



The Impact of Cloud Computing on Financial Services

**A Progress Report by
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Definitions of Cloud Computing



Sell-side

- **Cloud computing allows you access to your business software from anywhere that you can get an internet connection - it is a secure and fast hosted services system which is normally on-demand.**

Buy-side

- **The mechanism / process by which an entity can use remotely accessed applications on multiple outsourced servers, thereby allowing the entity to retain its data while not requiring ownership and maintenance of the application. Other definitions include SaaS ["Software as a Service"].**
- **The ability to execute an application on a non-specific, virtual machine, that could be allocated additional resources (more disk or RAM) by simply reallocating resources instead of installing hardware. The environment could exist anywhere (least cost data centre), be accessible from anywhere (may be limited to internet connectivity), with virtually limitless resources.**

Exchange

- **A virtual junction box that routes data to the most appropriate & efficient application.**



Definitions of Cloud Computing



Retail and Commercial Banks

- It's equivalent to the internet, i.e. you store your data, etc. somewhere virtually, but with appropriate security, etc – a good example is GMAIL.
- From a banking perspective, cloud computing is overdraft protection for IT.
- To qualify as CLOUD computing, it MUST be:
 - SERVICE based (ready to run, straight away).
 - SHARED, so that users can use a wider pool of resources for realising economies of scale.
 - SCALEABLE so that users can scale up and down as demand moves (economically flexible by nature)
 - MEASURABLE, in units that it can be easily billed for.
 - INTERNET-based.
- Where systems/apps/data are located with an external provider, who maintains the hosting environment and we access through the Internet.
- Networks or databases that are outside our control and management.
- Hosted services on a demand basis which will integrate securely to internally hosted services ... delivered to the user over a browser, enabling thin client technology on the desktop with a centralised store of all data.
- I have never encountered the term before.



Definitions of Cloud Computing



Technology Firms

- **Cloud computing is a natural progression of the "software as a service" model. In Cloud computing business applications are hosted on an environment on the internet and that is where the data is stored too.**
- **Shared computer processing capacity – therefore, it is not the same as SaaS.**
- **Any service that can be hosted in the cloud where you charge on a pay per use model and do not have to invest in your own infrastructure**
- **IT as a utility (think: electric, gas, water utilities) where infrastructure, platforms and or software resources are accessed via the internet and "used" but not owned by the user.**
- **'Pay as you go' computing services.**
- **The ability to leverage the economies of scale provided by large infrastructure providers to host applications and services globally at a lower cost whilst increasing the resilience possible in-house**
- **Sharing under-utilised resources.**
- **A new name for Bureaux (for those of us old enough to remember them)!**



Which of these is most important when making a purchasing decision?

