

# Cloud is the next big leap in the evolution of accounting software

 By [Steven Cohen](#)

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Over the past 20 years, we've seen the business software market evolve at a rapid speed, moving from basic DOS-based solutions with text-based interfaces to rich and attractive graphical user interfaces. Now we're seeing the next shift in the market as businesses start to transition away from running software on their own standalone PCs or servers towards accessing it online as a cloud service.

Cloud computing is essentially all about the move away from buying a software suite that you install on your computer towards accessing the software you need over the internet and on a web browser, wherever you are. As a cloud user, your accounting data and applications are both reached through your browser - it makes business productivity as simple as using Facebook.

This trend - the shift towards computing in the cloud and software as a service - is revolutionising the way that SMEs and bigger businesses alike use and pay for their software. So what's behind the rise of the cloud as a deployment option for accounting software and other business solutions?



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## Maturing technology

Maturing technology is one major factor behind the growing adoption of the cloud. Though the idea of 'hosted' applications is nothing new, it's only now that the bandwidth is fast, cheap and reliable enough to deliver a stable, affordable and responsive user experience for applications that are hosted in a service provider's data center and accessed across the internet.

Not only has the fixed-line internet improved, but Wi-Fi and cellular connections have become pervasive. What's more, today's web browsers are also more suitable for accessing rich content online, allowing users to work on complex online applications and enjoy a smooth experience - all without needing to download any special software.

Devices such as smartphones and tablets are also playing a role in cloud adoption by giving people convenient and easy ways to access cloud services. With cloud technology having been widely adopted by consumers, the business world is following in its footsteps.

As a digital native generation comes into the workforce, it expects to use business IT resources online and on-demand in the same way as they use services such as Gmail and Dropbox. Today, even business tools such as accounting applications are expected to be mobile, easy to use and wrapped in an attractive interface.

## Faster, cheaper, better

Having established that the technology to support the cloud is mature, why should a small business consider buying online accounting or payroll software rather than sticking with buying software licenses and running them on their own computers? Simply put, cloud solutions enable SMEs to simplify their IT environments, save money, and achieve the flexibility to get more done, faster.

Though cost-savings - and the flexibility to pay for the software per user, per month - are often mentioned as key benefits of the cloud, there is far more to it than reducing costs. Implementing cloud-based solutions also help the business to

become more agile, which enables employees to work anywhere they have an internet connection, and to access better quality systems than they could afford to pay for upfront.

## Keeping pace with a changing world

For those that are more comfortable with desktop, accounting software, 'connected services' provide a bridge from the old world of desktop software to the new world of mobile and cloud computing.

These services can allow SMEs to automate more of the drudge work involved in business accounting, for example, making it simple to make online payments to suppliers straight out of the software's interface. Another worthwhile feature is an automatic bank feeds function that automates the process of importing bank statements into the accounting system.

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