



FEATURE



SaaS and Small Business: Why SMBs Are Trending toward Web-Based Software Solutions

[By William Gast, CEO of Kyliptix Solutions, Inc.]

Recent studies published in *CRM* magazine indicate that more than 60% of small- and medium-sized companies report lower expense rates and increases in productivity as the compelling factors for adopting Software as a Service (SaaS), supporting the widespread belief that more and more SMBs are trending toward web-based software solutions. The biggest advantage to SaaS is that it allows those companies with under 100 employees to eliminate their full-time IT resources, which are at best very costly, and at worst, inadequate.

Owners of today's small- and mid-sized businesses are focusing on the fundamental aspects of enhanced collaboration between groups, establishing a centralized customer database, and providing global accessibility and data protection — all of which, increasingly, can be accomplished through cost-effective, web-based SaaS products.

Web-Based SaaS Is a Simple, Simple Solution for SMBs

Newly emerging single-platform technologies are replacing the 10-12 separate applications that many companies are using to run both front-end and back-office processes, including human resources, sales, invoicing, document management, email, and more. That's because Software as a Service offers business owners a myriad of benefits.

First, it can save organizations money. Oftentimes, it is far less expensive to implement a SaaS application than traditional software, due to lower IT costs, scalability, and the opportunity for businesses to pay as they go. Scalability is a must-have for many businesses that can't afford to continue paying fees for employees

who are no longer with them, or when turnover is high. Plus, scalable services support rapid growth.

SaaS also saves time and energy, and increases productivity. Users are not generally encumbered by the typical implementation tasks associated with traditional licensed software, such as training and transfer. The software is already immediately available — ensuring that ramp-up time is brief. Businesses benefit not only from reallocation of resources but also of time, as employees will spend less time installing upgrades and patches or maintaining aging equipment. That gives them more time to focus on core business-building activities, such as sales.

Additionally, SaaS is constantly improving. Typically, if businesses were using traditional software, their employees would have to wait for the next version to benefit from upgrades and innovations. Cost and availability are factors. But SaaS users have instant access to new and improved features — not to mention the security benefits. SaaS allows businesses to house information off-site, protecting it from theft and disaster, in addition to providing virus protection, back-up,

encryption, regular vulnerability scans, and 24-hour facility security. No wonder *Network World* projects that 75% of U.S. businesses will deploy at least one SaaS application by 2010.



Software leaders have been planning for the eventuality that 30% of new business software deployments will be SaaS by 2012. This projection is based on IT spending increases within mid-market enterprises with two-to-19 employees. These are the companies that will benefit the most from web-based services modeled on the principles of Software as a Service which utilize leading-edge technologies like AJAX and LAMP.

About the Author

William Gast is the founder and CEO of Irvine, California-based Kyliptix Solutions,



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Inc., an emerging leader in comprehensive software solutions for small- to medium-sized businesses. The company delivers "simple, simple" web-based business software services modeled on the principle of Software as a Service which utilize leading-edge

technologies such as AJAX and LAMP. The multilingual, single-platform Kyliptix Business Suite (KiBS) is available throughout the United States and around the globe, and is designed to bridge the flow of information throughout an organization and eliminate the need for

multiple, costly external applications. For more information about how KiBS is providing greater consistency, improved efficiency, and reduced risk for SMBs everywhere, please visit www.Kyliptix.com.

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