

These days, technology enables us to choose from a wide variety of installation types for accounting software. Which option is best for your business? It's hard to know the answer without understanding the difference between these three terms.

Cloud computing or "the cloud" refers to the practice of having software applications hosted at a secure location on the internet, rather than at your own facility. Having applications hosted on the cloud reduces the need to keep up and maintain applications and servers, saving the IT person considerable time and resources. Usually cloud computing is a broad term, referring to the larger scheme of software setup, rather than just one application. Pricing models for using software in the cloud can vary.



SAAS "Software as a Service" is the practice of using software that is accessible via the internet, so there is no software to install internally. The software resides on the provider's server, and you access it with your own sign-in name(s) and password(s). The upside of using SAAS is there is no need to perform updates or upgrades, or in fact perform any software maintenance, since this is all done by the provider. Pricing models for SAAS are typically monthly payments, and are typically lower than a flat-out software purchase.

In-house software is, just as it states, software you install on one of your own servers, which may then be networked to other computers at your company. Using in-house software typically offers the benefit of more control and often reduce costs. The use of in house software does offer more control; however an IT staff may be needed to do the setup and maintenance of the computers and software. Pricing for in-house (locally installed) programs can range and may include an upfront purchase price for a licensing fee, monthly payments, or other methods.

Really the decision whether to use SAAS, Cloud Computing and/or in-house software depends on how much control you need, your IT resources available, and your budget. Each business should carefully analyze their own situation to determine the best deployment method for their business, based on their own needs.

CenterPoint Accounting can be installed locally or used in the cloud. Sign up for a free, personalized demonstration of CenterPoint Accounting today!