cloud push back from IT departments, and for good reason.

Using an on-premise LMS doesn't have to deplete resources or cost more money if you leverage your existing software like SharePoint. ShareKnowledge is a SharePoint-based training solution that not only saves time and money but gives peace of mind that all your critical business information is safe and secure.

We hope you enjoyed this eBook and found the information we provided helpful. If you would like to learn more about ShareKnowledge, please click on the link at the bottom of this page.

