

I.Diagnosis:

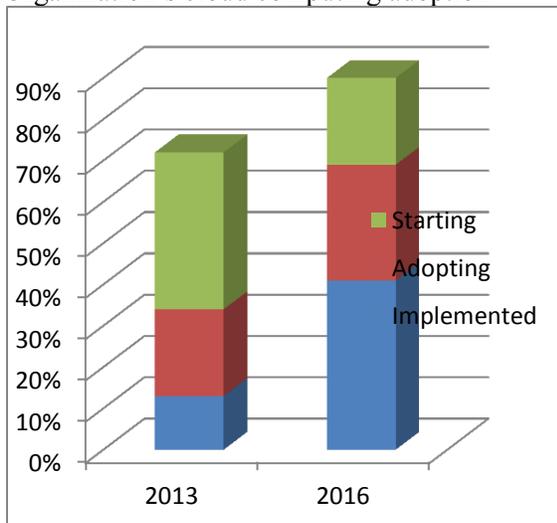
Suggestion 1: Cloud computing is sharing service space in one central location and this program will provide cost advantages and will increase collaboration with internal and external partners.²

Suggestion 2: Open source software is similar to commercial software that needs to be purchased.⁴ Adopting open source software will provide cost advantages, security, and customization available to fit the company's needs.

II. Alternatives:

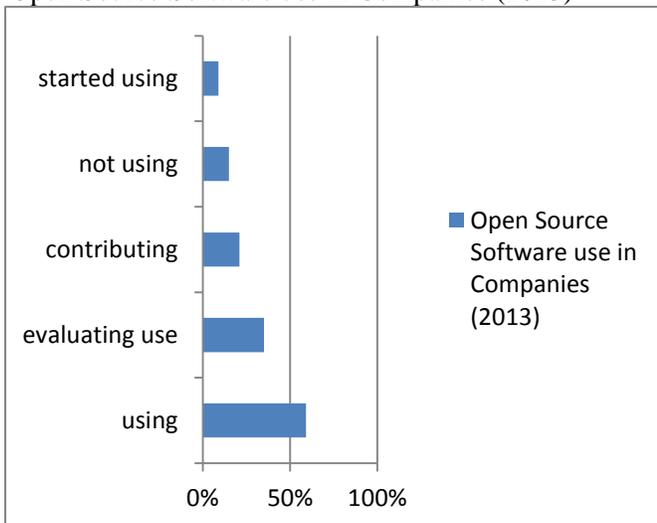
	Suggestion 1: Cloud Computing	Suggestion 2: Open source software
Pros	<ul style="list-style-type: none"> • Quick to adopt • Cheap to start with small business² • Large companies can turn their capital expense to an operating expense by using cloud computing² • Fast product development • Available to access with all the devices 	<ul style="list-style-type: none"> • Free to try, update, and buy³ • Easy to Manage³ • Improving continuously (public collaboration)³ • Able to control and customize³ • Free from vendor lock-in³
Cons	<ul style="list-style-type: none"> • Cost unpredictable (based on usage)² • Low security² • Low reliability-can go down and not available during the maintenance hours² • Only available with internet access² 	<ul style="list-style-type: none"> • Not entirely free(based on usage)³ • May need to hire an open source software expert to improve, customize, and get help with the product³ • No help and support available³

Organization's cloud computing adoption



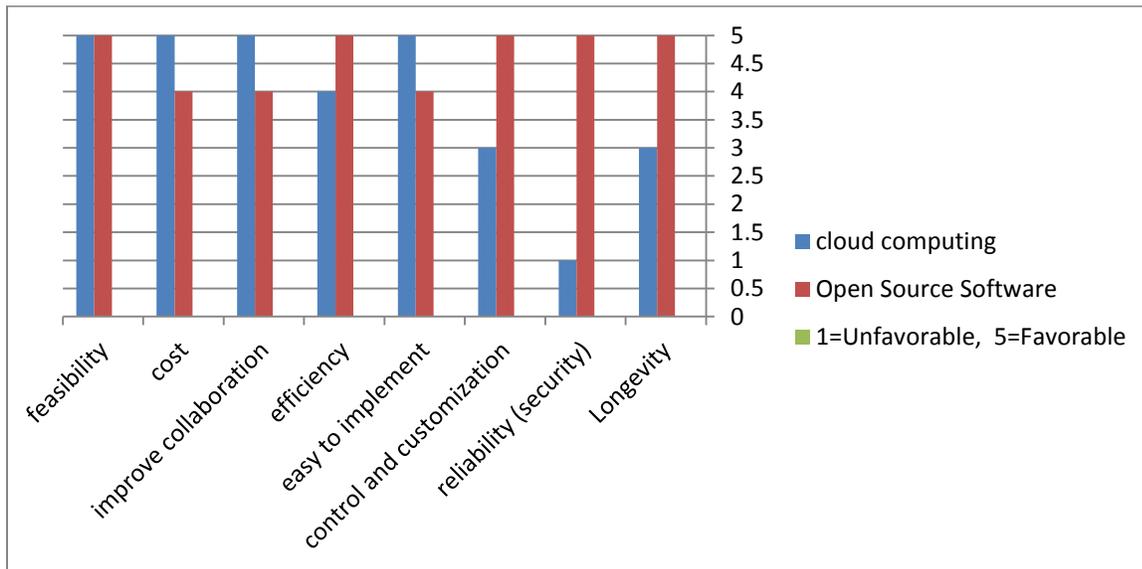
Many organizations are using cloud computing and the adoption is expected to increase in the future.¹

Open Source Software use in Companies (2013)



Many companies are using OSS already and the percentage of companies using OSS will grow in the future.⁵

III. Recommendation



This graph is the evaluation of two strategies with eight criteria to rate the most favorable as 5 and unfavorable as 1. I proudly recommend Strategy2: open source software because it is cost effective, reliable, feasible, increase collaboration, and easy to implement.

- Strategy 1 and Strategy 2 are both cost-effective compared to other vendor processed systems but by using Strategy 2, there are more pros compared to Strategy 1.
- IVK is a large company and require stable and secured system. Open Source Software is efficient and reliable (fewer bugs) than cloud computing and standard commercial developed software.⁵
- IVK needs a system that is easy to control and customize. Open source software is easy to control and customize than cloud computing. IVK can hire an open source software expert and get customized with their needs.³
- Even though open source software is free or low price, it is high quality software improved over the internet. Open source software is improving significantly because it is customized and edited by extremely large number of IT professionals around the world.⁵
- Its efficiency and longevity is high because there is no chance losing all the support, bug fixes, and future versions due to software going out of business.⁵

Reference

¹Berman, S. The power of cloud. (2012, Feb). IBM Global Services from <http://www.ibm.com/>

²Cloud Computing Pros and Cons. (2012, Apr 16). EpicLaunch from <http://epiclaunch.com/>

³McCafferty, D. Five Pros and Five Cons of Open Source Software. (2013, Jan 9). CIO INSIGHT from <http://www.cioinsight.com/>

⁴Skok, M. 2012 Future of Open Source-6th Annual Survey results. (2012, May 19). Slideshare Present Yourself from <http://www.slideshare.net/>

⁵Using Open Source in Business. (2013). Revolution Systems from <http://www.revsys.com/>